United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, SECOND SESSION

Vol. 142 WASHINGTON, TUESDAY, MARCH 12, 1996 *No. 33*

House of Representatives

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore [Mr. KOLBE].

DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
March 12, 1996.

I hereby designate the Honorable JIM KOLBE to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of May 12, 1995, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority and minority leader limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Guam [Mr. UNDERWOOD] for 5 minutes.

ADVANCING THE CAUSE OF POLITICAL STATUS RESOLUTION IN THE TERRITORIES

Mr. UNDERWOOD. Mr. Speaker, in the course of dealing with territorial issues and the resolution of political status for this country's colonial areas, the use of terms has been instructive. At times, the island I represent, Guam, has been referred to by Members of this body as a ''territory,'' ''colony,'' ''possession,'' or ''protectorate.'' In point of fact, Guam is an unincorporated territory of the United States.

The legal implications of this status are important because it helps us understand the reasons behind an effort to change the status. An unincorporated territory is little more than a colony with a legal title which disguises it. An unincorporated territory means that the territory is owned by the United States and that the Congress has plenary power over it. But it is not incorporated meaning that it is not truly an integral part of the United States.

Unincorporated means that the Constitution is not fully applicable to Guam. Unincorporated means that the territory is not on a path to statehood in the same way that incorporated territories have historically been. Unincorporated means that the Congress can make the most basic decisions about your political existence. And because we have no voting representation in the House or the Senate and because we cannot vote for President, the people of Guam have not truly given their consent to the Government which controls their lives. The most basic tenet of American democracy is that government comes from the consent of the governed. In the case of Guam and other territories, this is not the case. Consequently, the term ''colony'' is clearly applicable.

It is much to the credit of Congress that this plenary power, which so clearly offends the people of Guam and which should offend any principled American, has generally been used in positive ways; ways which promote the progressive development of the territories. However, there have been occasions when this authority has been used in ways which have been damaging to the territories and countless times when Congress has failed to consider the unique circumstances of the area.

In this context, the terms are important. Guam is not a protectorate which implies total internal sovereignty with some tradeoff agreement for protection. Guam is not a possession which seems a step below territory. Wake Island is a possession and has no government functioning there. It is managed by a Federal agency.

Guam is an unincorporated territory that is working to establish a new Commonwealth. The Guam Commonwealth Act, H.R. 1056, which I introduced early in the 104th, provides the framework for this new Commonwealth. Governor Gutierrez and the Guam Commission on Self-Determination have been negotiating with the Clinton administration to resolve areas of disagreement. I am encouraged by the commitment shown by the administration's special representative, Mr. John Garamendi, to complete these discussions, but I am mindful of the difficult issues that remain.

Territories as Commonwealths have existed in American history and today we have two—the Commonwealth of the Northern Mariana Islands and the Commonwealth of Puerto Rico. The term implies that there is an agreement to be a Commonwealth on both sides and that this is a step up from unincorporated territory. The legal foundations of this assumption are questionable and are highly dependent upon the specific nature of the agreement which created the Commonwealth.

I will spare no effort to work toward a Commonwealth agreement for Guam because it is a progressive step. But I recognize that it does not answer a fundamental decision about what Guam may be in the future. The Commonwealth is an intelligent response to what we can be in the present. Guam may be a State, may be an independent country, may be a nation in free association with the United States. That is a story waiting to be written and we must be mindful of our responsibility to reserve these possibilities for the people of Guam to decide.

Printed on recycled paper containing 100% post consumer waste

What happens to other territories is important to Guam because it may affect us in ways that are not readily apparent. I want Guam to be a Commonwealth. I want to help advance political status discourse on Guam and on other areas. I have consponsored H.R. 3024 for the resolution of the Puerto Rico political status issue.

I appreciate the problems of the approach outlined in this bill, but I hope to advance the discussion for Puerto Rico in a way that I wish others would also help to advance the discussion for Guam. And there is in this legislation a fundamental admission about the territorial policy of this country. That admission is that the political status issue is never fully resolved until a territory becomes a State or its sovereignty is recognized.

This legislation admits that the United States has colonies which are awaiting the final resolution of their status. The final resolution may be closer for some than for others, but we will all need to cross that bridge in the future. In the meantime, we can make the path to that bridge more beneficial for all concerned, whether we call that path unincorporated territory or Commonwealth.

REVERSE THE PROCESS OF SPENDING MORE AND GETTING LESS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. MICA] is recognized during morning business for 5 minutes.

Mr. MICA. Mr. Speaker, I want to refer to articles in today's newspapers, not only here in Washington, but also across the country, in which the President recently traveled to New Jersey. He has continued his campaign, both to scare the American people and seniors, and also those concerned about the environment.

I think it is important that we set the record straight. In fact, the President said, and let me quote, ''The GOP-controlled Congress is cutting Federal safeguards to cater to corporate interests. A small army of very powerful lobbyists literally have descended on Capitol Hill, as if they own the place.'' It makes good campaign rhetoric, but it just ''ain't'' the truth, Mr. Speaker.

The fact is that the people who represent cities and towns and States have descended on this new Congress. Let me quote the New York Times again, the New York Times of March 24, 1994: ''In January, 1994, mayors from 114 cities and 49 States urged the White House to focus on how environmental policy-making had gone awry.'' That is the true story. ''Mississippi and Vermont were among the first to appoint panels of citizens and scientists to examine our environmental policy. In published reports both State panels concluded that the largest sums of monies were being spent on the least threatening environmental problems.''

Mr. Speaker, let me tell the Members, the story goes on and on. Let me tell you what the mayor of Columbus said. This is his quote: ''What bothers me is that new rules coming out of Washington are taking money from decent programs and making me waste them on less important problems. It kills you as a city official to see this kind of money being spent for nothing.''

Let me tell the Members, Mr. Speaker, what this debate is all about. This debate is about command and control in Washington, DC. We would think there are a lot of Federal EPA officials working in the States and trying to improve the environment. Wrong. Let me show the figures of what we have done. First of all, there are nearly 7,850 Federal EPA employees. Of that, there are 5,924 in Washington, DC, within 50 miles of where I am speaking right now. There are almost 6,000, just under 6,000. In fact, a dozen years ago there were not that many in the entire EPA program. In Atlanta, in a regional office, one of 10 regional offices, there are 1,287 bureaucrats.

This whole debate is about this bureaucracy that we have built up. EPA was a Republican idea. The department creating an agency of environmental protection was a Republican idea in 1972, to set some national standards. We should do that. We can do that without this huge bureaucracy. These folks are not in our States. For example, there are only 67 EPA Federal employees in the State of Florida, out of this mass of Federal bureaucrats.

Then the President talked about Superfund. Let me tell you, there is no greater example of a failure of a government program than Superfund. It does not clean up the sites. There are thousands of sites. They have only cleaned up a handful. Over 80 percent of the money goes for attorney's fees and studies. Then what do they do? Does the polluter pay? Here is a headline: ''EPA lets polluters off the hook.''

Right now they let people off the hook. They do not pay under current law. That is what we think needs to be changed here. So Republicans have a better idea. We think that we are spending more and getting less, and we should reverse that process.

Then, are we cleaning up the riskiest sites to human health, safety, and our children? The fact is, no. I have here a GAO study of 1994. It is absolutely appalling that we are not cleaning up the sites that pose the most risk to human health, safety, and welfare. This report says, in fact, and let me quote: ''Although one of EPA's key policy objectives is to address the worst sites first, relative risk plays little role in the agency's determination of priorities.''

Do Members know what does determine their priorities? Political pressure. That is what this report says. So a program that was originally, according to this report, going to cost $1.6 billion has grown to $75 billion. It is not cleaning up the sites and it is letting polluters off the hook. We think that is wrong.

SUPPORT HIGHER EDUCATION

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Puerto Rico [Mr. ROMERO-BARCELÓ] is recognized during morning business for 5 minutes.

Mr. ROMERO-BARCELÓ. Mr. Speaker, the proposed 1996 spending package for education is unacceptable. Once again, the country's children and youth will be made to pay.

Under the current budget, education programs have been forced to operate at greatly reduced funding levels, to the detriment of students in school districts all across the country.

The appropriation bill provides for additional funds for certain programs but does so only on a contingency basis. And what is the contingency? Agreement to cut vital entitlement programs. In the name of balancing the budget, children are being pitted against each other. Now, we have seen everything.

Once again, college and college-bound students may lose an opportunity to pursue higher education.

How many talented, intelligent, young men and women will be deprived of the opportunity of a higher education?

Many students who are qualified and prepared to enter college, will simply not be able to go. Low- and middle-income families who have worked hard, saved their earnings for many years, will find it more difficult—if not impossible—to pursue higher education.

It is an uncontroverted fact that American voters strongly support Federal aid to college students. Americans believe that by providing financial aid for people who want to go to college, the Federal Government is investing in America's future.

Despite, this fact, the latest House version of the bill would cut $756 million for Pell Grants, eliminate funding for capital contributions for Perkins Loans, and eliminate funding for the Student Incentive Grant Program, which provides invaluable support to low-income college students.

Thousands of students in Puerto Rico and all over the country will be affected.

While Congress is slashing the education budget here in Washington, elsewhere legislators are recognizing the importance of supporting higher education, and regretting that they ever tried to balance their budgets at the expense of higher education. In Virginia, legislators reached an agreement on the Virginia budget this weekend in which higher education will get $400 million more over the next 2 years. The numbers in that budget tell that the No. 1 priority is education.

In Puerto Rico, as well, the State government is honoring its commitment to education. But Puerto Rico's

goals for education cannot be accomplished without Federal assistance in student loans.

I urge my colleagues in Congress to consider carefully the legislation before them and to consider the severe impact education cuts will have on working families and their ability to access higher education for themselves and their children.

Funding to vital education programs must be restored. Mr. Speaker, the only contingency we should be talking about when it comes to education, is that if we provide our schoolchildren with the tools they need and deserve, and support higher education, Americans will win.

PRESCRIPTION FOR A PROSPEROUS ECONOMY: LOWER THE TAX RATE, AND ELIMINATE CLINTON ELITISTS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. ROHRABACHER] is recognized during morning business for 5 minutes.

Mr. ROHRABACHER. Mr. Speaker, how many of us remember what was going on 4 years ago? Four years ago the American people were told that we were in the worst recession in 50 years. Remember that? The worst recession in 50 years. The news media did not challenge that claim by candidate Clinton, but soon after the election, we found out all the new statistics, economic statistics, that were coming out were exactly the opposite. We were not in the worst recession in 50 years. In fact, the economy was heading up in the last half of that year, of that last election year of 1992.

We are now being told, 4 years later, that things are great. The stock market is booming. Inflation remains low. Things are not that great, Mr. Speaker, The American people know that. They can sense that, no matter how many times the news media is trying to tell them otherwise.

The growth rate actually went down dramatically from the time President Clinton was inaugurated until this year. Now we are told things are really picking up. Things are not picking up. There is an illusion that things are getting better, but the American people know better. The first item on President Clinton's agenda when he was inaugurated was passing the largest tax increase in American history. Candidate Clinton had promised a middle-class tax cut. Today, 3 years later, the American people understand something is wrong. Something is wrong. They are paying more, but they cannot put their finger on it.

That is because every time they go to the gas pump they are paying 5 cents more than they would otherwise. That is because many of our seniors, who are the hardest hit by the Clinton tax cut, know that they are paying more money on their Social Security, more taxes on their Social Security benefits. Our seniors felt that tax increase, and a lot of the rest of us have felt the effects of that tax increase, but a lot of Clinton's rich pals, President Clinton's rich pals, did not feel that.

How many of us remember that some of the top contributors to President Clinton's campaign were tipped off by someone, no one knows who, that the tax increases that he would propose as President would be made retroactive? A few super rich contributors, like Mr. Eisner, who owns Disney Corporation, managed to basically do his selling and make his profits between the time President Clinton was elected and the time he was inaugurated. Apparently somebody had tipped him off that those tax increases would be retroactive. He saved himself a cool $100 million, but the average American today is paying higher and higher taxes.

We understand that the American people today, as compared to 1992, the average American family actually is earning in take-home pay, take-home pay, over $700 less than they did in 1992. No, Mr. and Mrs. America, you are not experiencing some kind of delusion. I know you have gone to the movie and you have seen ''The American President,'' this multimillion dollar movie that Hollywood made to glorify the presidency. You have heard the news media telling you over and over and over again that things are getting better. But no, you are not suffering some delusion in thinking that something is wrong, that something has gone wrong with your standard of living and that you are not living as well.

When the Government takes more money from the people in the form of taxation, it puts a clamp on economic growth and it takes decision making away from them, and freedom away from them, and prosperity away from the people. We cannot create something out of nothing. Many liberals believe over the years that if the Government does something, if the Government pays money or if the Government taxes them, this is coming out of thin air. The fact is Government revenue, Federal revenue, unless it results from higher productivity of the American worker, unless it results from actually more investments, unless it results not from higher tax rates, but from more productivity and more production of wealth in our society, means that the American people are worse off. Today every American family faces the choice of either having a lower standard of living or having two people in the family work.

What we have found far too often is that when we examine the statistics, what is happening is that one member of the American family is working full time, and the only thing that happens is that that person's money is paying their Federal taxes. If we are to be a free society, if our people are to be prosperous and to live as they are supposed to, we must lower the tax rate and we must eliminate the Clinton elitists that would like to take more and more money out of our pockets.

THE CONTINUING RESOLUTION MUST INCLUDE FUNDING FOR THE DISTRICT OF COLUMBIA

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from the District of Columbia [Ms. NORTON] is recognized during morning business for 5 minutes.

Ms. NORTON. Mr. Speaker, if the comic Letterman were to name the 10 most unlikely events this year, 1 of them might be that the Presidential primary in any part of the United States would be canceled for lack of funds. I am here to tell you that this morning's Post tells us that, and I am quoting, ''Cuts may mean no presidential primary in D.C.'' The lack, Mr. Speaker, is for money in the form of a payment due the District of Columbia, which the Congress is holding up, in the amount of $250 million or more. As a result, the District faces the possibility of a payless payday at the end of this month, and the end of its primary for May 7.

As Members may know, this money is being held up not because of matters germane to the District of Columbia, but because of a national fight over whether or not vouchers should be funded for private and religious schools. I am here to say this morning, Mr. Speaker, that if you want to debate vouchers, an important national issue, do it on your own time and on your own bill; do not take the Capitol of the United States down with you.

This body is fiddling while D.C. residents are burning. The body shut down the District of Columbia on one occasion. Now you want to cancel democracy in the Capital of the United States by not bringing forward the payment due the District in lieu of taxes? How low can we go? What will it take to wake us up?

Mr. Speaker, I hasten to add that though I am on the ballot in this primary, I do not mind if this primary is shuttled over, if my own primary is put over to another date, because I am unopposed, so I do not have anything personally to lose, although I must tell the Members that there are minor officials that are on this ballot that do have something to lose. Of course, the President is not opposed in his own party, either. But would not the shame of the country be to have a headline, and we know it would be one, to the effect ''Election in Nation's Capitol Canceled Because Congress Holds Up the Appropriation?'' Come, now.

The Washington Post this morning tells us that this is happening for good and sufficient reasons, lack of funds. ''Although he has accelerated layoffs, canceled the planned purchase of new polling places, eliminated mailings to voters, and reduced the temporary staff hired to run elections, Fremaux * * *,'' that is the head of the election board, ''* * * said he is still far short. The only place to turn,'' his letter said, ''is the elections themselves.''

This is an agency known as one of the most efficient in the District of Columbia. They have already made sizable cuts. They are going down to $369,000 in cuts. They have made $239,000 very rapidly. But the rest requires, obviously, local legislation and the following of personnel rules.

We are today, at 2:15, to have the fourth cloture vote on the D.C. appropriation in the Senate of the United States, the fourth. Each time there has been a cloture vote on whether to pass our appropriation, it has gotten fewer votes than it got the last time. Somebody is playing games, here. But the folks who are suffering are not represented by anybody in this body except me, so I have to come before this body to say that the CR that is due out Friday simply must contain the District of Columbia, or you will have to suffer the consequences. You will have to suffer the embarrassment. My constituents and I have already suffered the pain.

Congress is fond of saying that it is acting in the District with less democracy than other jurisdictions because ''It is the Capital of the United States, and it is our responsibility.'' When is the Congress going to perform like it recognized that it has a responsibility? The residents I represent are second per capita in taxes paid to the Federal Treasury, and yet have no voting representation in this body, and no representation whatsoever in the Senate. Put yourself in their position, when the money being held up is their money, not this body's money, money owed them for taxes.

If this is everybody's city, which is why the Congress says it exercises jurisdiction over it, then it is time for the Congress of the United States to act like it.

URGING SUPPORT FOR THE ROUKEMA HEALTH CARE REFORM LEGISLATION

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New Jersey [Mr. PALLONE] is recognized during morning business for 5 minutes.

Mr. PALLONE. Mr. Speaker, last week over 150 Democrats signed a letter of support for positive health care reform legislation sponsored by the Republican congresswoman, the gentlewoman from New Jersey, MARGE ROUKEMA. Her bill is similar to the Kennedy-Kassebaum legislation that has been introduced in the Senate, and has gained wide bipartisan support. In fact, Senator KASSEBAUM already has a commitment to bring up her bill in mid-April, and a number of health care organizations, providers, including the American Medical Association, have signed on and said that this is a good bill.

Essentially that we have now is bipartisan support, both Democrats and Republicans, both House and Senate Members, and the President of the United States, President Clinton, who said that if this bill comes to his desk he will sign it.

The Roukema bill essentially would ensure that Americans will no longer have their health coverage denied or limited because of so-called preexisting conditions The bill also helps people keep their health coverage if they get sick, lose their jobs, or change jobs. This is a bill that could pass the House of Representatives if the Republican leadership in this House would only let it come to the floor.

In fact, it is now my understanding that the House Republican leadership, under Speaker GINGRICH, is taking a different tack and plans on introducing health care legislation that includes controversial provisions to pander to various special interest groups. In other words, instead of letting the Roukema or Kennedy-Kassebaum bill come to the floor with everybody's support and have it signed by the President, they are now going to bring in another bill loaded with all kinds of special interests, special interest provisions; for example, increasing tax-free medical savings accounts, limiting malpractice awards, a number of things that are very controversial and that would prevent any kind of health insurance reform from passing this House and being signed into law.

I just wanted to mention one of the provisions that GINGRICH and the Republicans have talked about, and this is the Medical Savings Accounts, or MSA's. The Speaker tried to include MSA's when they are trying to cut Medicare last year, and now they are trying to insert this untested idea into the health care reform bill, which would provide a financial windfall for the Golden Rule Insurance Company, whose top executive has given Republican political committees excessive contributions in the past few years.

During the Medicare debate it was found that the MSA would cost Medicaid an additional $3 billion. How can the Republican leadership believe they can try to pass this in health care reform? It is not a reform; it is actually catering to special interests. In the end it means health care costs will increase for the average working family.

Serious health care reform was attempted 3 years ago and failed because Congress tried to overhaul the whole system with one piece of legislation. I would maintain that the lesson from that experience is Congress needs to take a step-by-step approach to decrease the number of uninsured Americans. I think that is what we would accomplish in a small, modest way with the Roukema bill.

Again, however, the Republican leadership does not really want health care reform. If they did, then they would not be loading up a bill that benefits the special interests over the uninsured. If they wanted health care reform, why did they bring up this illustrious Contract With America last year?

Essentially what we are seeing here is the same old Republican leadership games. There is bipartisan support for the Kennedy-Kassebaum Senate bill. One hundred and thirty respected business groups, insurance groups, and health care providers have endorsed it. The House version, sponsored by the gentlewoman from New Jersey [Mrs. ROUKEMA], a Republican, has bipartisan support and will reduce the number of uninsured by millions. It is a positive step that will help working families by increasing portability and eliminate preexisting conditions.

If the Republican leadership truly wanted health care reform, they should consider using the Roukema legislation as the vehicle for it. It is irresponsible to try to please all the special interests when Congress can be working together to reduce the number of uninsured Americans.

What I am simply saying, Mr. Speaker, is this: We know that the Roukema bill can pass and address the issue of preexisting conditions and portability. Let us bring it to the Committee on Commerce, let us bring it to the floor. Let us not load it up with all these other things that will make it impossible for it to pass. I think it is incumbent upon the Republican leadership to allow this bill to come out and be considered in a simple form, rather than this new grab-bag package that they are now proposing to introduce and bring before various congressional committees.

RECESS

The SPEAKER pro tempore. There being no further requests for morning business, pursuant to clause 12, rule I, the House will stand in recess until 2 p.m.

Accordingly (at 1 o'clock and 1 minute p.m.), the House stood up in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 p.m.

PRAYER

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

As the Sun rises to greet each day and gives light and warmth to every person, so may Your word of grace, O God, greet us each morning and guide us on our daily walk. We recognize that when we look only to ourselves and our own vision, we often falter and faint and we can lose our bearing and drift with the winds of time and the tides of the moment. Speak to us, O God, in the depths of our hearts, nurture our souls, enlighten our minds, and encourage us to use our hands in the works of justice and of peace. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentlewoman from New York [Mrs. KELLY] come forward and lead the House in the Pledge of Allegiance.

Mrs. KELLY led the Pledge of Allegiance as follows:

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

ANNOUNCEMENT OF AMENDMENT PROCESS FOR H.R. 2202, IMMIGRATION IN THE NATIONAL INTEREST ACT

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

Mr. GOSS. Mr. Speaker, last Friday, March 8, the chairman of the Rules Committee, the gentleman from New York [Mr. SOLOMON], sent out a ''Dear Colleague'' letter to all Members of the House, committee offices, and leadership offices providing notice of the amendment process to be used on H.R. 2202, the Immigration in the National Interest Act.

This announcement is intended to serve as a reminder of that process. The Rules Committee is planning to meet Thursday, March 14, at 10:30 a.m. to grant a rule on the immigration bill. This rule may include a provision limiting amendments to those specified in the rule.

Any Member who desires to offer an amendment should submit 55 copies and a brief explanation of the amendment by noon on Wednesday, March 13, to the Rules Committee at room H–312 in the Capitol.

Amendments to the portions of the bill in the jurisdiction of the Judiciary Committee should be drafted to the text of H.R. 2202 as reported by the Judiciary Committee.

Amendments to the portion of the bill in the Agriculture Committee jurisdiction, the guest worker program, should be drafted to the text of the Agriculture Committee reported amendment.

Both of these texts are in the Office of the Legislative Counsel.

Members should use the Office of Legislative Counsel to ensure that their amendments are properly drafted and should check with the Office of the Parliamentarian to be certain their amendments comply with the rules of the House.

ACTIONS SPEAK LOUDER THAN WORDS

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

Mrs. KELLY. Mr. Speaker, I'd like to share a few names with you and hopefully our President: Adam Kopald, Bridgit Mennite, Liesl Himmelberger, Amy Ziegler, Emily Nytko, and Kellie Ernzen.

These are just a few of the names that our President is planning to veto this Friday.

Those six young men and women are the top honor students at James O'Neill High School in Highland Falls, NY.

Their school district vitally depends on the Impact Aid Program. Last week this House stood up for these children and their school district by funding this program—despite the White House's attempts to zero it out.

If the President vetoes our measure, which adds an additional $3.3 billion for education and environmental programs, he vetoes the education of those six students. It's that simple.

The President can talk all he wants about children, but the fact will remain that he abandoned them—not this House.

Mr. Speaker, my mother used to tell me that actions speak louder than words. So, I urge the President to hear the please of these children, and help us save the Impact Aid Program.

TRIO OF TRADE EXPERTS RECOMMEND CONTINUATION OF MFN STATUS FOR CHINA

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

Mr. TRAFICANT. Mr. Speaker, China denies American products. China steals American videos and software. China tortures their own citizens, China imprisons their political opponents. China has slave labor camps. China has a 17-cent-an-hour labor wage. China still has slave labor camps. China sells nuclear technology and missiles to America's enemies, and China is now threatening to nuke Taiwan. After all this, American government trade experts say it is in the best interests of America to continue most-favored-nation trade status for China.

Unbelievable, Mr. Speaker, I say it has finally dawned on me. These American trade experts are actually Larry, Moe, and Curly, an they inhaled all the time.

Beam me up, Mr. Speaker. I yield back the balance of any jobs left over.

WHITE HOUSE REQUESTS ADDITIONAL $8 BILLION

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

Mr. JONES. Mr. Speaker, wages are down and taxes are up. The middle class is slowly being squeezed by liberal economic policies put in place by the Clinton administration. Now we hear that the White House has requested an additional $8 billion for corporate welfare and social engineering programs.

This is basically a Clinton reelection pork package. What really rattles me about this request is that the Clinton administration wants $10 million more for the National Endowment for the Arts. This is outrageous.

Mr. Speaker, the American people are tired of seeing their hard-earned tax dollars wasted on projects that go out of their way to offend traditional values. It is outrageous that Bill Clinton would ask for an additional $10 million for this program in order to please the extreme liberal wing of the Democratic Party.

CONGRESS SELLS OUT TO SPECIAL INTERESTS

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

Ms. DELAURO. Mr. Speaker, my Republican colleagues continue to confuse the onset of spring with the continuation of Halloween. They continue to masquerade as the friend of working Americans but are still the defenders of the special interests.

They unveiled their new health care reform plan. They are loading down a bipartisan straightforward health care reform bill with lots of special interest goodies.

Who benefits from these provisions? Is it the working families struggling to pay health care bills? No, that is not who. Their proposal would provide a financial windfall for the Golden Rule Insurance Co., providers of over $1 million in contributions to Republican political action committees.

This attempt to appease special interests is particularly disappointing because it wastes an opportunity to pass real bipartisan health care reform in this Congress. Sadly, when the gavel drops to open debate on this legislation, it will mark the start of yet another auction where this Congress sells out the public interest to the special interests.

THE BUSINESS OF GOVERNING

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

Mr. HAYWORTH. Mr. Speaker, the gentlewoman from New York State said it all when she quoted her mother: Actions speak louder than words.

Now unfortunately as the calendar gives way to spring and ultimately to November, our campaigner in chief seems to be willing yet again to shut down the Federal Government in a bald-faced political tactic. Mr. Speaker, he is trying to bully this Chamber into spending $8 billion in additional taxpayers' dollars in a cynical attempt to be reelected.

Mr. Speaker, the American people know full well that actions speak louder than words. Once again I reach out, Mr. Speaker, to our friends on the other side, ask them to join together and to help us govern, not to electioneer, not to have politics as usual but to get about the business of governing this great Nation.

REDUCED FUNDING FOR EDUCATION TO HAVE SEVERE IMPACT

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

Mr. PALLONE. Mr. Speaker, I just want to point out again that the cuts in education that are happening right now because of the reduced funding levels in these continuing resolutions that the Republican leadership continues to put forward in this House are having a severe impact on education in secondary schools, primary schools, as well as higher education around the country. We are talking, in this continuing resolution that passed last week, if it were to continue for the rest of this year, about a $3 billion cut in education programs.

What that means is higher property taxes in those school districts which decide to continue those programs, or simply the elimination of valuable educational programs that students take advantage of. Already I am hearing from my school boards and from educators in my district in New Jersey who are saying that if the level of cuts continue the rest of this year as they have since the beginning of October, the beginning of this fiscal year, the consequences are dire for education programs on every level. it is sad because, once again, I feel that education should be a priority of this Congress and should not be cut back.

TRAVELS OF THE ENERGY SECRETARY

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

Mr. COBLE. Mr. Speaker, Secretary O'Leary continues to call the shots at the Energy Department. Oh, no, she can't be fired despite the flagrant abuse of her privilege, not right, but privilege of travel.

The taxpayers, in my opinion, have been ripped off because of her excessive travel. Ms. O'Leary flies first class or she charters her own private plane and is accompanied by her ubiquitous entourage.

The time has come for President Clinton to show this woman the gate that leads to the road out of town. Even then she will likely demand a first-class ticket or a private charter and her entourage of 5 to 25 aides to preclude any heavy lifting on her part.

Oh, no, she's special, she can't be fired. Yet she will continue to enjoy the luxury of worldwide travel at the expense of the American taxpayers as well as her own employees.

Inexcusable, Mr. Speaker. Inexcusable.

THIRD GOVERNMENT SHUTDOWN IN OFFING

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

Mr. LINDER. Mr. Speaker, this morning's Washington Post had an article quoting the Senate minority leader as saying that we are 5 days from a third Government shutdown and the situation is every bit as precarious as it was several months ago.

What it did not go on to say was why we are close to a Government shutdown: Because the President wants to spend more money on his favorite projects. He wanted $8 billion. The House passed a bill providing $3.3 billion, but that did not include the $7 million more to foreign countries to teach students to measure rainfall; $10 million more for the controversial art projects funded by the National Endowment for the Arts.

There may be another Government shutdown, Mr. Speaker, but it will be entirely on the President's shoulders because he cannot get rid of his appetite for more spending projects.

COMPETING VIEWS ON GOVERNMENT

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

Mr. HEFLEY. Mr. Speaker, this coming November the American people will have a choice between two competing views of Government. One view holds that Government must be restrained and that we must be fiscally responsible.

The other view holds a kind of utopian vision of Government. This utopian view holds that Washington spending and Washington taxes and Washington regulations are the key to a successful America.

For instance President Clinton has requested that Congress appropriate $8 billion more in social spending and corporate welfare. The President who gave us the largest tax increase in American history now wants $8 billion for essentially a reelection pork package.

Mr. Speaker, the American people are tired of the lavishness of the Clinton administration. They are sick and tired of seeing their tax dollars going to fund liberal programs with these dollars. We must reject this request and put a stop to the arrogant tax-and-spend policies of the Clinton administration.

THREE STRIKES AND GOP IS OUT

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

Mr. MARKEY. Mr. Speaker, already twice the Government has been shut down, once in the fall, once in December, and now we are skidding up towards a third point where the Government could be shut down yet again.

The conditions that the Republicans are imposing, we must cut the EPA by 20 percent, we must cut the Department of interior by 10 percent, we must gut environmental laws or else they will not allow the Government to operate.

GOP used to stand for Grand Old Party. Now GOP stands for gang of polluters who will shut down the Government unless we gut environmental laws in this country. They say the definition of insanity is someone that keeps doing the same thing over and over again expecting a different result.

□ 1415

The Republicans think they can shut down the Federal Government for a third time and that the people of this country will not be upset. They will be. This time they are going to say, ''Three strikes and you're out.''

COMPTROLLER OF THE CURRENCY OVERSTEPPING HIS AUTHORITY AND CIRCUMVENTING STATE LAWS

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

Mr. WATTS of Oklahoma. Mr. Speaker, I rise today to bring to your attention the unlawful actions of an unelected official—an official who has taken it upon himself to dictate the laws governing the Nation's financial institutions, and proceeding so with no regard to State law or States' rights.

The Comptroller of the Currency, is overstepping his authority and circumventing State laws.

This overstepping of authority has become abundantly clear in my State of Oklahoma where the OCC has approved a national bank branch in a location that would be illegal under Oklahoma State law.

Laws governing intrastate branching have always been an authority granted exclusively to the States. The OCC must not be allowed to pick and choose which State laws national banks have to comply with.

They have become a rogue Federal agency and Congress must exercise its oversight authority. If we are to have a vibrant and healthy State banking system, we need to preserve State law.

I thank my colleague, Chairman LEACH of the House Banking Committee, for his recent comments on this issue. I appreciate his leadership and support for a dynamic and healthy dual banking system.

It is time that Congress take action to reign the Comptroller of the Currency and my hope that the banking Committee will hold hearings on the OCC's recent disregard for States rights and the dual banking system.

CORRECTIONS CALENDAR

The SPEAKER pro tempore (Mr. CAMP). This is the day for the call of the Corrections Calendar.

The Clerk will call the bill on the Corrections Calendar.

REPEAL MEDICARE AND MEDICAID COVERAGE DATA BANK

The Clerk called the bill (H.R. 2685) to repeal the Medicare and Medicaid coverage data bank.

The Clerk read the bill, as follows:

H.R. 2685

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPEAL OF MEDICARE AND MEDICAID COVERAGE DATA BANK.

(a) IN GENERAL.—Section 1144 of the Social Security Act (42 U.S.C. 1320b–14), as added by section 13581(a) of the Omnibus Budget Reconciliation Act of 1993 (in this section referred to as ''OBRA–93''), is repealed.

(b) CONFORMING AMENDMENTS.—

(1) MEDICARE.—Section 1862(b)(5) of such Act (42 U.S.C. 1395y(b)(5)), as amended by section 13581(b)(1) of OBRA–93, is amended—

(A) in subparagraph (B), by striking the dash and all that follows through the end and inserting ''subparagraph (A) for purposes of carrying out this subsection.'', and

(B) in subparagraph (C)(i), by striking ''subparagraph (B)(i)'' and inserting ''subparagraph (B)''.

(2) MEDICAID.—Section 1902(a)(25)(A)(i) of such Act (42 U.S.C. 1396a(a)(25)(A)(i)), as amended by section 13581(b)(2) of OBRA–93, is amended by striking ''including the use of'' and all that follows through ''any additional measures''.

(3) DATA MATCHES.—Section 552a(a)(8)(B) of title 5, United States Code, as amended by section 13581(c) of OBRA–93, is amended—

(A) by adding ''or'' at the end of clause (v),

(B) by striking ''or'' at the end of clause (vi), and

(C) by striking clause (vii).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. THOMAS] and the gentleman from California [Mr. STARK] will each be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. THOMAS].

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 2685, a bill I introduced to repeal the so-called Medicare and Medicaid coverage data bank. This particular bill was favorably reported by the Committee on Ways and Means last November by a unanimous voice vote.

Mr. Speaker, this bill is particularly well suited to be considered here under the corrections procedure as we are doing today. Under the Medicare secondary payer program a person's employer based insurance may be the primary payer in certain cases. In other cases, it may not be.

The 1993 budget reconciliation bill created a data bank to identify Medicare secondary payer cases. In principle, this was, I guess, at the time a good idea. However, its implementation was misguided and heavy-handed.

Under the 1993 law, employers were required to submit health insurance information on all their employees, not just those subject to the secondary payer provisions. Health and Human Services also said this was to begin in 1994.

Many employers voiced strong opposition to this cumbersome requirement, in large part because employers were required to report information which they did not routinely collect, and what started out as a good idea became, in part, a hunt for information which was not then currently asked for or even needed in the system.

In response to these objections, a fiscal year 1995 Labor, Health and Human Services appropriations bill directed that no funds be used for the implementation of the bank. In addition, the General Accounting Office issued a report in May 1994 which found that the data bank would create burdensome and unnecessary paperwork for both the Health Care Financing Administration and employers and would achieve little or no savings. As the witness from the GAO testified on February 23, 1995, ''The proposed data bank would create an avalanche of unnecessary paperwork for both HCFA and employers and will likely achieve little or no savings while costing millions.''

It is also believed that the data bank would cost the private sector as well as Government that money, that burden not being solely on one group or the other.

H.R. 2685 puts an entirely appropriate final nail in the coffin by repealing the underlying data bank law. The data bank notwithstanding, the idea of making sure that the Government paid only its fair share was a misplaced idea from the start.

I am pleased to be able to help send it to its final resting place here today. This is a relatively straightforward bill. It has very narrow scope of subject matter. There is, I believe, universal support for the repeal of this Medicare-Medicaid coverage data bank law, and I urge its swift adoption.

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

Mr. STARK. Mr. Speaker, I yield myself such time as I may consume.

I, too, support this legislation. It is a provision of 1993 which the House reluctantly accepted in conference as part of a package from the other body, and at the time, then-chairman of the Committee on Ways and Means predicted we would be back repealing it at some later point, and it is appropriate that we are doing so today.

In addition, the administration has been unable to implement the law, and the administration also supports the repeal as a necessary correction.

It is interesting that we are here today to talk about data banks, because the data bank is, Mr. Speaker, a record, just so that my colleagues understand; this is very arcane computer talk, and this gentleman from California is no expert, but I understand that a data bank is a record, a record not unlike this Congress under the Republican leadership which has passed no legislation. That is a data bank, and I am sure that it is one that the Republicans would like to repeal at some point so they do not have to run on the data bank that they have established in this Congress.

There are lots of data banks that perhaps are needed, and I hope that none of my colleagues will feel that doing away with this data bank, we should forego all data banks in the future.

Somebody a while ago mentioned nails in a coffin. Now, I would like to have a data bank on how many coffins will be nailed shut by the Republican Medicare plan, how many poor people would be denied.

PARLIAMENTARY INQUIRY

Mr. THOMAS. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from California yield for a parliamentary inquiry?

Mr. STARK. Certainly.

Mr. THOMAS. I fully understand the intent and purpose of the gentleman from California, and all of us, I think agree that we come here not to praise data banks but to bury this particular one, and I know he must, because of the rules of the House, walk a very fine line in talking about the subject matter in front of us. I would urge him that I would not want to continually ask this parliamentary inquiry.

But were the gentleman's statements referring to any data bank, including data banks collecting information about the record of this Congress, germane to the subject matter in front of us?

The SPEAKER pro tempore. The gentleman must maintain a nexus between the subject being debated and the bill.

Mr. THOMAS. My parliamentary inquiry is: Is mentioning the word ''data bank'' and then talking about what you want to put in any data bank you so conceive, is that an appropriate and parliamentary nexus?

The SPEAKER pro tempore. At this point the Chair will simply remind the Members that discussions should remain relevant to the bill under consideration.

Mr. THOMAS. I thank the Speaker, I thank the gentleman for yielding.

Mr. STARK. My pleasure. I will try and keep my nexus in focus. I am not sure I know what a nexus means, either. But I will do my best.

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

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

Mr. THOMAS. Perhaps we could have a data bank collecting nexus. Then we could examine them.

Mr. STARK. I thank the gentleman for his suggestion. In all seriousness, the collection of health data has been an important facet in the Medicare Program, which has been the perhaps leading social legislation since 1965, when Lyndon Johnson and a Democratic Congress and Senate enacted Medicare. And we have kept much in

the way of health data. We have talked about outcomes research, which is a data bank which will not, I believe, he repealed in this bill. That is good.

But we do need a data bank to see, as I mentioned, nails in coffins, we passed nursing home legislation some years back. We have records of data banks, if you will, of the number of——

PARLIAMENTARY INQUIRY

Mr. THOMAS. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. Does the gentleman yield for an inquiry?

Mr. STARK. I will be happy to yield.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. THOMAS. The gentleman has now moved from a data bank to records, and I believe the statement will show that he is now talking about records in the context of a data bank, if you will.

Does moving from a data bank, the specific subject matter of this bill, to records which are akin to a data bank suffice for the Speaker to continue to allow for this direction? Is that a sufficient nexus, in the Chair's opinion?

The SPEAKER pro tempore. The Chair is of the opinion that the gentleman has maintained a sufficient nexus or connection.

Mr. THOMAS. He is doing a good job.

Mr. STARK. I thank the gentleman. It is this data bank or collection of records that will tell us how well we have done with regulating nursing homes and the data bank will illustrate for us the number of lives that have been saved, the number of senior citizens that are no longer medicated into being zombies, the number of senior citizens in nursing homes in various States who are living in unhealthy conditions, and this data bank will illustrate for us what will happen if we were silly enough to pass the Republican Medicare plan.

PARLIAMENTARY INQUIRY

Mr. THOMAS. Mr. Speaker, I am constrained to ask a parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman yield for an inquiry?

Mr. STARK. I will be glad to yield one more time.

Mr. THOMAS. This gentleman is at a complete loss, having read the legislation in front of us, with no reference to nursing homes whatsoever, how a discussion of nursing homes and legislation or desired legislation surrounding nursing homes has any nexus whatsoever with the subject matter in front of us, and Mr. Speaker, I would like you to rule on the nexus of a discussion of nursing homes and data or records collected around the nexus of nursing homes and how that has a relationship to the legislation which we are supposed to be discussing on the floor.

Mr. PALLONE. Following up on that parliamentary inquiry——

The SPEAKER pro tempore. The gentleman is not recognized at this time. The Chair is prepared to respond.

Mr. PALLONE. Could I ask on that point if the gentleman from California [Mr. STARK] could yield to me?

The SPEAKER pro tempore. The Chair is prepared to respond.

The Chair is prepared to give the gentleman from California the opportunity to establish that connection between data banks covered by the bill and nursing homes.

Mr. THOMAS. The parliamentary inquiry was to the legislation in front of us, not to data banks in general and nursing homes, but to the Medicare-Medicaid data bank and nursing homes.

The SPEAKER pro tempore. The Chair is willing to allow the gentleman the opportunity to establish that connection.

The Chair recognizes the gentleman from California [Mr. STARK].

Mr. STARK. Mr. Speaker, will the Chair tell me how much time I have consumed in establishing my nexus?

The SPEAKER pro tempore. The gentleman has consumed 8½ minutes.

Mr. STARK. I thank the Chair.

The important issue is that if we were to even consider doing away with the data bank, we could not have the records to support the fact that we ought not to do away with nursing home regulations as the Republican Medicare bill would suggest.

☐ 1430

Mr. STARK. Now, there are other data banks. We keep data banks on the income of seniors who qualify under QMB. That is a poor senior with low income.

POINT OF ORDER

Mr. THOMAS. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore (Mr. CAMP). The gentleman will state his point of order.

Mr. THOMAS. QMB's, who are qualified Medicare-Medicaid beneficiaries, are seniors. We are dealing with legislation that deals with people who are employed by employers to collect data for purposes of determining primary and secondary payers, and I believe the gentleman's statements are not germane.

The SPEAKER pro tempore. The gentleman from California [Mr. STARK] must confine his remarks to the subject of the bill.

Mr. DOGGETT. Mr. Speaker, will the gentleman yield?

Mr. STARK. I yield to the gentleman from Texas.

Mr. DOGGETT. Mr. Speaker, I wanted to inquire whether any of the data bank information that would be affected by this legislation would relate to complaints of patient abuse in nursing homes, the kind of violation of Federal standards. I am referring to the standards that the Gingrichites propose to just eliminate entirely in their proposal last year and deny our seniors any kind of safety in nursing homes. Would that be affected by this legislation?

POINT OF ORDER

Mr. THOMAS. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. THOMAS. Mr. Speaker, is the question propounded by the gentleman from Texas germane to this legislation and therefore a question that should be answered?

Mr. DOGGETT. Mr. Speaker, I would like to be heard on the point of order.

The SPEAKER pro tempore. The gentleman will be heard.

Mr. DOGGETT. Mr. Speaker, surely it is permissible in the course of one of these debates, and I can understand the gentleman's desire not to get into this destruction to the health care of our seniors across the country by raising this issue, but surely it is appropriate under the rules of the House to make an inquiry of someone who is opposed to this legislation as to what the legislation affects. That is all I have asked, is whether or not the seniors in America are going to be affected by changing this data bank to seniors who would lose out if there are no standards to protect them in nursing homes.

Mr. THOMAS. Mr. Speaker, may I be heard on the point of order?

The SPEAKER pro tempore. The gentleman from California.

Mr. THOMAS. The gentleman from Texas is at a disadvantage. He arrived on the floor not hearing the gentleman from California's opening statement, in which the said he was not opposed to this legislation. There is no opposition to this legislation.

In addition, Mr. Speaker, I would be more than willing to engage in a discussion of the shortfall of the Medicare fund, which was not adequately reported by this administration in any form that allows us to understand it. But that is a debate that will take place at another place and another time.

The purpose of this debate under the rules is to discuss the matter in front of us, and all this gentleman from California is trying to do is to maintain decorum and order in the house and request that the Speaker enforce the Rules of the House so that we may have an orderly debate and not traverse the countryside in any and all directions by any individual who may have an honest and earnest attempt to discuss this issue or may be motivated by other reasons.

The SPEAKER pro tempore. The gentleman has made his point of order. The Chair is prepared to rule.

The question is relevant to the extent of coverage of the data bank under this bill, and the gentleman from Texas may inquire in order.

Mr. THOMAS. Mr. Speaker, continuing my point of order, it is for employees only. The question is about nonemployees. How can it be germane?

The SPEAKER pro tempore. The Chair will ask the gentlemen from Texas and California to proceed in order.

Mr. DOGGETT. Mr. Speaker, I appreciate the opportunity to ask a question as to what this legislation does, because whether you were here at the

very beginning of the debate or at the very end of the debate, whether the gentleman is opposed to or for this legislation, it should be proper, as the Speaker has ruled, for a Member of this House to be able to determine whether the legislation will have an adverse effect by changing this data bank on the seniors of America.

Now, does this legislation have any impact on all this proposed Gingrichite repeal for standards of health and safety in nursing homes across this country?

Mr. STARK. Mr. Speaker, reclaiming my time, in response to the question of the gentleman from Texas, this legislation will have no effect. The Gingrich-Thomas legislation will so destroy nursing home regulations that even if it did have an effect, it would not make any difference, because the nursing home regulations would be tossed out the window by the Republicans and it would be moot as to whether this does. But the legislation does not.

Mr. PALLONE. Mr. Speaker, will the gentleman yield?

Mr. STARK. I yield to the gentleman from New Jersey.

Mr. PALLONE. Mr. Speaker, I just wanted to make the point, I understand that the gentleman favors this bill in the sense that he thinks that the data bank at this point in this particular case perhaps does not make sense, but my concern is over the whole issue of data banks.

In other words, we know that the Republican leadership proposes to cut back on Medicare, to cut back on Medicaid. Some of the changes they are now advocating under the guise of health care insurance reform essentially are going to make some major changes for our health care system. For example, when you talk about Medicaid, the Medicaid proposal that the Republican leadership has put forward I believe, because it block grants money to the States, will have a lot of people simply not eligible for Medicaid and not having any kind of health care anymore.

So I am a little concerned that when we talk about eliminating data banks, we may need some of these data banks if some of these Republican proposals go forward, because I would like to know how many people are not going to be eligible for Medicaid anymore, how many medigap recipients will not be able to take advantage of it.

POINT OF ORDER

Mr. THOMAS. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. THOMAS. Mr. Speaker, the items that the gentleman is ticking off on his finger have no relationship to the information to be collected in this data bank, or any other data bank.

Mr. PALLONE. Mr. Speaker, I would like to be heard on the parliamentary inquiry.

Mr. Speaker, I am concerned that that in fact is not the case. The fact of the matter is when you talk about the data bank, which I understand for this specific purpose is linked to how many employees receive private health insurance as opposed to Medicare and what the impact of that is going to be, we have the same thing now with the proposal by Senator KASSEBAUM and Senator KENNEDY and the gentlewoman from New Jersey, Mrs. ROUKEMA, where we are trying to get passed on the House floor health care insurance reform that will eliminate preexisting conditions and that will allow for portability. The Republican leadership, from what I can see, will not allow it to come to the floor.

The SPEAKER pro tempore. The Chair will again rule that the gentleman from New Jersey's remarks must be confined to the bill at hand.

Mr. STARK. Mr. Speaker, could I inquire whether the time for these points of order come out of my time?

The SPEAKER pro tempore. The Chair would state that argument on points of order do not.

Mr. PALLONE. Mr. Speaker, if the gentleman will yield further, if I can just ask the gentleman from California, the way I understand this data bank, it was set up to gather information about whether or not someone who was employed privately and had private health insurance, how that would relate to Medicare coverage.

Mr. STARK. Mr. Speaker, reclaiming my time, the gentleman is quite correct in his presumption. That was the initial suggestion or intent created by the other body in establishing this legislation.

Mr. PALLONE. Mr. Speaker, I would ask the gentleman, is not that type of information possibly valuable in terms of this ongoing debate on the Kennedy-Kassebaum bill as to whether or not insurers are covering people whether or not they have preexisting conditions or whether or not they could carry their health insurance with them to another job?

Mr. STARK. Mr. Speaker, the gentleman is quite correct, because as the number of layoffs continue and as the Republicans continue to do nothing to provide health insurance for the unemployed or extended COBRA benefits, which cost no one anything, except the Republicans do not like it because it would be a Federal involvement, we do not have the data.

This data would not be useful to fulfill what I believe the gentleman has in mind, and that is how can we, as the Democrats would like, assure people who would pay for their benefits and be cut off by the Republican indifference, how can we insure that people could continue their health insurance even if they were willing to pay for it? Without the data, and I think it is important that we emphasize that this bill repealing this one limited data bank should in no way prejudice the establishment of a data bank as the number of people, for example, climb from some 37 million to now almost 45 million uninsured, you have not heard one mention of that out of the Republican presidential candidates or certainly from that side of the aisle in this house. They do not care about the uninsured in this country. they only care about the rich and the big insurance companies. That is who is getting protected.

This data bank that we are repealing would not be helpful in following our democratic precept of assurance that people have a fair chance to purchase insurance at a fair price.

Mr. PALLONE. Mr. Speaker, if the gentleman will yield further, that is the only point that I was trying to make, which is, and I think the gentleman from California said it well, that we may very well need data banks like this in order to ensure that more people are not taken off the rolls or be able to move from one job to another or denied health insurance because of preexisting conditions.

So that whatever happens here today under the corrections day calendar will not somehow get out into the general public as something that we will not need for other purposes, because we are determined as Democrats that we want to bring this Kennedy-Kassebaum bill to the floor and eliminate preexisting conditions as a reason for health coverage and also allow people to be able to carry their health insurance with them when they lose their job or go from one job to another.

Mr. DOGGETT. Mr. Speaker, if the gentleman will yield further, sharing the concern with the gentleman from New Jersey about those who lack health insurance, let me ask the gentleman about this particular bill, about this data bank which has been brought to the floor under an unusual procedure never used before by this Congress, that by the very nature of the procedure bringing it to the floor, we are as Members denied an opportunity to amend this bill to address some of these very real problems that relate to the health care and the lack of access to insurance that affect millions of working families across this country.

Mr. STARK. Mr. Speaker, reclaiming my time, if I may respond, the gentleman makes a very good point. These particular bills are brought to the floor under a euphemism referred to as ''correction day.'' Now, I think we need a correction week. As a matter of fact, for some folks we might need a correctional institution. The fact we are ignoring this piddling little data bank, which somebody had to fuss around to find to make into a bill to bring to the floor today, is not the important issue.

Data banks contain tremendous amounts of information. They contain information, for example, on quality in hospitals. A nonpartisan group of experts the other day, PROPAC, said that maintaining updates as low as the Republicans would do in their Medicare bill would have a severe impact on hospitals.

POINT OF ORDER

Mr. THOMAS. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state his point or order.

Mr. THOMAS. Mr. Speaker, I rise to this point of order with the understanding that apparently Members are no longer held to the rule of germaneness. The current dialog is nowhere near the intersection of nexus with the legislation, in this gentleman's opinion. I would ask a ruling of the Chair.

The SPEAKER pro tempore. The Chair would remind the Members that on November 14, 1995, the Chair sustained a similar point of order where a Member was unable to maintain a constant connection or nexus between the subject of the bill and his remarks on health care generally. The Chair would ask the Members to proceed with that in mind.

Mr. STARK. Mr. Speaker, I thank the chair for his admonition, and would request my colleagues to join with me in joining in the spirit of his request.

Mr. DOGGETT. Mr. Speaker, if the gentleman will yield further, in other words, this is a so-called corrections day bill, but it does not correct any of the real problems that affect the American families that are out there struggling to make ends meet.

Mr. STARK. Mr. Speaker, in the spirit, I happen to agree with the gentleman's statement, but I think that I cannot find the nexus for the gentleman of Texas's question.

Mr. DOGGETT. Mr. Speaker, if the gentleman will continue to yield, as far as the nexus, is there any nexus between this bill and any other bills that are pending there in the committee from whence this bill came that do deal with the very real problems of American families? Or is this just an isolated correction of some problem that is not really a problem?

Mr. STARK. Mr. Speaker, reclaiming my time, quite frankly, the committee that deals with this topic has not met, and it is responsible for Medicare, and it does nothing except worry and tell us that Medicare is going to go broke. It is in fact fiddling with this type of data bank, when the major data bank, which is the trust fund, is not being corrected. So there is a great deal of blame to justly be placed on the administration of the health committee under its current leadership.

☐ 1445

Mr. DOGGETT. Well, I thank the gentleman for trying to put some perspective on the little bit that is being done here and the whole lot that is not getting any correction at all.

Mr. STARK. The other issue of data banks, Mr. Speaker, is in the field of insurance regulation. This data bank was designed to find a correlation between private insurance that an employee might have and Medicare.

We have further need for a data bank that would deal with the question of selling insurance that is duplicative. This is a rule that we have had to protect seniors, and it is being eliminated by the Republican Medicare bill.

The sales rules are also being eliminated. Now, without keeping a data bank on the unscrupulous sales practices of health insurers who sell Medigap, and allowing these duplicative policies to reappear, we will have no way of knowing how much harm is being done to the seniors. We estimate that several billions of dollars were paid prior to our passing the bill which eliminated duplicative Medigap sales to seniors, but we have not kept that data bank, assuming that those rules would be affected.

Without any prejudice to the ability to reinstate a data bank, I think it is necessary to point out that these seniors will need protection from the unscrupulous insurance agency and this bill——

POINT OF ORDER

Mr. THOMAS. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore (Mr. CAMP). The gentleman will state it.

Mr. THOMAS. Mr. Speaker, this gentleman is constrained once again to request that the Speaker, in this gentleman's opinion, understand that the simple mention of a data bank does not make the discussion germane to the bill in front of us, to the extent that it would allow the gentleman from California [Mr. STARK], who quite rightly is pushing the envelope as he is trying to do, to discuss the sales of Medigap policies and potential unscrupulous salesmen who might sell these products.

If, in fact, the Chair rules that that is germane, then these rules have no meaning at all, in the opinion of the gentleman from California.

The SPEAKER pro tempore. Would the gentleman from California [Mr. STARK] like to respond to the point of order?

Mr. STARK. Mr. Speaker, I certainly would, only to suggest to the Chair that in whichever way the Chair sees fit to rule, the Chair certainly understands the issues and has been extremely fair, and I would have no quarrel with him in any event.

The SPEAKER pro tempore. The notion of data banks generally and the notion of data banks as contained in the bill are not necessarily the same issue. Again, the Chair would ask the gentleman from California [Mr. STARK] to confine his remarks to the legislation at hand.

Mr. STARK. The Speaker's admonition is well received.

Mr. Speaker, I would like to return to the issue of the data banks collected by employers. Part of the reasoning behind repealing this data bank was the feeling that it was overly intrusive; that the Federal Government requiring an employer to do something for the common good is something that the Republicans find antithetical, requiring employers to obey OSHA rules or good labor relations is somehow overburdening them.

Thusly, this data bank was considered as intrusive and something difficult for the employers to maintain.

By the same token, there has been a resistance to say a COBRA extension. I would submit, Mr. Speaker, that the issue of collecting this health data in the data banks in H.R. 2685 was probably three or four times more expensive than keeping data for COBRA extensions for workers who have been laid off or disabled.

It is difficult for this gentleman to be enthusiastic about moving limited amounts of restrictions on employers when, as under COBRA, we have over 30 million Americans who have had their health insurance extended because we did that, and we have perhaps as many as 4 million, as we speak today, who have their health insurance under COBRA because we required those employers to maintain a small data bank.

Now, it escapes reason, or it does to this gentleman, why the Republicans should oppose extending COBRA. it costs no one anything. No Federal cost; no cost to the employer; no cost to the insurance company. It has been offered at 110 percent of the previous premium instead of the 102, and the data bank collection for that is so much simpler.

I do not want to see this correction take on a life of its own and be considered as a policy to remove any responsibility from employers when they are required by minor Federal regulations to do something that is in the public interest, something that would be for the good of all people.

Now, with these layoffs that are coming left and right, American Telephone laying off 40,000 people or whatever, and I am not about to suggest that the Republicans are responsible for that. I imagine the CEO's are Republicans but I do not blame that on the party.

But what I am suggesting is that underlying this bill, the unsung agenda is that there is something wrong with the Federal Government requiring an employer, or anybody, to do the right thing. That is wrong, Mr. Speaker.

The Federal Government, for example, provides Social Security. It has provided, happily, Medicare, and we do require some businesses or employers to keep records for that to make sure they are not stealing from us. That is a data bank. Under no circumstances would I like to have this bill considered as a precursor for removing other restrictions on collecting data.

For example, we are finally starting, this was a bipartisan bill when we used to have bipartisan Medicare bills, to collect outcomes research, a data bank. We are requiring hospitals, even profit hospitals, and physicians to begin to build a data bank about how health policy or health procedures work after 5 or 10 years. That is a vital part of health research, and in no way should that get mixed up with this kind of a data bank, which was not well conceived in the beginning. We have data banks that are useful.

There are other areas that, if I just might mention, as I suggested, the

Medigap rules, the question of block granting seniors without knowing if we do not have data banks, and somebody says, gee, this is intrusive, we may miss a chance to protect those seniors and those poorer citizens who do not have the option of being covered under major policies by their employers.

What I am suggesting is that this correction is worthy of taking care of. I am not sure it is worthy of spending as much money as we have assumed here today in printing costs. But I do think that it is a potential danger, that we ought not to let it set a standard that says just because we are asking private citizens or private businesses to collect information, do we feel that that is not something that could be useful.

Mr. DOGGETT. Mr. Speaker, will the gentleman yield?

Mr. STARK. I yield to the gentleman from Texas.

Mr. DOGGETT. Mr. Speaker, I have just received a copy of the House Republican National Strategic Plan for 1996, and I am wondering if the gentleman has an opinion as to how this piece of legislation, which I believe is the first piece of legislation dealing specifically with any aspect of Medicare, might fit into that plan, which I will tell the gentleman specifically calls and says, and I quote, not you and me of course, but the Republicans ''will pursue a targeted inoculation strategy on Medicare.'' Does this bill have relevance to that targeted inoculation strategy on Medicare?

POINT OF ORDER

Mr. THOMAS. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. THOMAS. Mr. Speaker, the Speaker knows well my point of order. It is the subject matter and the content of the bill and the question propounded by the gentleman from Texas [Mr. DOGGETT], which has no relevance or germaneness, as we say in our rules, to the subject matter before us.

Mr. DOGGETT. Mr. Speaker, may I be heard on the point of order?

The SPEAKER pro tempore. The gentleman has propounded a point of order to the relevance of the matter at hand.

Mr. STARK. May I be heard on the point of order Mr. Speaker?

The SPEAKER pro tempore. The Chair will allow the gentleman from California [Mr. STARK] to respond.

Mr. STARK. Mr. Speaker, on the point of order, before you restate it, it is beyond the capacity of this gentleman to explain Republican strategy and whether or not it is germane. I would choose not to answer the question, because I am sure it is one of those mysteries of the universe that deny intelligent response.

However, inoculation is germane to this because many of these employers kept records or were to keep records of who was paying for the inoculations in the Republican Medicare plan, so many people will be denied inoculations. It is, in fact, very important that we point out that the inoculations they are talking about are not the same inoculations that little children are not going to get when the Medicaid cuts come down from the Republicans.

The SPEAKER pro tempore. In response to the point of order, the Chair cannot respond to the rhetorical nature of the question stated by the gentleman from Texas [Mr. DOGGETT] by necessarily ruling it irrelevant.

Mr. STARK. Mr. Speaker, I reserve the balance of my time.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Texas, apparently within the rules, propounded a question about the fact that this bill is being brought up under a procedure that we did not have in previous Congresses. Apparently it is clearly within the scope of germaneness, as ruled by the Speaker, for me to indicate that there are a lot of things that we are doing in this Congress that we did not do in previous Congresses.

For example we are auditing the books in this Congress. That was not done in previous Congresses. We have placed Members of Congress under the laws that apply to everyone else. That was not done in previous Congresses, and so there are a lot of things that we are doing in this Congress that were not done in previous Congresses.

Mr. Speaker, I do want to say that the gentlewoman from Florida [Mrs. FOWLER] has been very interested in this subject matter, and were it not for the primary in her State and district, the gentlewoman would be with us today.

Mr. Speaker, I yield 4 minutes to the gentleman from Indiana [Mr. MCINTOSH], someone who has had an interest in this for a long time.

Mr. MCINTOSH. Mr. Speaker, I am pleased to rise in support of the bill of the gentleman from California [Mr. THOMAS] to repeal the Medicare-Medicaid data bank requirement. As cochairman of the Speaker's Advisory Committee on Corrections, I want to commend the gentleman and his committee for their work on this very good corrections bill.

Before I describe the bill and the reason the Corrections Committee supports it, let me pause for a moment and say the real issues here is one of jobs. Jobs, jobs, jobs.

The reason is that what we are doing is getting rid of an obsolete, unnecessary paperwork requirement that makes it more expensive for businesses, particularly small businesses, to create new jobs. It is the Republican hope, along with many Democrats who have supported this bill, that we will be able to help small businesses create jobs by passing this bill, eliminating unnecessary redtape and paperwork.

Now, this bill does just what a corrections bill should do. It eliminates a government-imposed paperwork burden that is not achieving any conceivable intended result.

The Medicare-Medicaid data bank was established in 1993 with good intentions, to compile data on secondary insurers for Medicare subscribers, to help identify those cases in which an employer-based insurance company should be the primary insurance provider rather than Medicaid. That is to say, if somebody needs additional coverage from the Medicare coverage they are receiving, should the government pay for it through Medicaid or should the employer pay for it through their primary insurance coverage for their employees?

□ 1500

Potentially this could have saved the government a great deal of money by identifying those cases where the government, under the Medicaid Program, would not need to pay for that secondary insurance. Unfortunately it has not, and will not, work. The Government Accounting Office has testified regarding this data bank that, and I will quote from their statement:

> Enormous administrative burden the data bank would place on the Health Care Financing Administration, known as HCFA here in Washington, and the Nation's employers likely would do little or nothing to enhance the current efforts to identify those beneficiaries who have other health insurance coverage, * * *

That is to say the health care Medicare-Medicaid data bank has not been able to do what it was supposed to do, which is streamline the process and make it less costly for the government.

There are several reasons to be against this program and the need for this bill. The first is it is a burden on the government itself. The Health Care Finance Administration has itself stated that the costs involved in collecting the information will outweigh the costs that may be recovered by the data bank. That is to say it frankly does not save the government any money whatsoever.

Second, it is a burden on citizens, particularly small businesses that have limited resources. They are currently required to compile the names and Social Security numbers of all of their employees and their immediate family and report this not only to the IRS, but also the HCFA. Now gathering and reporting this information takes time and money, and many small companies, quite frankly, just do not have it in their budgets to be able to do that. It is more redtape and does very little good.

And the third reason is that this system is a burden for the taxpayers. But at least Congress has had the wisdom, up until today, to make sure that we did not fund it. Given that wisdom, I think it is important that today we take the next step and repeal the requirement altogether.

Now the bill of the gentleman from California [Mr. THOMAS] will do away with the Medicare data bank, his bill will save employers across the Nation and the Federal Government time and money; as a corrections bill it is one of

the best that I have seen, and I want to commend the gentleman for his hard work and urge all of my colleagues to support H.R. 2685.

Mr. THOMAS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. HOUGHTON], a member of the House subcommittee of the Committee on Ways and Means.

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

Mr. HOUGHTON. Mr. Speaker, I am really at a loss of words because so much of what I wanted to say has already been stated. Maybe I can approach this from somebody who has been in business for a long time and understands what this Congress is trying to do is to extract the Government from onerous administrative tasks, which is hardly in keeping with what we are trying to do to relieve people and businesses to be able to create more jobs.

I have been around business a long time, and I know what data collection is; it is important. But when we take a look at this particular issue, clearly the data collected is highly expensive. The GAO has estimated that to create a data bank like this, it would be over $100 million. That is certainly not the intent of Congress, it is not something which is good for business, it is not something which is really good for the employees, and when we take a look at a variety of different businesses that have been contacted, they all agree that this is not necessary, that the administrative burden is onerous, it opens the door to tax retirees on values received, and so why report this?

As a matter of fact, I think we all agree with this. As a matter of fact, I do not think that there is any argument when we are talking about this issue, H.R. 2685. It is a good issue; we all agree it is a bipartisan approach. Where we get off the tracks is when we start getting political and we start messing around in this whole field of health reform.

We all are citizens of this country, we all want to do the right thing. It is not a Republican or a Democratic issue. It is something which we all ought to be concerned about. But today the narrow issue really is this data bank. I agree with the proposition, I think it makes a great deal of sense, it will reduce enormous administrative overburden, and it will save the Federal Government and the taxpayers of this country over $100 million.

Therefore, I support with the greatest strength I can H.R. 2685. We are not talking about health insurance reform, we are not talking about nexuses, we are not talking about inoculations, we are not talking about strategic plans. We are talking about this particular data bank issue, and I think it is a good one, and I support the resolution.

Mr. THOMAS. Mr. Speaker, I reserve the balance of my time.

Mr. STARK. Mr. Speaker, I yield myself such time as I may consume.

The gentleman from New York touched on an issue which I think it important. It is true that we will save employers a piddly little amount of money by doing away with this data. What the employer has to do is keep track of an employee's insurance other than Medicare. But if my colleagues want to talk about a cost to employers and a data bank that will choke the horse of business, talk about the data bank that the Republicans are requiring business to keep if they pass these silly MSA's. Under a medical savings account a business would be required in a data bank to keep track of every medical expenditure, it would be required——

POINT OF ORDER

Mr. THOMAS. Mr. Speaker, I have a point of order.

The SPEAKER pro tempore (Mr. CAMP). The gentleman is recognized for a point of order.

Mr. THOMAS. Notwithstanding his elegant eloquence, I believe the gentleman from California [Mr. STARK] has once again strayed from the germaneness under the rules of the House.

Mr. STARK. If I may be heard? I am talking about data base requirements by an employer, an issue raised by the previous speaker, and I believe it is quite germane as it deals with the requirements that employers may be faced with in keeping medical data banks as required by the Federal Government.

Mr. THOMAS. May I be heard on the point of order Mr. Speaker?

I thought the Speaker had already ruled that a discussion of data banks in general as a concept for collecting data is not necessarily germane to a specific data bank which is the subject of this bill.

The SPEAKER pro tempore. The gentleman is correct. The Chair will state again that on November 14, 1995, the Chair sustained a similar point of order where a Member was unable to maintain a constant nexus between the subject of the bill and the subject of health care generally. The Chair has at least three time today, and does again, sustain that point of order.

Mr. STARK. Mr. Speaker, I will confine my remarks to employers collecting data for a data bank that relates to Government insurance and private insurance, which I believe is specifically what the bill and I am suggesting; that while we are eliminating this, we are on the other hand creating an even bigger data bank, and perhaps we should prohibit data banks for things like MSA's which, by the way, exist without any new legislation.

MSA's are there today. It is, if we require the employer to keep track of who collects the money for an IRS exemption, he will then have to keep track of each specific payment to a doctor, and it has been estimated that it will cost the Government $4 billion to have these MSA's. Not only will it cost the employers, the gentleman from New York is concerned about more money, it is going to add $4 billion in costs.

So, as the Republicans have done, on the one hand they say let us save a nickel here, but let us spend a million dollars if it helps our rich friends in business, and this is a perfect example of, I think, being penny-wise and pound-foolish dealing, Mr. Speaker, with a data bank which is minuscule, which requires almost no record-keeping by business, while on the other hand ignoring those data banks that are being proposed to be imposed on business and private citizens, which increase the number of insured, increase the deficit and do no good to anyone.

This, unfortunately, is the litany and the inheritance of the Republican leadership as they have shown this——

Mr. HOUGHTON. Mr. Speaker, will the gentleman yield?

Mr. STARK. I yield to the gentleman from New York.

Mr. HOUGHTON. Mr. Speaker, I would just like to ask the gentleman, does he support or does he not support H.R. 2685?

Mr. STARK. I am relatively indifferent, but I can find nothing to oppose it. If it came to a vote, I would vote for it.

Mr. THOMAS. Mr. Speaker, I yield myself 10 minutes.

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

Mr. THOMAS. Mr. Speaker, I want to begin a discussion of the repeal of this data bank with an underscoring of a point that the gentleman from California made, and that is that this measure was insisted upon by the Senate. This is not a work product that originated in the House. It was contained in the budget legislation that was passed in 1993 under the majority.

I want to go back to a quote, Mr. Speaker, that I used at the beginning to frame the debate about the repeal of this proposed data bank. This data bank was never put into effect. It was proposed. We are now proposing to make sure it never goes into effect.

In testimony before the Committee on Ways and Means by Sarah Jagger on February 23, 1995, representing a GAO study, she said that this proposed data bank would create an avalanche of unnecessary paperwork for both the Health Care Financing Administration and employers, and will likely achieve little or no savings while costing millions. That statement was made in February of 1995.

The reason we have this legislation before us today is because the need to save not only employers, but the Health Care Financing Agency, money is even more critical today than it was at the time that we took the testimony, because when we took that testimony in February of 1995, we had a trustees' report, those individuals who are charged with the responsibility of overseeing the Medicare trust fund reporting to us that the Medicare trust fund was sound through the year 2002. What we have now discovered is that

based upon real data, not projections, but real data, it is no longer protected until 2002. This was what was described to us as the prospective state of the Medicare trust fund at the time this testimony was delivered, that notwithstanding the continual drop in the trust fund, the Chairman of the Board of Trustees, the Secretary of the Treasury, Mr. Rubin, signed a document saying that there is going to be a reversal of this trend, that the Medicare trust fund will have more money in it at the end of 1995 than it did in 1994. We were concerned about saving money in February of 1995, but this was the projection given to us by the Clinton appointees who are the trustees of the Medicare trust fund.

This is now March of 1996, and the projections, the, if you will, more rosy scenario, simply did not obtain, and the reason this bill is before us today to repeal the proposed data bank and save not just employers, but the Federal Government, millions of dollars is because this is actually what happened; not projected, actually what happened. We actually went minus in the trust fund account for this fiscal year. That is the first time this has occurred since 1972.

In 1972 the Democrats were in the majority. They promptly raised the payroll tax. That was a response they used nine times in response to a shortage of funds. Rather than rethinking, reconceptualizing, protecting, preserving, and strengthening Medicare they simply raised the payroll tax.

□ 1515

This is what they said was going to happen. This is what actually happened. So we have begun an examination of legislation that we could bring to the floor which would guarantee that there would be no more hemorrhaging in the Medicare Trust Fund than was absolutely necessary. That is the purpose and the substance of bringing this bill to the floor today.

Perhaps even more chilling was the testimony not of the Secretary of the Treasury in his function as the Chairman of the trustees, but the Secretary of Health and Human Services. Dr. Shalala indicated, and numbers have now been produced, that at the same time the trust fund was a minus $36 million at the end of fiscal year 1995, in the first 4 months of that year there was $3.8 billion surplus. That is, over a 12-month period, they went from a $3.8 billion surplus to a $36 million deficit. As I said, this is the first time it has happened since 1972.

So my inquiry would be, of course, if this is what we look like in the first 4 months of fiscal year 1995, what do we look like in the first 4 months of fiscal year 1996, the year we are currently in? The information that now has been reported, not projections, not rosy projections to make it look good, but actual figures for fiscal year 1996, the first 4 months, are at a plus $133 million. Remember, when the first 4 months were at $3.8 billion we wound up with a $36 million deficit, the first time since 1972 that we had a minus number. If we have only brought in $133 million in the first 4 months of fiscal year 1996, what is it going to look like in hemorrhaging red ink in the trust fund without making the kinds of changes we are contemplating?

A number of people have complained that repealing this proposed data bank certainly seems like small potatoes. It certainly is a first step. We have to make sure, first of all, that the Government does not do stupid things. This proposal that was passed by the former Democratic Congress in 1993 is now universally agreed to be a stupid thing.

What we need to do is sit down and talk about additional changes that need to be made in the system. Republicans have been more than willing to do that on a bipartisan basis. In sitting down with a number of very responsible Democrats, normally known as the self-named blue-dog Democrats, we have moved forward a proposal, which I am hopeful we will be able to announce, achieves a bipartisan majority in making sure that we preserve, protect, and strengthen Medicare.

But we ought to take every opportunity. We ought not to pass up any opportunity for making changes in the system that will guarantee that not only employers but the Federal Government does not waste money. This is one of those efforts. We chose corrections day to do it, because there was no known opposition at all. This would be an expedited way to deal with this particular question. I find it interesting that notwithstanding all of the discussion that occurred on the side of the minority, no one is in evidence who opposes this legislation.

Our goal is to work in a bipartisan way to produce legislation that will make positive change, will create a new Medicare which will preserve, protect, and strengthen seniors in a prospective fashion, once we have cleaned up the errors that are left over from previous Democratic control.

I would urge an ''aye'' vote on this particular measure in front of corrections day.

Mr. POMEROY. Mr. Speaker, I rise to offer my strong support for repeal of the Medicare and Medicaid coverage data bank. This provision of law imposed an unfair and unreasonable burden on the businesses of North Dakota, and I believe it must be eliminated.

The data bank program was created to help prevent Medicare and Medicaid from paying claims that are the responsibility of an employer-based private insurer. Despite this laudable goal of saving Government funds, there have been fundamental flaws with this planned program from the beginning. First, under the program employers would be required to report information to the Federal Government which they did not routinely collect. Second, employers would be forced to report data on 100 percent of their work force even though only a tiny percentage of workers would be individuals whose claims might have been eligible for payment by Medicare or Medicaid. This is a classic example of the treatment being worse than the disease.

As can be seen, the data bank program imposes a reporting burden on employers which is far out of proportion to the Government's need for information. Such unnecessary burdens are particularly harmful to the many small businesses which dominate the North Dakota economy. This program is precisely the sort of inefficient approach which North Dakotans are demanding be eliminated from the Federal Government.

The reports from North Dakota businesses as to the anticipated burdens of the data bank program were verified in a thorough study by the General Accounting Office [GAO]. In a report issued on May 6, 1994, the GAO concluded that the data bank would create burdensome and unnecessary paperwork for both employers and the Federal Government and would achieve little or no cost savings while costing millions of dollars in administrative expense.

Mr. Speaker, at a time when many businesses too often labor under the burden of complex and sometimes unnecessary Federal regulation, the Federal Government should not add to this regulatory burden without a concrete benefit clearly in sight. While the data bank program was well intentioned, it has proven unworkable. The anticipated benefit is overwhelmed by the cost of compliance, and, consequently, the program should be eliminated. Elimination is also warranted by the harmful effect this program would have on the availability of health insurance to North Dakota's working families. When increasing numbers of families are finding themselves without health insurance, the Federal Government must not make it more expensive and difficult for employers to provide this insurance for their workers. The substantial administrative expense associated with the data bank program would have had precisely this counterproductive effect.

I urge my colleagues to join me in voting for repeal of this well intentioned but utterly unworkable program.

Mrs. FOWLER. Mr. Speaker, the Medicare/Medicaid data bank was established by the Omnibus Budget Reconciliation Act of 1993 with the intent of yielding savings to the Medicare and Medicaid Programs. Like so many big-government answers, however, it turned out that the data bank was more of a problem than a solution—impractical, inconvenient, and expensive. Had the data bank been implemented by the Health Care Financing Administration, it would have increased the administrative and paperwork burden on businesses; discouraged employers from providing health coverage to their employees; and created a bureaucratic nightmare for HCFA.

Fortunately, the enforcement of the data bank reporting requirements has been delayed, and now we have a chance to repeal it once and for all.

At first glance, it appears that the data bank law asks employers to provide routine information that is readily available. In truth, however, the reporting requirements ask employers to collect data which they could have never imagined compiling, such as the names and Social Security numbers of their employees' spouses and children.

In May 1994, the Government Accounting Office issued a report showing that the data

bank would yield little or no savings to Medicare and Medicaid. Additionally, the Health Care Financing Administration has no interest in administering the data bank. In fact, the Clinton administration estimates that the data bank would cost $25 to 30 million to operate each year.

The data bank sets a new standard for bad laws: It is bad for business, bad for workers; and even bad for bureaucrats. And it wouldn't accomplish what it was intended to do.

I want to thank Chairman THOMAS for bringing this measure to the House floor. In the 103d Congress, I introduced H.R. 4095, which would have repealed the data bank, and I reintroduced the same bill at the beginning of the 104th Congress. Recently, repeal of the data bank was also included in the Medicare Preservation Act which the President vetoed.

There are many of us who have been very disappointed by the President's unwillingness to deal with Medicare reform in a responsible manner. His veto of the Medicare Preservation Act not only threatens the long-term viability of the Medicare Program, but also means that employers still have to worry that HCFA might enforce the reporting requirements of the data bank.

This bill eliminates that concern and I hope that my colleagues will join me in support of H.R. 2685

The SPEAKER pro tempore (Mr. CAMP). Pursuant to the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question as taken; and (three-fifths having voted in favor thereof) the bill was passed.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, March 8, 1996.

Hon. NEWT GINGRICH,
Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on Friday, March 8th at 10:40 a.m. and said to contain a message from the President whereby he notifies the Congress of the continuance beyond March 15, 1996, of the national emergency with respect to Iran.

With warm regards,

ROBIN H. CARLE,
Clerk.

CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104–184)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iran emergency declared on March 15, 1995, pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701–1706) is to continue in effect beyond March 15, 1996, to the *Federal Register* for publication. This emergency is separate from that declared on November 14, 1979, in connection with the Iranian hostage crisis and therefore requires separate renewal of emergency authorities.

The factors that led me to declare a national emergency with respect to Iran on March 15, 1995, have not been resolved. The actions and policies of the Government of Iran, including its support for international terrorism, efforts to undermine the Middle East peace process, and its acquisition of weapons of mass destruction and the means to deliver them, continue to threaten the national security, foreign policy, and economy of the United States. Accordingly, I have determined that it is necessary to maintain in force the broad authorities that are in place by virtue of the March 15, 1995, declaration of emergency.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 8, 1996.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, March 11, 1996.

Hon. NEWT GINGRICH,
Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on Monday, March 11th at 1:30 p.m. and said to contain a message from the President whereby he submits a 6-month periodic report on the national emergency with respect to Iran.

With warm regards,

ROBIN H. CARLE, *Clerk.*

REPORT ON NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104–185)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

I hereby report to the Congress on developments concerning the national emergency with respect to Iran that was declared in Executive Order No. 12957 of March 15, 1995, and matters relating to the measures in that order and in Executive Order No. 12959 of May 6, 1995. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c) (IEEPA), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa–9(c). This report discusses only matters concerning the national emergency with respect to Iran that was declared in Executive Order No. 12957 and matters relating to that Executive order and Executive Order No. 12959.

1. On March 15, 1995, I issued Executive Order No. 12957 (60 *Fed. Reg.* 14615, March 17, 1995) to declare a national emergency with respect to Iran pursuant to IEEPA, and to prohibit the financing, management, or supervision by U.S. persons of the development of Iranian petroleum resources. This action was in response to actions and policies of the Government of Iran, including support for international terrorism, efforts to undermine the Middle East peace process, and the acquisition of weapons of mass destruction and the means to deliver them. A copy of the order was provided to the Congress on March 15, 1995.

Following the imposition of these restrictions with regard to the development of Iranian petroleum resources, Iran continued to engage in activities that represent a threat to the peace and security of all nations, including Iran's continuing support for international terrorism, its support for acts that undermine the Middle East peace process, and its intensified efforts to acquire weapons of mass destruction. On May 6, 1995, I issued Executive Order No. 12959 to further respond to the Iranian threat to the national security, foreign policy, and economy of the United States.

Executive Order No. 12959 (60 *Fed. Reg.* 24757, May 9, 1995) (1) prohibits exportation from the United States to Iran or to the Government of Iran of goods, technology, or services; (2) prohibits the reexportation of certain U.S. goods and technology to Iran from third countries; (3) prohibits transactions such as brokering and other dealing by United States persons in goods and services of Iranian origin or

owned or controlled by the Government of Iran; (4) prohibits new investments by United States persons in Iran or in property owned or controlled by the Government of Iran; (5) prohibits U.S. companies and other United States persons from approving, facilitating, or financing performance by a foreign subsidiary or other entity owned or controlled by a United States person of reexport, investment, and certain trade transactions that a United States person is prohibited from performing; (6) continues the 1987 prohibition on the importation into the United States of goods and services of Iranian origin; (7) prohibits any transaction by any United States person or within the United States that evades or avoids or attempts to violate any prohibition of the order; and (8) allowed U.S. companies a 30-day period in which to perform trade transactions pursuant to contracts predating the Executive order.

In Executive Order No. 12959, I directed the Secretary of the Treasury to authorize through specific licensing certain transactions, including transactions by United States persons related to the Iran-United States Claims Tribunal in The Hague, established pursuant to the Algiers Accords, and related to other international obligations and United States Government functions, and transactions related to the export of agricultural commodities pursuant to preexisting contracts consistent with section 5712(c) of title 7, United States Code. I also directed the Secretary of the Treasury, in consultation with the Secretary of State, to consider authorizing United States persons through specific licensing to participate in market-based swaps of crude oil from the Caspian Sea area for Iranian crude oil in support of energy projects in Azerbaijan, Kazakhstan, and Turkmenistan.

Executive Order No. 12959 revoked sections 1 and 2 of Executive Order No. 12613 of October 29, 1987, and sections 1 and 2 of Executive Order No. 12957 of March 15, 1995, to the extent they are inconsistent with it. A copy of Executive Order No. 12959 was transmitted to the Speaker of the House of Representatives and President of the Senate by letters dated May 6, 1995.

2. There were no amendments to the Iranian Transactions Regulations, 31 CFR Part 560 (the ''ITR'') during the reporting period.

3. During the current 6-month period, the Department of the Treasury's Office of Foreign Assets Control (FAC) made numerous decisions with respect to applications for licenses to engage in transactions under the ITR, issuing 54 licensing determinations—both approvals and denials. The majority of denials were in response to requests to extend contract performance beyond the time specified by Executive Order No. 12959 and by FAC general license. Licenses were issued authorizing the continued operation of Iranian diplomatic accounts, powers of attorney, extensions of standby letters of credit, payments for trade transactions pursuant to contracts prior to May 6, 1995, and exportation of certain agricultural products contracted for prior to May 6, 1995. The FAC continues to review under section 560.528 requests for authorization to export and reexport goods, services, and technology to ensure the safety of civil aviation and safe operation of U.S.-origin commercial passenger aircraft in Iran. In light of statutory restrictions applicable to goods and technology involved in these cases, Treasury continues to consult and coordinate with the Departments of State and Commerce on these matters, consistent with section 4 of Executive Order No. 12959.

During the reporting period, FAC administered provisions on services related to maintaining Iranian bank accounts and identified and rejected Iran-related payments not authorized under the ITR. United States banks were notified that they could not process transactions on behalf of accounts held in the name of the Government of Iran or persons in Iran, with the exception of certain transactions related to interest accruals, customary service charges, the exportation of information or informational material, travel-related remittances, donations of articles to relieve human suffering, or lump sum closures of accounts by payment to their owners. United States banks continue to handle certain dollar payment transactions involving Iran between third-country banks that do not involve a direct credit or debit to Iranian accounts. Noncommercial family remittances involving Iran must be routed to or from non-U.S., non-Iranian offshore banks.

The FAC continues to coordinate closely with the Federal Reserve Board, the Federal Reserve Bank of New York, and the California banking authorities concerning the treatment of three Iranian bank agencies—Banks Sepah, Saderat, and Melli. Licenses have been issued to the Iranian bank agencies authorizing them to pay overhead expenses under the supervision of the California and New York banking departments while meeting obligations incurred prior to May 6, 1995. Authorization expired at the end of December, which had enabled them to make payments to U.S. exporters under letters of credit advised prior to June 6, 1995, where the underlying exports were completed in accordance with the Regulations or a specific license issued by FAC. The FAC also had permitted the agencies to offer discounted advance payments on deferred payment letters of credit under the same conditions.

4. The U.S. Customs Service has continued to effect numerous seizures of Iranian-origin merchandise, primarily carpets, for violation of the import prohibitions of the ITR. Various enforcement actions carried over from previous reporting periods are continuing and new reports of violations are being aggressively pursued.

5. The expenses incurred by the Federal Government in the 6-month period from September 15, 1995, through March 14, 1996, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iran are approximately $965,000 most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the U.S. Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel), the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of Near Eastern Affairs, the Bureau of Politico-Military Affairs, and the Office of the Legal Adviser), and the Department of Commerce (the Bureau of Export Administration and the General Counsel's Office).

6. The situation reviewed above continues to involve important diplomatic, financial, and legal interests of the United States and its nationals and presents an extraordinary and unusual threat to the national security, foreign policy, and economy of the United States. The declaration of the national emergency with respect to Iran contained in Executive Order No. 12957 and the comprehensive economic sanctions imposed by Executive Order No. 12959 underscore the United States Government's opposition to the actions and policies of the Government of Iran, particularly its support of international terrorism and its efforts to acquire weapons of mass destruction and the means to deliver them. The Iranian Transactions Regulations issued pursuant to Executive Orders No. 12957 and No. 12959 continue to advance important objectives in promoting the nonproliferation and antiterrorism policies of the United States. I shall exercise the powers at my disposal to deal with these problems and will report periodically to the Congress on significant developments.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 11, 1996.*

COMMUNICATION FROM THE HONORABLE JOHN EDWARD PORTER, MEMBER OF CONGRESS

The Chair laid before the House the following communication from the Honorable JOHN EDWARD PORTER, Member of Congress:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 1, 1996.

Hon. NEWT GINGRICH,
Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that a member of my staff has been served with a subpoena issued by the Circuit Court of Cook County, Illinois.

After consultation with the General Counsel, I have determined that compliance with

the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

JOHN EDWARD PORTER.

COMMUNICATION FROM THE HONORABLE ED BRYANT, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable ED BRYANT, Member of Congress:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 7, 1996.

Hon. NEWT GINGRICH,
Speaker, U.S. House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House of Representatives, that Woody Stickles, District Staff Assistant in my Clarksville, Tennessee office, has been served with a subpoena issued by the Montgomery County, Tennessee Circuit Court in the case of *Irvin* v. *Tennessee Management Co.*

After consultation with the Office of the General Counsel, I have determined that compliance with the subpoena is consistent with the precedents and privileges of the House.

Sincerely,

ED BRYANT.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules, but not before 5 p.m. today.

SECURITIES AND EXCHANGE COMMISSION AUTHORIZATION ACT OF 1996

Mr. OXLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2972) To authorize appropriations for the Securities and Exchange Commission, to reduce the fees collected under the Federal securities laws, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2972

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Securities and Exchange Commission Authorization Act of 1996''.

SEC. 2. PURPOSES.

The purposes of this Act are—

(1) to authorize appropriations for the Securities and Exchange Commission for fiscal year 1997; and

(2) to reduce over time the rates of fees charged under the Federal securities laws.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

Section 35 of the Securities Exchange Act of 1934 is amended to read as follows:

''SEC. 35. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out the functions, powers, and duties of the Commission $317,000,000 for fiscal year 1997.''.

SEC. 4. REGISTRATION FEES.

Section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)) is amended to read as follows:

''(b) REGISTRATION FEE.—

''(1) RECOVERY OF COST OF SERVICES.—The Commission shall, in accordance with this subsection, collect registration fees that are designed to recover the costs to the government of the securities registration process, and costs related to such process, including enforcement activities, policy and rulemaking activities, administration, legal services, and international regulatory activities.

''(2) FEE PAYMENT REQUIRED.—At the time of filing a registration statement, the applicant shall pay to the Commission a fee that shall be equal to the sum of the amounts (if any) determined under the rates established by paragraphs (3) and (4). The Commission shall publish in the Federal Register notices of the fee rates applicable under this section for each fiscal year. In no case shall the fee required by this subsection be less than $200, except that during fiscal year 2002 or any succeeding fiscal year such minimum fee shall be $182.

''(3) GENERAL REVENUE FEES.—The rate determined under this paragraph is a rate equal to $200 for each $1,000,000 of the maximum aggregate price at which such securities are proposed to be offered, except that during fiscal year 2002 and any succeeding fiscal year such rate is equal to $182 for each $1,000,000 of the maximum aggregate price at which such securities are proposed to be offered. Fees collected during any fiscal year pursuant to this paragraph shall be deposited and credited as general revenues of the Treasury.

''(4) OFFSETTING COLLECTION FEES.—

''(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), the rate determined under this paragraph is a rate equal to the following amount for each $1,000,000 of the maximum aggregate price at which such securities are proposed to be offered:

''(i) $103 during fiscal year 1997;

''(ii) $70 during fiscal year 1998;

''(iii) $38 during fiscal year 1999;

''(iv) $17 during fiscal year 2000; and

''(v) $0 during fiscal year 2001 or any succeeding fiscal year.

''(B) LIMITATION; DEPOSIT.—Except as provided in subparagraph (C), no amounts shall be collected pursuant to this paragraph (4) for any fiscal year except to the extent provided in advance in appropriations acts. Fees collected during any fiscal year pursuant to this paragraph shall be deposited and credited as offsetting collections in accordance with appropriations Acts.

''(C) LAPSE OF APPROPRIATIONS.—If on the first day of a fiscal year a regular appropriation to the Commission has not been enacted, the Commission shall continue to collect fees (as offsetting collections) under this paragraph at the rate in effect during the preceding fiscal year, until such a regular appropriation is enacted.''.

SEC. 5. TRANSACTION FEES.

(a) AMENDMENT.—Section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee) is amended to read as follows:

''SEC. 31. TRANSACTION FEES.

''(a) RECOVERY OF COST OF SERVICES.—The Commission shall, in accordance with this subsection, collect transaction fees that are designed to recover the costs to the Government of the supervision and regulation of securities markets and securities professionals, and costs related to such supervision and regulation, including enforcement activities, policy and rulemaking activities, administration, legal services, and international regulatory activities.

''(b) EXCHANGE-TRADED SECURITIES.—Every national securities exchange shall pay to the Commission a fee at a rate equal to $33 for each $1,000,000 of the aggregate dollar amount of sales of securities (other than bonds, debentures, and other evidences of indebtedness) transacted on such national securities exchange, except that for fiscal year 2002 or any succeeding fiscal year such rate shall be equal to $25 for each $1,000,000 of such aggregate dollar amount of sales. Fees collected pursuant to this subsection shall be deposited and collected as general revenue of the Treasury.

''(c) OFF-EXCHANGE-TRADES OF EXCHANGE-REGISTERED SECURITIES.—Every national securities association shall pay to the Commission a fee at a rate equal $33 for each $1,000,000 of the aggregate dollar amount of sales transacted by or through any member of such association otherwise than on a national securities exchange of securities registered on such an exchange (other than bonds, debentures, and other evidences of indebtedness), except that for fiscal year 2002 or any succeeding fiscal year such rate shall be equal to $25 for each $1,000,000 of such aggregate dollar amount of sales. Fees collected pursuant to this subsection shall be deposited and collected as general revenue of the Treasury.

''(d) OFF-EXCHANGE-TRADES OF LAST-SALE-REPORTED SECURITIES.—

''(1) COVERED TRANSACTIONS.—Every national securities association shall pay to the Commission a fee at a rate equal to the dollar amount determined under paragraph (2) for each $1,000,000 of the aggregate dollar amount of sales transacted by or through any member of such association otherwise than on a national securities exchange of securities (other than bonds, debentures, and other evidences of indebtedness) subject to prompt last sale reporting pursuant to the rules of the Commission or a registered national securities association, excluding any sales for which a fee is paid under subsection (c).

''(2) FEE RATES.—Except as provided in paragraph (4), the dollar amount determined under this paragraph is—

''(A) $12 for fiscal year 1997;

''(B) $14 for fiscal year 1998;

''(C) $17 for fiscal year 1999;

''(D) $18 for fiscal year 2000;

''(E) $20 for fiscal year 2001; and

''(F) $25 for fiscal year 2002 or for any succeeding fiscal year.

''(3) LIMITATION; DEPOSIT OF FEES.—Except as provided in paragraph (4), no amounts shall be collected pursuant to this subsection (d) for any fiscal year beginning before October 1, 2001, except to the extent provided in advance in appropriations Acts. Fees collected during any such fiscal year pursuant to this subsection shall be deposited and credited as offsetting collections to the account providing appropriations to the Commission, except that any amounts in excess of the following amounts (and any amount collected for fiscal years beginning on or after October 1, 2001) shall be deposited and credited as general revenues of the Treasury:

''(A) $20,000,000 for fiscal year 1997;

''(B) $26,000,000 for fiscal year 1998;

''(C) $32,000,000 for fiscal year 1999;

''(D) $32,000,000 for fiscal year 2000;

''(E) $32,000,000 for fiscal year 2001; and

''(F) $0 for fiscal year 2002 and any succeeding fiscal year.

''(4) LAPSE OF APPROPRIATIONS.—If on the first day of a fiscal year a regular appropriation to the Commission has not been enacted, the Commission shall continue to collect fees (as offsetting collections) under this subsection at the rate in effect during the preceding fiscal year, until such a regular appropriation is enacted.

''(e) DATES FOR PAYMENT OF FEES.—The fees required by subsections (b), (c), and (d) of this section shall be paid—

''(1) on or before March 15, with respect to transactions and sales occurring during the period beginning on the preceding September 1 and ending at the close of the preceding December 31; and

''(2) on or before September 30, with respect to transactions and sales occurring during the period beginning on the preceding January 1 and ending at the close of the preceding August 31.

''(f) EXEMPTIONS.—The Commission, by rule, may exempt any sale of securities or any class of sales of securities from any fee imposed by this section, if the Commission finds that such exemption is consistent with the public interest, the equal regulation of markets and brokers and dealers, and the development of a national market system.

''(g) PUBLICATION.—The Commission shall publish in the Federal Register notices of the fee rates applicable under this section for each fiscal year.''.

(b) EFFECTIVE DATES; TRANSITION.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by subsection (a) shall apply with respect to transactions in securities that occur on or after January 1, 1997.

(2) OFF-EXCHANGE TRADES OF LAST SALE REPORTED TRANSACTIONS.—The amendment made by subsection (a) shall apply with respect to transactions described in section 31(d)(1) of the Securities Exchange Act of 1934 (as amended by subsection (a) of this section) that occur on or after September 1, 1996.

(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to affect the obligation of national securities exchanges and registered brokers and dealers under section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee) as in effect prior to the amendment made by subsection (a) to make the payments required by such section on March 15, 1997.

SEC. 6. TIME FOR PAYMENT.

Section 4(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78d(e)) is amended by inserting before the period at the end thereof the following: ''and the Commission may also specify the time that such fee shall be determined and paid relative to the filing of any statement or document with the Commission''.

SEC. 7. SENSE OF THE CONGRESS CONCERNING FEES.

It is the sense of the Congress that—

(1) the fees authorized by the amendments made by this Act are in lieu of, and not in addition to, any fees that the Securities and Exchange Commission is authorized to impose or collect pursuant to section 9701 of title 31, United States Code; and

(2) in order to maintain the competitiveness of United States securities markets relative to foreign markets, no fee should be assessed on transactions involving portfolios of equity securities taking place at times of day characterized by low volume and during non-traditional trading hours.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio [Mr. OXLEY] and the gentleman from Massachusetts [Mr. MARKEY] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. OXLEY].

Mr. OXLEY. Mr. Speaker, I yield myself such time as I may consume.

(Mr. OXLEY asked and was given permission to include extraneous material.)

Mr. OXLEY. Mr. Speaker, today I am pleased to rise in support of H.R. 2972, the SEC Reauthorization Act of 1996. This legislation provides a long-term mechanism for funding the SEC. In addition, it reduces the fees charged by the SEC by over $751 million dollars through 2002. Members of both parties have expressed concern with the amount of fee revenue collected by the SEC, which currently is more than double the cost of running the agency. Currently the SEC takes in over $600 million in fees annually, and costs approximately $300 million to run. This surplus in fee revenue over the cost of running the agency amounts to a tax on capital paid by all investors—including small investors investing in individual retirement accounts for their retirement. Members of both parties are rightly concerned with promoting savings and growth, and this tax on capital represents an impediment to that growth. With the cooperation of Chairman ROGERS of the Commerce, Justice, State, and Judiciary Subcommittee of the Appropriations Committee, and Chairman ARCHER of the Ways and Means Committee, we have been able to work out a sensible plan to reduce these fees. We also have agreed on a procedure for more orderly and certain funding of the SEC. I am pleased that the legislation has the support and cosponsorship of my friends, JOHN DINGELL, ranking member of the Commerce Committee, and ED MARKEY, ranking member of the Telecommunications and Finance Subcommittee of the Commerce Committee. Additionally, I have received a letter from Chairman LEVITT of the SEC endorsing the legislation.

Mr. Speaker, I include for the RECORD this letter from Chairman Levitt, and letters addressed to the chairman of the committee, the gentleman from Virginia [Mr. BLILEY].

U.S. SECURITIES AND
EXCHANGE COMMISSION,
Washington, DC, February 27, 1996.

Hon. THOMAS J. BLILEY, Jr.,
Chairman, Committee on Commerce,
Washington, DC.

DEAR TOM: I write to offer my support and endorsement of the ''Securities and Exchange Commission Authorization Act of 1996.'' Thank you for your strong leadership and the support of Chairman Fields, Rogers and Archer in designing a creative approach to the SEC's funding both on a short-term and long term basis.

Your proposed resolution to the perennial problem of SEC funding and fees is perhaps the most important aspect of the ''Securities and Exchange Commission Authorization Act of 1996.'' The funding mechanism for the SEC would reduce Section 6(b) fees over a five-year period and expand existing securities transaction fees to the over-the-counter market, recognizing that the Commission also oversees those markets. Under your proposal, the SEC also has agreed to act to eliminate fees that it collects pursuant to the Independent Offices Appropriation Act of 1952 (''IOAA fees''), which include a fee of $250 that must be paid in connection with filings of annual reports and certain periodic filings. Finally, the SEC would gradually move from reliance on increased offsetting fees towards full appropriation status. The Commission believes that adoption of this approach provides a long-term solution to the SEC's funding problems.

Finally, the premier aspects of the SEC Authorization Bill is that it enables us to maintain our vigorous programs to both protect investors and ensure that the capital formation system in the U.S. markets is efficient. This legislation will help the agency avoid the funding problems it has had in the past, and enable the SEC to be funded entirely through appropriations by the year 2001.

David Cavicke has been extremely helpful in this important initiative. We look forward to working with you and your staff toward final passage of this authorization legislation.

Sincerely,

ARTHUR LEVITT.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, DC, March 8, 1996.

Hon. THOMAS J. BLILEY, Jr.,
Chairman, Committee on Commerce,
Washington, DC.

DEAR MR. CHAIRMAN: I am writing to you today to thank you for working with me on issues of jurisdictional concern to the Committee on Ways and Means regarding H.R. 2972, the Securities and Exchange Commission Authorization Act of 1996. In light of the agreement reached between you, Chairman Rogers, and me to phase down the rate of certain SEC fees, I am proud to cosponsor this legislation with you.

As you know, I am strongly committed to protecting the jurisdictional interests of the Committee on Ways and Means and to ensuring that all revenue measures are properly referred to this Committee. To this end, the Committee on Ways and Means relies upon the statement issued by Speaker Foley in January 1991 (and reiterated by Speaker Gingrich on January 4, 1995) regarding the jurisdiction of the House Committees with respect to fees and revenue measures. Pursuant to that statement, the Committee on Ways and Means generally will not assert jurisdiction over ''true'' regulatory fees that met the following requirements:

(i) The fees are assessed and collected solely to cover the costs of specified regulatory activities (not including public information activities and other activities benefiting the public in general);

(ii) The fees are assessed and collected only in such manner as may reasonably be expected to result in an aggregate amount collected during any fiscal year which does not exceed the aggregate amount of the regulatory costs referred to in (i) above;

(iii) The only persons subject to the fees are those who directly avail themselves of, or are directly subject to, the regulatory activities referred to in (i) above; and

(iv) The amounts of the fees (a) are structured such that any person's liability for such fees is reasonably based on the proportion of the regulatory activities which relate to such person, and (b) are nondiscriminatory between foreign and domestic entities.

Additionally, pursuant to the Speaker's statement, the mere reauthorization of a preexisting fee that had not historically been considered a tax would not necessarily require a sequential referral to the Committee on Ways and Means. However, if such a preexisting fee were fundamentally changed, it properly should be referred to the Committee on Ways and Means.

The fees described in H.R. 2972 clearly do not meet all four requirements set forth above. If they were being newly created or were fundamentally different from existing fees, the Committee on Ways and Means would ask that they be referred to it, in accordance with its jurisdictional prerogative. However, the Committee on Ways and Means understands that these fees have been in place for many decades and are not being fundamentally changed by H.R. 2972. Further, H.R. 2972 provides that the fee structure eventually will reflect the four requirements set forth above. Therefore, it is not necessary for the Committee on Ways and Means to assert its jurisdictional interest at this time.

However, I would emphasize that, if the fee structure set forth in H.R. 2972 is modified in

the future, the Committee on Ways and Means will take all action necessary to protect its proper jurisdictional interest. For example, the Committee on Ways and Means will view any modification as falling within its jurisdiction if such modification would result in fee collections in excess of the amount required to fund the relevant regulatory activities of the Securities and Exchange Commission.

With regard to budgetary issues, I am concerned about any legislation that may worsen the pay-as-you-go accounts, thus threatening a sequester. I understand that the Congressional Budget Office believes that H.R. 2972 will not create a debit on the pay-go accounts or a potential sequester of entitlement programs. I also understand that H.R. 2972 will not increase the deficit within the current budget window. I very much appreciate your cooperation in solving these budgetary problems for purposes of House consideration of H.R. 2972.

Finally, I would respectfully request that you include a copy of this letter in the Record during consideration of H.R. 2972 on the Floor. I wish to thank you again, Mr. Chairman, for your full cooperation and the cooperation of your staff. With best personal regards,

Sincerely,

BILL ARCHER,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, March 12, 1996.

Hon. THOMAS J. BLILEY, Jr.,
Chairman, Committee on Commerce,
Washington, DC.

DEAR MR. CHAIRMAN. As you know, I am a cosponsor of H.R. 2972, the Securities and Exchange Commission Authorization Act of 1996. I believe it is important that, working together, we find a way to end the uncertainty about the SEC's funding that has been a continuing problem in the past several years.

H.R. 2972 provides for a gradual reduction in the amount of SEC fees that will be available to support the SEC's operating budget over a six year period. This will require that the amount of discretionary funds required just to support the SEC's budget at its current level will have to be increased by an estimated $25–35 million each year.

This amount of an increase each year will be a challenge, during an era when the amount of overall discretionary funds available to the Appropriations Committee will be declining, as we seek to balance the budget in seven years. Nonetheless, the Committee is prepared to try to the best of our ability to make that happen, in the interest of bringing to a closure the past years of uncertainty about how the SEC will be funded.

However, I believe that this is the maximum amount we will be in a position to attempt to accomplish. As this bill moves forward, in working with the Senate, I would simply make the point that a more rapid phase-out in the amount of fees available to support the SEC budget would probably be unworkable.

I appreciate the opportunity to work with you and Chairman Archer, and I congratulate you on bringing this bill to the floor. I would respectfully request that you include a copy of this letter in the Record during consideration of H.R. 2972 on the Floor.

With best regards,

Sincerely,

HAROLD ROGERS,
Chairman, Subcommittee on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies.

Mr. OXLEY. Mr. Speaker, I also want to pay special tribute to Chairman Levitt for his leadership on this very important issue. Without his help and guidance, Mr. Speaker, we would not be here today with this I think very historic legislation.

Mr. Speaker, pursuant to this legislation, SEC fees are reduced by $751 million between fiscal years 1997 to 2002. Thereafter, SEC fees will be at least $256 million lower per annum than they would be under current law.

Of equal importance is the fact that Chairman ROGERS has agreed to work with us to provide a more stable funding mechanism for the SEC, so the Commission can focus on doing its important work rather than devoting time to the problems of funding its operations. As SEC fees are reduced, the SEC will be increasingly funded by an appropriation. By 2002, the SEC will be entirely funded by means of an appropriation. Fees collected by the SEC will approximately equal the cost of running the agency, and will be deposited in the Treasury as general revenue.

This legislation will begin to solve the problems associated with funding the SEC. It will also eliminate the surplus in SEC fees which constitutes a tax on our capital markets. I urge its support by the House.

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

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

Mr. Speaker, I am pleased to rise this afternoon to join with Commerce Committee Chairman BLILEY, Subcommittee Chairman JACK FIELDS, and the ranking Democrat on the Commerce Committee, JOHN DINGELL, in support of the Securities and Exchange Commission's authorization for fiscal year 1997. Each of them deserve praise for their efforts to develop a solution to the persistent problem of how to provide a stable funding mechanism for the SEC—an agency long recognized by Members of both parties as one of the most effective, efficient and essential anywhere in Government.

The funding mechanism contemplated by the bill is workable and responsible, and deserves broad bipartisan support. Most significantly, it removes the temptation that has seduced administrations, past and present, to view securities registration fees as a source of general revenues. Especially during the bull market of the last 6 years, these fees have greatly exceeded the size of the SEC's overall budget.

I am, of course, reluctant to see revenues cut at a time when some are seeking to slash the resources made available to support our children's education, our elderly's right to retire with dignity, and every person's right to a clean environment. At the same time however, we must be certain that the gamesmanship that has surrounded SEC budget deliberations for the last several years is ended permanently.

Notwithstanding my support for the bill coming before us today, I continue to believe that the mission of the Securities and Exchange Commission—to protect the Nation's 100 million investors and to ensure fair and orderly markets—is so vital to our national interests that the Commission should be self-funded, subject to annual Congressional approval of its budget. Although I will continue to support the self-funding concept, I am satisfied that the proposal before us today is a significant step in the right direction, and I am pleased to endorse it.

I am somewhat less sanguine about the size of the SEC budget as contemplated by the legislation. In light of the record levels of investment in our markets, the unprecedented number of new investors attracted to them, the complexity of many of the securities that are sold, the increasingly sophisticated marketing techniques used to sell them, and the growing volatility the market is experiencing as we attempt to adjust to the remarkable altitudes we have recently reached, the commitment of additional resources to this remarkable agency would certainly be justified.

Here are some facts and figures worth keeping in mind when thinking about the SEC's budget. In 1940, the SEC had 1,400 full-time staff. Fifty-six years later, the SEC has 2,800 full-time staff. In 1940, the typical daily trading volume on the New York Stock Exchange could be counted in the thousands. Today, an average day involves 400 million shares, and the New York Stock Exchange has increased its capacity to handle well over a billion shares a day. Another 450 million shares are traded on the NASDAQ, representing interests in more than 5,000 companies.

Of course the NASDAQ didn't even exist in 1940—it was invented in 1972. Derivatives didn't exist in 1940 either—nor did money market funds, mortgage-backed securities, bond funds, hedge funds, junk bonds, penny stocks, stock options, program trading, financial futures, poison pills, or triple witching hours.

I've addressed the funding mechanism in the bill as well as my concern about the SEC budget. Let me briefly touch upon why the soundness of our system of securities regulation is so important, and why trendy proposals to sweep away important aspects of securities laws need to be considered carefully, lest they lead to unintended and possibly devastating consequences.

For a rapidly growing number of Americans, and a vastly higher percentage of the population than in 1940, hopes for the future—dreams of being able to send a child to college, to buy a new home, or to retire in dignity—are increasingly dependent on the stability, integrity, and success of our financial markets. Indeed, this growing dependence by individuals on the success of the market may be a stealth contributor to middle class Americans' growing anxiety about the future.

For tens of millions of Americans with stakes in the market through a

pension plan or mutual fund, the effectiveness and safety of our markets, and the existence of a vital and vigorous SEC, is neither an abstract nor an ideological issue.

The important bill brought before us today recognizes the crucial role that the SEC plays in promoting fair, honest, and successful capital markets.

□ 1530

Again, I applaud the work of the gentleman from Virginia [Mr. BLILEY], chairman, the gentleman from Texas [Mr. FIELDS], chairman, and all on the majority side who worked in a bipartisan fashion, especially the gentleman from Ohio [Mr. OXLEY], so that we could bring this bill out here today. I speak for the gentleman from Michigan [Mr. DINGELL], the distinguished ranking member, in extending our plaudits to the majority for their work.

This has been done in a bipartisan fashion, working in close cooperation with Chairman Levitt of the Securities and Exchange Commission and their staff to ensure that we could produce a budget that would give predictable sources of revenue to the SEC for their very important mission, especially in these coming months and years when the aerodynamics of the existing market may in fact come into question and we have to ensure that we have got an agency there that can manage the consequences at that time.

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

Mr. OXLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. WHITE].

Mr. WHITE. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, this House and in particular our committee this year has seen many hard bills but I am happy to say that this is an easy bill. It is easy because it eliminates a surplus that the SEC is collecting, saves a little money for the taxpayers. It makes sure that the SEC is included under the appropriations process, as it ought to be and as I think is appropriate.

It is a bipartisan bill which we have been able to work on with our Democratic colleagues, and that is always a step in the right direction and, last but not least, it does some great things for my district. We consider ourselves in the Seattle area to be the capital formation capital of the Pacific Northwest and of the entire Northwest United States. This will help us do in Seattle what we need to do to make sure we prosper and keep those capital markets running.

I was very happy to support this bill in committee, and I am delighted to support it here on the floor. I would urge all my colleagues to do the same.

Mr. RICHARDSON. Mr. Speaker, I rise in support of H.R. 2972, the Securities and Exchange Commission Reauthorization Act of 1996. I would like to commend Commerce Chairman BLILEY, Telecommunications and Finance Subcommittee Chairman FIELDS, Ranking Member DINGELL and Mr. MARKEY of Massachusetts for their work on this piece of legislation that meets this Congress' objectives of proper market oversight and fiscal prudence.

H.R. 2972 is an excellent example of good government crafted with bipartisan interests taken into account. I would like to commend SEC Chairman Arthur Levitt for accepting the challenges that this tight budget will impose upon an agency that watches over a larger herd than ever.

As more and more Americans choose the securities markets to augment their incomes, it is necessary to maintain the safeguards that make U.S. markets the best.

This bill ensures that our regulatory structure remains sensible, reasonable and cost-effective so that the U.S. marketplace remains vigorous, efficient and attractive to capital formation. I am confident that the SEC will maintain a regulatory environment that encourages capital formation for small entrepreneurial businesses, which drive the U.S. economy in most states like New Mexico.

Finally, the reliance on U.S. equity markets to play a role in the income of average Americans requires vigilant enforcement of sound rules that ensure investor protection and the maintenance of the integrity and honesty of the U.S. capital markets.

In July of 1993, Chairman Levitt requested approximately $317 million for fiscal year 1995. It is noteworthy and, indeed, a credit to the Chairman and the administration's efforts to ''reinvent'' government that we sit here today and request the same amount of money for fiscal year 1997. Clearly, this stands as evidence that we can get better government for less money.

The SEC has prepared itself for difficult fiscal times ahead by doubling its commitment to working with industry to provide cost-effective, efficient regulation in partnership with the private sector. Despite tight budgetary limits, the Commission has focused on the essentials by fostering small businesses who need capital formation to survive and grow.

Our actions today signal to the American people that periodic review of agency operations like that of the SEC can yield efficiency without drastic overhauls designed for political appeal. The leadership of the subcommittee and committee deserve our sport for endeavors of this nature.

Mr. OXLEY. Mr. Speaker, as an original cosponsor of the bill, I rise in support of this reauthorization. I'm pleased to be considering it on today's suspension calendar.

This bipartisan measure is a credit to its author, Chairman TOM BLILEY, and the subcommittee chairman, JACK FIELDS. It brings coherence and stability to the issue of Securities and Exchange Commission funding, while at the same time providing well-deserved tax relief to investors. It has the support of SEC Chairman Arthur Levitt.

Currently, the SEC has a budget of approximately $300 million, but it collects nearly twice that in fees annually. These are filing fees paid by pension funds, start-up companies, and individual investors. The excess fees amount to a tax on capital formation.

This reauthorization puts the Commission on-budget and phases out the surplus fees, saving investors more than $750 million over the next 5 years. In so doing, it will promote investment, capital formation, and job creation.

Again, Mr. Speaker, I urge support for the bill, and I yield back the balance of my time.

Mr. MARKEY. Mr. Speaker, I have no other requests for time, and I yield back the balance of my time.

Mr. OXLEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CAMP). The question is on the motion offered by the gentleman from Ohio [Mr. OXLEY] that the House suspend the rules and pass the bill. H.R. 2972, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2972, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

FEDERAL AVIATION ADMINISTRATION REVITALIZATION ACT OF 1995

Mr. SHUSTER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2276), as amended, to establish the Federal Aviation Administration as an independent establishment in the executive branch, and for other purposes.

The Clerk read as follows:

H.R. 2276

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Federal Aviation Administration Revitalization Act of 1995''.

SEC. 2. AMENDMENT OF TITLE 49, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

SEC. 3. ESTABLISHMENT OF FEDERAL AVIATION ADMINISTRATION.

Subtitle II is amended by adding at the end the following:

''CHAPTER 13—FEDERAL AVIATION ADMINISTRATION

''SUBCHAPTER I—GENERAL PROVISIONS

''1301. Definitions.

''SUBCHAPTER II—ORGANIZATION AND ADMINISTRATIVE

''1311. Establishment.
''1312. Federal Aviation Board.
''1313. Officers.
''1314. Personnel management program.
''1315. Management Advisory Committee.
''1316. Authority to carry out certain transferred functions, duties, and powers.

''SUBCHAPTER III—AUTHORITY

''1331. Functions.

''1332. Regulations.
''1333. Finality of decisions; appeals.
''1334. Procurement program.
''1335. Judicial review of actions in carrying out certain transferred duties and powers.

''SUBCHAPTER I—GENERAL PROVISIONS

''§ 1301. Definitions

''In this chapter, the following definitions apply:

''(1) ADMINISTRATION.—The term 'Administration' means the Federal Aviation Administration established by section 1311.

''(2) AERONAUTICS, AIR COMMERCE, AND AIR NAVIGATION FACILITY.—The terms 'aeronautics', 'air commerce', and 'air navigation facility' have the same meanings given those terms in section 40102(a) of this title.

''(3) AIRPORT AND AIRWAY TRUST FUND.—The term 'Airport and Airway Trust Fund' means the Airport and Airway Trust Fund established by section 9502 of the Internal Revenue Code of 1986.

''(4) BOARD.—The term 'Board' means the Federal Aviation Board established by section 1312.

''(5) CHIEF EXECUTIVE OFFICER.—The term 'Chief Executive Officer' means the Chief Executive Officer of the Federal Aviation Administration.

''SUBCHAPTER II—ORGANIZATION AND ADMINISTRATIVE

''§ 1311. Establishment

''There is established in the executive branch as an independent establishment the Federal Aviation Administration. The Administration shall succeed the Federal Aviation Administration of the Department of Transportation in existence on the day before the effective date of this section.

''§ 1312. Federal Aviation Board

''(a) IN GENERAL.—There is established a Federal Aviation Board which shall serve as the head of the Administration.

''(b) FUNCTIONS.—

''(1) IN GENERAL.—The Board shall be responsible for the major policy functions of the Administration, including the following:

''(A) The appointment and removal of the Chief Executive Officer and the approval of other senior officers of the Administration under section 1313.

''(B) The approval and submission to Congress of major contracts under section 1334(d).

''(C) The approval of major regulatory actions under section 1332(b).

''(D) The issuance of letters of intent under section 47110(e).

''(E) The approval and submission to Congress of the Administration's plans for personnel management and acquisition management programs under sections 1314 and 1334.

''(F) The approval of the agency's annual budget submission.

''(G) Long-range and strategic planning for the Administration.

''(H) The representation of the Administration at public events to the extent practicable.

''(I) Such other significant actions as the Board considers appropriate.

''(2) NONDELEGABLE FUNCTIONS.—The Board may not delegate the functions described in subparagraphs (A) through (F) of paragraph (1).

''(3) NOT SUBJECT TO ENTITIES CREATED BY EXECUTIVE ORDER.—The Administration shall not submit decisions for the approval of, and shall not be bound by the decisions or recommendations of, any committee, board, or other organization established by Executive order.

''(c) MEMBERSHIP.—

''(1) VOTING MEMBERS.—The Board shall be composed of 3 voting members to be appointed by the President, by and with the advice and consent of the Senate. The initial members of the Board shall be appointed as soon as practicable after the date of the enactment of the Federal Aviation Administration Revitalization Act of 1995.

''(2) NON-VOTING MEMBERS.—The Secretary of Transportation (or the Secretary's designee) and the Secretary of Defense (or the Secretary's designee) shall serve as non-voting members of the Board.

''(d) QUALIFICATIONS.—

''(1) IN GENERAL.—Members appointed to the Board under subsection (c)(1) shall represent the public interest and shall be selected from individuals who are knowledgeable in aviation. Members of the Board may not—

''(A) have a pecuniary interest in, or own stock in or bonds of, an aeronautical enterprise;

''(B) engage in another business, vocation, or employment; and

''(C) be a member of any organization a substantial part of whose activities are for the purpose of influencing aviation-related legislation.

''(2) DEFINITION.—In this subsection, the term 'influencing legislation' has the meaning such term has under section 4911(d) of the Internal Revenue Code of 1986 (26 U.S.C. 4911(d)).

''(e) TERMS.—

''(1) IN GENERAL.—Subject to paragraphs (2) and (3), each member of the Board appointed under subsection (c)(1) shall be appointed for a term of 7 years.

''(2) TERMS OF INITIAL APPOINTEES.—As designated by the President at the time of appointment, of the members first appointed under subsection (c)(1)—

''(A) 1 shall be appointed for a term of 3 years;

''(B) 1 shall be appointed for a term of 5 years; and

''(C) 1 shall be appointed for a term of 7 years.

''(3) VACANCIES.—Any member appointed under subsection (c)(1) to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office.

''(f) REMOVAL.—Members of the Board appointed under subsection (c)(1) may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

''(g) CHAIRPERSON.—The Chairperson of the Board shall be appointed by the President, by and with the advice and consent of the Senate. At the time of such appointment, the President shall establish the term of the Chairperson. Such term may not exceed the term of the Chairperson's appointment to the Board.

''(h) QUORUM.—Two members of the Board appointed under subsection (c)(1) shall constitute a quorum for carrying out the duties and powers of the Board.

''(i) BASIC PAY.—

''(1) CHAIRPERSON.—The Chairperson of the Board shall be paid at a rate equal to the rate of basic pay payable for level II of the Executive Schedule.

''(2) OTHER MEMBERS.—The other voting members of the Board shall be paid at a rate equal to the rate of basic pay payable for level III of the Executive Schedule.

''§ 1313. Officers

''(a) CHIEF EXECUTIVE OFFICERS.—

''(1) APPOINTMENT.—The Board shall appoint a Chief Executive Officer.

''(2) DUTIES.—The Board shall delegate to the Chief Executive Officer the responsibility for managing the day-to-day operation of the Administration, including (except as provided in section 1312(b)) the hiring and firing of employees, acquisition of facilities and equipment, issuance of rules, airworthiness directives, and advisory circulars, preparation of the annual budget submission, the awarding of grants, and such other functions as the Board considers appropriate.

''(3) REMOVAL.—The Chief Executive Officer shall serve at the pleasure of the Board; except that the Board shall make every effort to ensure stability and continuity in the leadership of the Administration.

''(4) BASIC PAY.—Subject to section 1314(f), the Chief Executive Officer shall be paid at a rate to be determined by the Board.

''(b) OTHER OFFICERS.—Subject to the approval of the Board, the Chief Executive Officer shall appoint other senior officers who shall each have such duties as the Chief Executive Officer may prescribe.

''(c) CHIEF COUNSEL.—Subject to the approval of the Board, the Chief Executive Officer shall appoint a Chief Counsel who shall be the chief legal officer for all legal matters arising from the activities of the Administration.

''(d) INSPECTOR GENERAL.—There shall be in the Administration an Inspector General who shall be appointed in accordance with the Inspector General Act of 1978 (5 U.S.C. App.).

''(e) AIRCRAFT NOISE OMBUDSMAN.—

''(1) ESTABLISHMENT.—There shall be in the Administration an Aircraft Noise Ombudsman who shall be appointed by the Board.

''(2) DUTIES AND RESPONSIBILITIES.—The Ombudsman shall—

''(A) serve as a liaison with the public on issues regarding aircraft noise; and

''(B) be consulted when the Administration proposes changes in aircraft routes so as to minimize any increases in aircraft noise over populated areas.

''§ 1314. Personnel management program

''(a) EXEMPTION FROM CERTAIN PROVISIONS OF TITLE 5, UNITED STATES CODE.—

''(1) IN GENERAL.—Except as otherwise provided in this Act, the Administration shall be exempt from parts II and III of title 5.

''(2) EFFECTIVE DATE.—The exemption provided by paragraph (1) shall not take effect until the expiration of the 180-period described in subsection (d)(2).

''(b) DEVELOPMENT OF PERSONNEL MANAGEMENT SYSTEM.—

''(1) IN GENERAL.—Not later than 180 days after the date of the enactment of the Federal Aviation Administration Revitalization Act of 1995, the Board shall develop a personnel management system for the Administration.

''(2) CONSULTATION AND NEGOTIATION.—In developing the personnel management system, the Board shall negotiate with the exclusive bargaining representatives of employees of the Administration certified under section 7111 of title 5 and other employees of the Administration and shall consult with nongovernmental experts in personnel management systems. The negotiation with the exclusive bargaining representatives shall be completed on or before the 90th day after the date of enactment referred to in paragraph (1).

''(3) MEDIATION.—If the Board does not reach an agreement under paragraph (2) with the exclusive bargaining representatives on any provision of the personnel management system, the services of the Federal Mediation and Conciliation Service shall be used to attempt to reach such agreement. If the services of the Federal Mediation and Conciliation Service do not lead to an agreement, the Board shall include in the plan to be submitted to Congress under subsection (d) the

objections of the exclusive bargaining representatives and the reasons for the objections.

''(4) CONTINUATION OF AGREEMENTS.—Collective bargaining agreements and labor management relations under chapter 71 of title 5 shall remain in effect for the Administration until amended or modified under the personnel management system.

''(5) GOALS.—The goal of the personnel management system to be developed by the Board under paragraph (1) shall be to provide, consistent with the requirements of this section, the Administration with the ability—

''(A) to hire and fire employees as in the private sector;

''(B) to promote and pay employees based on merit;

''(C) to provide market-based salaries (designed to attract the best qualified employees) within available resources;

''(D) to provide pay increases and other incentives to staff facilities that are difficult to staff;

''(E) to move personnel to those facilities where they are most needed; and

''(F) to provide an opportunity for collective bargaining and other consultation with employees concerning terms and conditions of employment.

''(6) SAFEGUARDS.—The personnel management system shall include safeguards to ensure that travel expenses of employees of the Administration (including meal and lodging expenses) are not excessive.

''(c) EXPERTS EVALUATION.—The arrangements entered into by the Board with the experts consulted by the Board under subsection (b) shall provide for those experts to evaluate the personnel management system developed by the Board and submit to Congress the results of such evaluation before the last day of the 180-day period referred to in subsection (b)(1).

''(d) NOTICE TO CONGRESS.—

''(1) IN GENERAL.—Upon development of the personnel management system under subsection (b), the Board shall submit to Congress a comprehensive plan describing the personnel management system, along with all existing or proposed rules or regulations relevant to the system.

''(2) IMPLEMENTATION.—The Board may begin to implement the personnel management system only after the expiration of the 180-day period that begins on the date of submission of the plan to Congress under paragraph (1).

''(e) EMPLOYEE RIGHTS AND BENEFITS.—Nothing in this section shall be construed as exempting the Administration and employees of the Administration from any of the following provisions of title 5:

''(1) Section 2302(b)(8) (relating to whistleblower protection) and related enforcement provisions.

''(2) Sections 3308 through 3320 (relating to veterans preference).

''(3) Sections 7311(3) and 7311(4) (relating to limitations on the right to strike).

''(4) Sections 2302(b)(1) and 7204 (relating to antidiscrimination) and related enforcement provisions and provisions of law referred to in section 2302(b)(1).

''(5) Chapter 71 (relating to labor-management relations).

''(6) Chapter 73 (relating to suitability, security, and conduct).

''(7) Chapter 81 (relating to compensation for work injuries).

''(8) Chapter 83 (relating to retirement).

''(9) Chapter 84 (relating to the Federal Employees' Retirement System).

''(10) Chapter 85 (relating to unemployment compensation).

''(11) Chapter 87 (relating to life insurance).

''(12) Chapter 89 (relating to health insurance).

''(f) PAY RESTRICTIONS.—

''(1) MAXIMUM RATE OF PAY.—No officer (including the Chief Executive Officer) or employee of the Administration may receive annual pay in excess of the annual rate of basic pay payable for level II of the Executive Schedule unless the Board provides written notification to Congress of such higher rate of pay and 30 days (excluding Saturdays, Sundays, and holidays, and any day on which neither House of Congress is in session because of an adjournment sine die, a recess of more than 3 days, or an adjournment of more than 3 days) have elapsed since the date of such notification.

''(2) PERCENTAGE OF EMPLOYEES ABOVE LEVEL ES–1 OF SENIOR EXECUTIVE SERVICE.—Not more than 0.35 percent of the officers (including members of the Board and the Chief Executive Officer) and employees of the Administration may be paid at a rate which equals or exceeds the rate payable for level ES–1 of the Senior Executive Service.

''(3) RAISES AND BONUSES.—No officer (including the Chief Executive Officer) or employee of the Administration who is paid at a rate which exceeds the rate payable for level ES–1 of the Senior Executive Service may receive in a calendar year raises or bonuses (excluding cost-of-living increases and increases that are the results of a promotion) that total more than 15 percent of the annual rate of pay of the officer or employee on the day before the first day of such calendar year.

''(g) CONTRACTS BETWEEN FAA AND FORMER FAA EMPLOYEES.—Before the Administration may enter into a contract with an individual who has been employed by the Administration at any time during the 2-year period preceding the expected date of entry into the contract or with a corporation, partnership, or other entity in which such a former employee is a partner, principal officer, or majority stockholder or which is otherwise controlled or predominantly staffed by 1 or more of such former employees, the Board must first approve of the entry into the contract as being essential to the mission of the Administration.

''(h) USE OF UNOBLIGATED AMOUNTS FOR BONUSES AND DEFICIT REDUCTION.—

''(1) IN GENERAL.—Of amounts available to the Administration specifically for administrative expenses for a fiscal year beginning after September 30, 1996, that the Administration estimates on September 1 of that fiscal year will not be obligated by an office of the Administration before the end of the fiscal year—

''(A) the Board may use up to 50 percent to pay bonuses to personnel of such office of the Administration; and

''(B) the remainder shall be divided between and deposited in—

''(i) the general fund of the Treasury and used exclusively for deficit reduction; and

''(ii) the Airport and Airway Trust Fund;

in the same ratio that amounts appropriated for operations of the Administration for that fiscal year from the General Fund of the Treasury bears to amounts appropriated from the Airport and Airway Trust Fund for that fiscal year.

''(2) REPORTS.—The Director of the Office of Management and Budget shall submit a report to Congress by not later than December 31 of each year on the implementation of this subsection in the preceding fiscal year, describing the effectiveness of this subsection in reducing the deficit.

''§ 1315. Management Advisory Committee

''(a) ESTABLISHMENT.—There is established an advisory committee which shall be known as the Federal Aviation Management Advisory Committee (hereinafter in this section referred to as the 'Management Advisory Committee').

''(b) MEMBERSHIP.—The Management Advisory Committee shall consist of 17 members, who shall be appointed as follows:

''(1) 1 member appointed by the Speaker of the House of Representatives;

''(2) 1 member appointed by the minority leader of the House of Representatives;

''(3) 1 member appointed by the majority leader of the Senate;

''(4) 1 member appointed by the minority leader of the Senate;

''(5) 13 members appointed by the Board 12 of whom shall represent 1 of the following interests:

''(A) Airline passengers.

''(B) General aviation and sport aviation.

''(C) Business aviation.

''(D) Hub airports.

''(E) Non-hub and general aviation airports.

''(F) Major airlines and national airlines.

''(G) Regional airlines and air taxis.

''(H) Cargo airlines and charter airlines.

''(I) Aircraft manufacturers.

''(J) Airline employees.

''(K) Federal Aviation Administration employees.

''(L) State aviation officials.

''(c) FUNCTIONS.—The Management Advisory Committee shall provide advice and counsel to the Administration on issues which affect or are affected by the operations of the Administration. The Management Advisory Committee shall hold quarterly meetings. The Administration shall give the Management Advisory Committee access to internal documents (other than proprietary information and documents relating to on-going litigation) and personnel of the Administration. The Management Advisory Committee shall function as an oversight resource for management, policy, spending, and regulatory matters under the jurisdiction of the Administration.

''(d) CHAIRMAN.—The Management Advisory Committee shall elect a chairman of the Management Advisory Committee from among its members.

''(e) TERMS OF MEMBERS.—

''(1) MEMBERS APPOINTED BY CONGRESS.—Members appointed under subsections (b)(1) through (b)(4) shall be appointed for a term of 2 years.

''(2) MEMBERS APPOINTED BY THE BOARD.—Members appointed under subsection (b)(5) shall be appointed for a term of 3 years.

''(f) TRAVEL AND PER DIEM.—Each member of the Management Advisory Committee shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from his or her usual place of residence, in accordance with section 5703 of title 5.

''(g) UTILIZATION OF PERSONNEL FROM FAA.—The Administration shall make available to the Management Advisory Committee such staff, information, and administrative services and assistance as may reasonably be required to enable the Management Advisory Committee to carry out its responsibilities under this section.

''(h) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Management Advisory Committee shall be subject to the Federal Advisory Committee Act (5 U.S.C. App.); except that section 14(a)(2)(B) of such Act (relating to the termination of advisory committees) shall not apply to the Committee.

''§ 1316. Authority to carry out certain transferred functions, duties, and powers

''Except as otherwise provided in this chapter, in carrying out a function, duty, or power transferred under the Federal Aviation Administration Revitalization Act of

1995 (including the amendments made by such Act), the Administration has the same authority that was vested in the department, agency, or instrumentality of the United States Government carrying out the function, duty, or power immediately before the transfer. An action of the Administration in carrying out the function, duty, or power has the same effect as when carried out by the department, agency, or instrumentality.

''SUBCHAPTER III—AUTHORITY

''§ 1331. Functions

''(a) IN GENERAL.—The functions of the Federal Aviation Administration shall be all functions vested in the Board, the Chief Executive Officer, or the Federal Aviation Administration by this title or by law enacted after the date of the enactment of this chapter. Such functions include functions of the Administration, the Board, and the Chief Executive Officer under the following provisions of this title:

''(1) Section 308(b).
''(2) Section 353.
''(3) Section 1114(d).
''(4) Section 1131(c).
''(5) Subsections (c) and (d) of section 1132.
''(6) Section 1135.
''(7) Section 1153(c).
''(8) Subsections (a), (c), and (d) of section 40101.
''(9) Section 40102(a)(8).
''(10) Section 40103(b).
''(11) Section 40104.
''(12) Section 40105.
''(13) Section 40106(a).
''(14) Section 40107.
''(15) Section 40108.
''(16) Section 40109(b).
''(17) Subsections (a) and (b) of section 40110.
''(18) Section 40111.
''(19) Section 40112.
''(20) Section 40113.
''(21) Section 40114.
''(22) Section 40115.
''(23) Section 40117.
''(24) Section 40119.
''(25) Section 41714.
''(26) Chapter 441.
''(27) Chapter 443.
''(28) Chapter 445.
''(29) Chapter 447.
''(30) Chapter 449.
''(31) Chapter 451.
''(32) Chapter 453.
''(33) Chapter 461.
''(34) Section 46301.
''(35) Section 46302.
''(36) Section 46303.
''(37) Section 46304.
''(38) Section 46306.
''(39) Section 46308.
''(40) Section 46311.
''(41) Section 46313.
''(42) Section 46315.
''(43) Section 46316.
''(44) Chapter 465.
''(45) Chapter 471.
''(46) Chapter 473.
''(47) Chapter 475.
''(48) Chapter 481.
''(49) Chapter 491.

''(b) INCIDENTAL FUNCTIONS.—In addition, the functions of the Administration shall include all functions of the Department of Transportation on the effective date of this section which the Administration determines are incidental to, helpful to, or necessary for the performance of the functions referred to in subsection (a) or which relate primarily to those functions.

''§ 1332. Regulations

''(a) GENERAL AUTHORITY.—The Administration may issue, rescind, and amend such regulations as are necessary to carry out its functions.

''(b) APPROVAL OF BOARD.—

''(1) GENERAL RULE.—The Administration may only issue a proposed regulation, final regulation, airworthiness directive, or advisory circular that may result in the expenditure by State, local, and tribal governments in the aggregate, or by the private sector, of $10,000,000 or more (adjusted annually for inflation) in any 1 year if the Board first approves of the issuance of such regulation, directive, or circular.

''(2) EMERGENCY ACTION.—In an emergency, the Chief Executive Officer may issue a regulation, directive, or circular described in paragraph (1) without prior Board approval but subject to Board ratification following issuance.

''(c) REVIEW BY DOT.—

''(1) SUBMISSION.—Before the Administration issues any proposed or final regulation—

''(A) the Administration shall submit a copy of the regulation to the Secretary of Transportation;

''(B) the Administration shall provide the Secretary with a period of 5 days (excluding Saturdays, Sundays, and holidays) beginning on the date of such submission to determine whether or not the regulation is likely to have a significant effect on other modes of transportation in the national transportation system or the Secretary's aviation responsibilities, including national defense responsibilities; and

''(C) if the Secretary determines, before the last day of such 5-day period, that the regulation is likely to have such a significant effect, the Administration shall provide the Secretary with an additional period of 45 days to assess the effect of the regulation on other modes of transportation in the national transportation system and the Secretary's aviation responsibilities, including national defense responsibilities.

''(2) RECOMMENDATIONS.—The Secretary may recommend to the Administration modifications of a proposed or final regulation necessary to minimize the adverse effect of such regulation on other modes of transportation in the national transportation system or the Secretary's aviation responsibilities, including national defense responsibilities. The Administration may make any modifications recommended by the Secretary. If the Administration does not make a modification recommended by the Secretary, the Administration shall include in the publication of the proposed or final regulation a description of the recommended modification and the reasons for not making the modification.

''(3) EXCEPTIONS.—This subsection shall not apply to the following types of regulations:

''(A) Regulations pertaining to agency organization, procedure, or practice.

''(B) Regulations pertaining solely to navigational aids.

''(C) Regulations pertaining solely to airspace designations and configurations.

''(D) Regulations pertaining solely to standard instrument approach procedures.

''(E) Regulations pertaining solely to aircraft design.

''(F) Regulations pertaining to the personnel management system developed under section 1314.

''(G) Regulations pertaining to the acquisition management system developed under section 1334.

''(4) EMERGENCY ACTION.—In an emergency, a regulation may take effect for the duration of the emergency and before the Secretary completes review of the regulation under this subsection, as determined necessary by the Chief Executive Officer or the Board.

''(d) AUTOMATIC TERMINATION DATE.—Any regulation issued by the Administration after the effective date of this section which is likely to result in the annual expenditure by State, local, and tribal governments in the aggregate, or by the private sector, of $25,000,000 or more (adjusted annually for inflation) in any 1 year must contain an automatic termination date. The termination date shall also apply to any advisory circular issued by the Administration and pertaining solely to such regulation.

''(e) EMERGENCY DEFINED.—In this section, the term 'emergency' means a situation where there is good cause for finding that consideration by the Board or by the Department of Transportation is impracticable or contrary to the public interest.

''§ 1333. Finality of decisions; appeals

''Decisions of the Administration made pursuant to the exercise of the functions enumerated in subtitle VII of this title shall be administratively final, and appeals as currently authorized by law shall be taken directly to the National Transportation Safety Board or to any court of competent jurisdiction, as appropriate.

''§ 1334. Procurement program

''(a) EXEMPTION FROM PROCUREMENT LAWS.—

''(1) IN GENERAL.—The following laws and regulations shall not apply to the Federal Aviation Administration:

''(A) Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251–266).

''(B) The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.).

''(C) The Federal Acquisition Streamlining Act of 1994 (Public Law 103–355).

''(D) The Small Business Act (15 U.S.C. 631 et seq.); except that the Administration shall provide reasonable opportunities to small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals to be awarded contracts.

''(E) Subchapter V of chapter 35 of title 31 (relating to the procurement protest system).

''(F) The Brooks Automatic Data Processing Act (40 U.S.C. 759).

''(G) Section 3709 of the Revised Statutes of the United States (41 U.S.C. 5).

''(H) The Federal Acquisition Regulation and any laws not listed in subparagraphs (A) through (G) providing authority to promulgate regulations in the Federal Acquisition Regulation.

''(2) EFFECTIVE DATE.—The exemption provided by paragraph (1) shall not take effect until the expiration of the 180-day period referred to in subsection (c)(2).

''(b) DEVELOPMENT OF ACQUISITION MANAGEMENT SYSTEM.—

''(1) IN GENERAL.—Not later than 180 days after the date of the enactment of the Federal Aviation Administration Revitalization Act of 1995, the Federal Aviation Board, in consultation with such nongovernmental experts in acquisition management systems as the Board may employ, shall develop an acquisition management system for the Administration.

''(2) CONSULTATION.—In developing the acquisition management system, the Board shall consult nongovernmental experts in acquisition management systems.

''(3) GOALS.—The acquisition management system to be developed by the Board under paragraph (1) shall be designed—

''(A) to ensure that services are procured and new equipment is installed and certified as quickly as possible without sacrificing principles of fairness and protection against waste, fraud, and abuse; and

''(B) to ensure a common interoperable air traffic control system with the military.

''(4) EXPERTS EVALUATION.—The arrangements entered into by the Board with the experts consulted by the Board under paragraph (2) shall provide for those experts to evaluate the acquisition management system developed by the Board and submit to Congress the results of such evaluation before the last day of the 180-day period referred to in paragraph (1).

''(c) NOTICE TO CONGRESS.—

''(1) IN GENERAL.—Upon the development of the acquisition management system, the Board shall submit a comprehensive plan describing the acquisition management system to Congress, along with all existing or proposed rules or regulations relevant to the system.

''(2) IMPLEMENTATION.—The Administration may begin to implement the acquisition management system only after the expiration of the 180-day period that begins on the date on which the plan is submitted to Congress under paragraph (1). The acquisition management system shall apply to contracts entered into after the expiration of such 180-day period.

''(d) CONTRACTS.—

''(1) APPROVAL OF CERTAIN CONTRACTS.—The Administration may only enter into a contract that has a total contract value, including all options, of an amount greater than $100,000,000 if the Board first approves of the entry into the contract.

''(2) NOTICE TO CONGRESS OF CERTAIN CONTRACTS.—In addition to complying with paragraph (1), the Administration may only enter into a contract that has a total contract value, including all options, of an amount greater than $250,000,000 if the Board provides written notice to Congress of the proposed entry into the contract, together with a description of the contract and at least 30 calendar days elapse after the date of such notification.

''§ 1335. Judicial review of actions in carrying out certain transferred duties and powers

''(a) JUDICIAL REVIEW.—An action of the Administration in carrying out a duty or power transferred under the Department of Transportation Act (Public Law 89–670) and under the Federal Aviation Administration Revitalization Act of 1995 and an action of the Administrator of the Federal Aviation Administration in carrying out a duty or power specifically assigned to the Administrator by the Department of Transportation Act and transferred to the Administration by the Federal Aviation Administration Revitalization Act of 1995 may be reviewed judicially to the same extent and in the same way as if the action had been an action by the department, agency, or instrumentality of the United States Government carrying out the duty or power immediately before the transfer.

''(b) APPLICATION OF PROCEDURAL REQUIREMENTS.—A statutory requirement related to notice, an opportunity for a hearing, action on the record, or administrative review that applied to a duty or power transferred by the Acts referred to in subsection (a) applies to the Administration when carrying out the duty or power.''.

SEC. 4. BUDGET OF ADMINISTRATION.

(a) IN GENERAL.—Section 48109 of title 49, United States Code, is amended to read as follows:

''§ 48109. Budget information and legislative recommendations and comments

''(a) PREPARATION.—Subject to approval of the Federal Aviation Board, the Chief Executive Officer shall prepare an annual budget for the Administration.

''(b) SUBMISSION OF BUDGET TO DOT.—

''(1) IN GENERAL.—At the same time that agencies of the Department of Transportation having jurisdiction over other modes of transportation are required to submit their budgets to the Secretary of Transportation, the Administration shall submit to the Secretary the budget prepared by the Administration and approved by the Board. The Secretary shall review the budget and may recommend to the Administration modifications in the budget necessary to ensure that the budget is consistent with the needs of the national transportation system and the Secretary's aviation responsibilities. The Administration may modify the budget to adopt any recommendation made by the Secretary.

''(2) OPPORTUNITY FOR COMMENT.—At least 30 days before submitting a budget to the Secretary under paragraph (1), the Administration shall submit a draft of the budget to the Management Advisory Committee established by section 1315 for comment.

''(c) SUBMISSION OF BUDGET TO CONGRESS.—

''(1) IN GENERAL.—When the Board submits to the President or the Director of the Office of Management and Budget any budget information, legislative recommendation, or comment on legislation about amounts authorized in section 48101 or section 48102, the Board concurrently shall submit a copy of the information, recommendation, or comment to the Speaker of the House of Representatives, the Committees on Transportation and Infrastructure and Appropriations of the House of Representatives, the President of the Senate, and the Committees on Commerce, Science, and Transportation and Appropriations of the Senate.

''(2) SPECIAL RULE WITH RESPECT TO ANNUAL BUDGETS.—The annual budget of the Administration submitted to Congress shall include—

''(A) budget requests and Airport and Airway Trust Fund estimates for the ensuing 4 fiscal years;

''(B) a numerical ranking, by degree of importance to the national airspace system, of the Administration's requests for funding of air traffic control modernization projects under section 48101;

''(C) the total number of man-years of direct effort the Administration estimates it will use under support service contracts (including professional, technical, engineering, site preparation, and installation and other services comparable to those performed by Government employees, but not including maintenance as part of a supply contract, janitorial, research and development, or construction services or services incidental to supply contracts) during the fiscal year for which the budget is being submitted;

''(D) any modifications made by the Administration under subsection (b) with respect to the budget; and

''(E) if the Administration does not adopt a recommendation made by the Secretary under subsection (b), a description of the recommendation and the reasons for not adopting the recommendation.

Subparagraph (C) shall take effect with the budget submission for fiscal year 1997. The estimate under subparagraph (C) for such budget submission shall include for comparison the estimated total number of man-years of direct effort the Administration used under such support service contracts in each of fiscal years 1992 and 1995.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 481 is amended by striking the item relating to section 48109 and inserting the following:

''48109. Budget information and legislative recommendations and comments.''.

SEC. 5. COST-BENEFIT ANALYSIS FOR MINIMUM SAFETY STANDARDS.

Section 44701 is amended by adding at the end the following:

''(f) COST-BENEFIT ANALYSIS.—

''(1) IN GENERAL.—For any regulation or standard to be issued under subsection (a) or (b) that is likely to result in annualized compliance costs in excess of $25,000,000, the Administration shall, in addition to other requirements in law, identify and publish together with such regulation or standard the following:

''(A) The benefits of the regulation or standard, quantified where appropriate and feasible, and otherwise qualitatively described, including in appropriate cases, the nature and number of deaths or injuries that the regulation or standard is designed to prevent.

''(B) The approximate number of aircraft, airports, airmen, or cabin crew affected by the regulation or standard.

''(C) The probable cost of fulfilling the requirements of the regulation or standard, quantified where appropriate and feasible, and otherwise qualitatively described, including in appropriate cases any adverse effects on competition or disruption or dislocation of air service or other commercial practices engaged in by the entities affected by such requirements.

''(D) Alternative means of achieving the objective of the regulation or standard while minimizing the costs, adverse effects on competition, and the disruption or dislocation of air service or the commercial practices affected by the regulation or standard and a statement as to why the Administration chose the regulation or standard adopted in preference to the alternatives considered.

''(2) EMERGENCY.—In the case of an emergency, the Chief Executive Officer or the Board may suspend the application of this subsection for the duration of the emergency.

''(3) NONAPPLICABILITY TO ADVISORY CIRCULARS.—This subsection shall not apply to advisory circulars.''.

SEC. 6. AMENDMENT TO INSPECTOR GENERAL ACT OF 1978.

Section 11 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in paragraph (1) by inserting ''or Federal Aviation Administration'' after ''Community Service''; and

(2) in paragraph (2) by inserting ''the Federal Aviation Administration,'' after ''United States Information Agency,''.

SEC. 7. PASSENGER FACILITY CHARGES.

(a) FEE RETAINED BY AIRLINES.—

(1) DEADLINE FOR RESPONSE TO PETITION.—Not later than 75 days after the date of the enactment of this Act, the Administrator of the Federal Aviation Administration shall issue a notice of a proposed rulemaking or a denial of the petition in Docket 27791 of the Federal Aviation Administration (relating to increasing the fee that airlines retain in collecting passenger facility charges).

(2) EFFECT OF FAILURE TO RESPOND.—If the Administrator does not respond to the petition in the docket referred to in paragraph (1) as required by paragraph (1), the fee increase sought by the petitioner in such docket shall become effective after the 75th day referred to in paragraph (1) until such date as the Administrator responds to such petition.

(b) REVIEW OF PROGRAM.—The Secretary of Transportation shall complete the review required by section 121 of the Federal Aviation Administration Reauthorization Act of 1994 (108 Stat. 1581) not later than the 75th day following the date of the enactment of this Act.

SEC. 8. SELECT PANEL TO REVIEW INNOVATIVE FUNDING MECHANISMS.

(a) ESTABLISHMENT.—The Federal Aviation Board shall establish a select panel to review

and report to Congress regarding innovative financing mechanisms for ensuring adequate funding for existing and future aviation infrastructure needs and for funding the operations of the Federal Aviation Administration in a manner that would provide for future growth in the Nation's air traffic system, improve the management and performance of the air traffic control system, and make the Administration more efficient and effective. The financing mechanisms to be reviewed shall include, but not be limited to, loan guarantees, financial partnerships with for-profit private sector entities, multi-year appropriations, revolving loan funds, mandatory spending authority, authority to borrow, and restructured grant programs.

(b) APPOINTMENT OF MEMBERS.—Not later than 90 days after the date of the appointment of at least 2 members of the Board, the Board shall appoint members to the panel established under this section. Such members shall consist of appropriate Federal Government officials and representatives of the aviation industry, Administration employees, the financial community, and State and local governments.

(c) INDEPENDENT AUDIT.—Immediately following appointment of the panel, and utilizing funds appropriated for Federal Aviation Administration headquarters operations, the panel shall contract with an entity independent of the Federal Aviation Administration and the Department of Transportation to conduct a complete audit of the financial requirements of the agency, including anticipated air traffic forecasts, other workload measures, and estimated productivity gains which lead to budgetary requirements. The independent audit shall be completed no later than 180 days after contract award and shall be submitted to the panel.

(d) TRAVEL AND PER DIEM.—Each member of the panel established under this section shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from his or her usual place of residence, in accordance with section 5703 of title 5, United States Code.

(e) APPLICABILITY OF FEDERAL ADVISORY COMMITTEES ACT.—The select panel established under this section shall be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

(f) REPORT.—Not later than 1 year after the date of the appointment of the last member to the panel under subsection (b), the panel shall submit to Congress and the Federal Aviation Administration a report on the results of the review conducted under this section.

SEC. 9. TRANSFER OF PERSONNEL, PROPERTY, RECORDS, AND FUNDS.

So much of the personnel, property, records, funds, accounts, and unexpended balances of appropriations, allocations, and other funds of the Department of Transportation and the Federal Aviation Administration as are employed, used, held, available, or to be made available, in connection with the functions which under this Act (including the amendments made by this Act) are made functions of the Federal Aviation Administration established by section 1311 of title 49, United States Code, are transferred to the Federal Aviation Administration.

SEC. 10. SAVINGS PROVISIONS.

(a) ORDERS, REGULATIONS, CONTRACTS, AND CERTIFICATES.—All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President or any Federal department or agency or official thereof or by a court of competent jurisdiction, on or after the effective date of this section in regard to functions which under this Act (including the amendments made by this Act) are made functions of the Federal Aviation Administration established by section 1311 of title 49, United States Code; and

(2) which are in effect on the effective date of this section,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Federal Aviation Board, or other authorized officials, by a court of competent jurisdiction, or by operation of law.

(b) PROCEEDINGS AND APPLICATIONS.—The provisions of this Act (including the amendments made by this Act) shall not affect any proceedings or any application for any license, permit, certificate, or financial assistance pending on the effective date of this section, and such proceedings and applications, to the extent that they relate to functions under this Act that are made functions of the Administration, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the extent that such proceeding could have been discontinued or modified if this Act had not been enacted.

(c) SUITS.—

(1) EFFECT ON PENDING SUITS.—The provisions of this Act (including the amendments made by this Act) shall not affect suits commenced prior to the effective date of this section.

(2) PROCEDURES.—In all suits commenced prior to the effective date of this section, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this Act had not been enacted.

(d) ADMINISTRATOR.—If the Chief Executive Officer of the Federal Aviation Administration is not appointed by the Federal Aviation Board on the effective date of this section, the person serving as the Administrator of the Federal Aviation Administration on the day before such effective date shall act as the Chief Executive Officer until the Chief Executive Officer is appointed as provided in section 1313 of title 49, United States Code. While so acting, such person shall receive compensation at the rate such person was receiving on the day before such effective date.

(e) AGREEMENTS WITH DEPARTMENT OF DEFENSE.—Any agreement between the Federal Aviation Administration and the Department of Defense in effect on the day before the date of the enactment of this Act shall remain in effect until terminated in accordance with the terms of such agreement.

SEC. 11. LAWS AND REGULATIONS.

Except to the extent otherwise provided in this Act (including the amendments made by this Act), all laws, rules, regulations, and executive orders in effect and applicable to the Federal Aviation Administration of the Department of Transportation and to the Administrator of such Administration on the day before the effective date of this Act shall, on and after such effective date, be applicable to the Federal Aviation Administration and the Federal Aviation Board established by this Act (including the amendments made by this Act), until such law, rule, regulation, or executive order is repealed or otherwise modified or amended.

SEC. 12. TERMINATION OF FAA OF DOT.

The Federal Aviation Administration of the Department of Transportation is terminated.

SEC. 13. CORRESPONDING REDUCTIONS IN OFFICE OF SECRETARY.

The Secretary of Transportation shall terminate 200 employee positions in the Office of the Secretary to reflect reductions in the aviation responsibilities in the Office of the Secretary by enactment of this Act.

SEC. 14. CONFORMING AMENDMENTS.

(a) FEDERAL AVIATION ADMINISTRATION IN DOT.—

(1) IN GENERAL.—Subject to paragraph (2), subsections (a) through (j) of section 106 are repealed.

(2) TECHNICAL ADJUSTMENTS.—

(A) IN GENERAL.—Subchapter II of chapter 13 (as inserted by section 3 of this Act) is amended—

(i) by adding at the end the following new section heading:

"§ 1317. Civil Aeromedical Institute"; and

(ii) by inserting the text of section 106(j) as an undesignated paragraph under such section heading.

(B) CHAPTER ANALYSIS AMENDMENT.—The analysis for such chapter is amended by adding after the item relating to section 1316 the following:

''1317. Civil Aeromedical Institute.''.

(3) AUTHORIZATION OF APPROPRIATIONS FOR FAA OPERATIONS.—

(A) FISCAL YEAR 1996.—Section 106(k) is amended by—

(i) striking ''(k) AUTHORIZATION OF APPROPRIATIONS FOR OPERATIONS.—''; and

(ii) by striking ''Secretary of Transportation'' and inserting ''Federal Aviation Administration''.

(B) CONFORMING AMENDMENT.—Effective September 30, 1996, section 106, as amended by this subsection, and the item relating to section 106 in the analysis for chapter 1 are repealed.

(b) GENERAL DUTIES AND POWERS OF THE DEPARTMENT OF TRANSPORTATION.—

(1) LEADERSHIP, CONSULTATION, AND COOPERATION.—Section 301(6) is amended by striking '', with particular attention to aircraft noise, and including'' and inserting ''and''.

(2) POLICY ON LANDS, WILDLIFE AND WATERFOWL REFUGES, AND HISTORIC SITES.—Section 303 is amended—

(A) in subsection (b) by inserting ''and the Federal Aviation Administration'' after ''of Transportation''; and

(B) in subsection (c) by inserting ''and Administration'' after ''Secretary''.

(3) REPORTS.—Section 308(b) is amended—

(A) by striking ''Secretary'' the 1st place it appears and inserting ''Federal Aviation Board'';

(B) by striking ''Department'' and inserting ''Federal Aviation Administration''; and

(C) by striking ''Secretary'' the 2nd and 3rd places it appears and inserting ''Board''.

(4) MEMBERS OF THE ARMED FORCES.—Section 324 is amended—

(A) by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—

''(1) FAA.—The Federal Aviation Administration, to ensure that national defense interests are safeguarded properly and that the Administration is advised properly about the needs and special problems of the armed forces, shall provide for participation of members of the armed forces in carrying out the duties and powers of the Administration related to the regulation and protection of air traffic, including providing for, and research and development of, air navigation facilities, and the allocation of airspace.

''(2) SECRETARY OF TRANSPORTATION.—The Secretary of Transportation may provide for participation of members of the armed forces in carrying out other duties and powers of the Secretary.''; and

(B) in subsection (d) by inserting after ''Transportation'' each place it appears the following: ''or Federal Aviation Administration''.

(5) JUDICIAL REVIEW.—Section 351(a) is amended—

(A) by striking ''An'' and inserting ''Subject to section 1335, an''; and

(B) by striking '', the Federal Highway Administration, or the Federal Aviation Administration'' and inserting ''or the Federal Highway Administration''.

(6) AUTHORITY TO CARRY OUT CERTAIN TRANSFERRED DUTIES AND POWERS.—Section 352 is amended by striking '', the Federal Highway Administration, and the Federal Aviation Administration'' and inserting ''and the Federal Highway Administration''.

(7) TOXICOLOGICAL TESTING.—Section 353(a) is amended—

(A) by inserting before ''conducts'' the following: ''or the Federal Aviation Administration'';

(B) by inserting after ''Department'' the second place it appears ''or Administration''; and

(C) by inserting before ''shall'' each place it appears ''or Chief Executive Officer of the Administration''.

(c) FUNCTIONS OF FAA.—

(1) NATIONAL TRANSPORTATION SAFETY BOARD.—

(A) DISCLOSURE OF DRUG TEST INFORMATION TO NTSB.—Section 1114(d)(1) is amended—

(i) by inserting before ''shall'' the following: ''and the Federal Aviation Administration'';

(ii) in subparagraph (A) by inserting before ''under post-accident'' the following: ''or the Administration''; and

(iii) in subparagraph (A) by inserting before '', when'' the following: ''or the Administration''.

(B) INVESTIGATION OF CERTAIN ACCIDENTS.—Section 1131(c)(1) is amended by inserting ''or the Federal Aviation Administration, as the case may be,'' after ''Transportation''.

(C) CIVIL AIRCRAFT ACCIDENT INVESTIGATIONS.—Section 1132 is amended—

(i) in the heading to subsection (c) by striking ''SECRETARY'' and inserting ''FEDERAL AVIATION ADMINISTRATION'';

(ii) in subsection (c) by striking ''Secretary of Transportation'' and inserting ''Federal Aviation Administration'';

(iii) in subsection (c) by striking ''Secretary'' the 2nd and 3rd places it appears and inserting ''Administration''; and

(iv) in subsection (d) by striking ''Secretary'' each place it appears and inserting ''Administration''.

(D) REVIEW OF OTHER AGENCY ACTION.—Section 1133(1) is amended by striking ''Secretary of Transportation'' and inserting ''Federal Aviation Administration''.

(E) RESPONSES TO SAFETY RECOMMENDATIONS.—Section 1135 is amended—

(i) by striking the section heading and inserting the following:

''§ 1135. DOT's and FAA's responses to safety recommendations'';

(ii) in subsection (a) by inserting after ''Secretary of Transportation'' the following: ''or the Federal Aviation Administration'';

(iii) in subsection (a) by inserting ''or the Administration'' after ''Secretary'' the 2nd and 3rd places it appears;

(iv) in subsection (d) by striking ''shall'' and inserting ''and the Administration shall each'';

(v) in subsection (d) by inserting before ''during'' the following: ''or Administration''; and

(vi) in subsection (d) by inserting after ''Secretary's'' the following: ''or Administration's''.

(F) JUDICIAL REVIEW.—Section 1153(c) is amended—

(i) in the subsection heading by striking ''ADMINISTRATOR'' and inserting ''ADMINISTRATION'';

(ii) by striking ''the Administrator of''; and

(iii) by striking ''Administrator'' the second and third places it appears and inserting ''Administration''.

(G) CONFORMING AMENDMENT.—The analysis to chapter 11 is amended by striking the item relating to section 1135 and inserting the following:

''1135. DOT's and FAA's responses to safety recommendations.''.

(2) INTERMODAL TRANSPORTATION ADVISORY BOARD.—Section 5502(b) is amended to read as follows:

''(b) MEMBERSHIP.—The Board consists of—

''(1) the Secretary, who serves as chairman;

''(2) the Chief Executive Officer of the Federal Aviation Administration or the Chief Executive Officer's designee; and

''(3) the Administrator, or the Administrator's designee, of—

''(A) the Federal Highway Administration;

''(B) the Maritime Administration;

''(C) the Federal Railroad Administration; and

''(D) the Federal Transit Administration.''.

(3) GENERAL PROVISIONS RELATING TO AIR COMMERCE AND SAFETY.—

(A) POLICY.—Section 40101 is amended—

(i) in subsection (a) by inserting after ''Secretary of Transportation'' the following: ''and the Federal Aviation Administration'';

(ii) in subsection (c) by striking ''Administrator of the''; and

(iii) in subsection (d) by striking ''Administrator'' and inserting ''Administration''.

(B) DEFINITIONS.—Section 40102(a) is amended—

(i) in paragraphs (8)(B) and (37) by striking ''the Administrator of'';

(ii) in paragraph (20) by striking ''Administrator'' and inserting ''Federal Aviation Administration''; and

(iii) by moving the second sentence of paragraph (37) 2 ems to the left.

(C) SOVEREIGNTY AND USE OF AIR SPACE.—Section 40103 is amended—

(i) in subsection (a)(2) by inserting after ''Secretary of Transportation'' the following: ''and the Federal Aviation Administration''; and

(ii) in subsection (b)—

(I) by striking ''Administrator of the''; and

(II) by striking ''Administrator'' each place it appears after the first and inserting ''Administration''.

(D) PROMOTION OF CIVIL AERONAUTICS AND AIR COMMERCE.—Section 40104 is amended—

(i) in subsection (a) by striking ''Administrator of the'';

(ii) in subsection (a) by striking ''Administrator'' each place it appears after the first and inserting ''Administration''; and

(iii) in subsection (b) by striking ''Secretary of Transportation'' and inserting ''Administration''.

(E) INTERNATIONAL NEGOTIATIONS, AGREEMENTS, AND OBLIGATIONS.—Section 40105 is amended—

(i) in subsection (a) by striking ''Administrator of the'';

(ii) in the heading to subsection (b) by striking ''ADMINISTRATOR'' and inserting ''ADMINISTRATION'';

(iii) in subsection (b)(1) by striking ''Administrator'' and inserting ''Administration''; and

(iv) in subsection (c)(1) by inserting before the semicolon ''and the Federal Aviation Administration''.

(F) EMERGENCY POWERS.—Section 40106 is amended—

(i) in subsection (a)—

(I) in paragraph (1) by striking ''Administrator of the''; and

(II) in paragraph (2) by striking ''Administrator'' and inserting ''Administration''; and

(ii) in subsection (b)(2) by inserting after ''Secretary of Transportation'' the following: ''or the Federal Aviation Administration''.

(G) PRESIDENTIAL TRANSFERS.—Section 40107 is amended—

(i) in subsection (a) by striking ''Administrator of the''; and

(ii) by striking ''Administrator'' each place it appears after the first and inserting ''Administration''.

(H) TRAINING SCHOOLS.—Section 40108 is amended—

(i) in subsection (a) by striking ''Administrator of the''; and

(ii) by striking ''Administrator'' each place it appears after the first and inserting ''Administration''.

(I) AUTHORITY TO EXEMPT.—Section 40109(b) is amended—

(i) by striking ''Administrator of the''; and

(ii) by striking ''Administrator'' the second place it appears and inserting ''Administration''.

(J) GENERAL PROCUREMENT AUTHORITY.—Section 40110 is amended—

(i) in subsection (a) by striking ''Administrator of the'';

(ii) in subsection (a)(1) by striking ''Administrator'' and inserting ''Administration'';

(iii) in subsection (b) by striking ''Administrator of'' the first place it appears and inserting ''Chief Executive Officer of'';

(iv) in subsection (b)(2)(E) by striking ''Administrator of the''; and

(v) in subsection (b)(2)(E) by striking ''Administrator;'' and inserting ''Administration;''.

(K) MULTIYEAR PROCUREMENT CONTRACTS FOR SERVICES AND RELATED ITEMS.—Section 40111 is amended—

(i) in subsection (a) by striking ''Administrator of the''; and

(ii) in subsections (b) and (c) by striking ''Administrator'' each place it appears and inserting ''Administration''.

(L) MULTIYEAR PROCUREMENT CONTRACTS FOR PROPERTY.—Section 40112 is amended—

(i) in subsection (a) by striking ''Administrator of the'';

(ii) in subsections (b), (c), and (e)(2) by striking ''Administrator'' each place it appears and inserting ''Administration''; and

(iii) by adding at the end the following:

''(g) LIMITATION.—This section and section 40111 shall not be effective to the extent they are inconsistent with the acquisition management system being implemented under section 1334.''.

(M) ADMINISTRATIVE.—Section 40113 is amended—

(i) in subsection (a) by striking ''(or the Administrator of'' and inserting ''and'';

(ii) in subsection (a) by striking ''Administrator)'' and inserting ''Administration'';

(iii) in subsection (a) by striking ''Administrator'' the last place it appears and inserting ''Administration'';

(iv) in subsection (b) by striking ''has'' the 1st place it appears and inserting ''and the Administration have'';

(v) in subsection (c) by striking ''The Secretary'' and all that follows through ''Administrator)'' and inserting ''In carrying out aviation safety functions, duties, and powers, the Federal Aviation Administration'';

(vi) in subsection (c) by striking ''to assist the Secretary or Administrator of'' and inserting ''to assist'';

(vii) in subsection (d) by striking ''Administrator of the'';

(viii) in subsection (d) by striking ''Administrator'' the last place it appears and inserting ''Administration'';

(ix) in subsection (e) by striking ''Administrator'' each place it appears and inserting ''Administration''; and

(x) by adding at the end the following:

''(f) EXEMPTIONS.—

''(1) FAA REVIEW OF REGULATIONS.—Prior to issuing any regulation or granting any exemption to a regulation issued under this chapter that affects the transportation of hazardous materials by air, the Secretary shall provide the Administration an opportunity for review, and the Administration may disapprove such action if the Administration determines that there would be an adverse effect on aviation safety.

''(2) PROPOSED CHANGES.—The Administration may, in the interest of aviation safety, propose to the Secretary regulatory changes affecting the transportation of hazardous materials by air.

''(3) ENFORCEMENT.—Enforcement actions for violations of this chapter or of any regulations issued under this chapter that affect the transportation of hazardous materials by air shall be brought by the Administration.''.

(N) REPORTS AND RECORDS.—Section 40114 is amended—

(i) in subsection (a)(1) by striking ''(or the Administrator of'' and inserting ''and'';

(ii) in subsection (a)(1) by striking ''Administrator)'' and inserting ''Administration'';

(iii) in subsection (a)(1) by striking ''Administrator'' the last place it appears and inserting ''Administration'';

(iv) in subsection (a)(2) by striking ''(or the Administrator'' and inserting ''and the Administration'';

(v) in subsection (a)(2) by striking ''Administrator)'' and inserting ''Administration''; and

(vi) in subsection (a)(2) by striking ''Administrator'' the last 2 places it appears and inserting ''Administration''.

(O) WITHHOLDING INFORMATION.—Section 40115(a) is amended by inserting after ''Secretary of Transportation'' each place it appears the following: ''or Federal Aviation Administration''.

(P) PASSENGER FACILITY FEES.—Section 40117 is amended—

(i) in subsection (b)(1) by striking ''Secretary of Transportation'' and inserting ''Federal Aviation Administration''; and

(ii) in subsections (c) through (i) by striking ''Secretary'' each place it appears and inserting ''Administration''.

(Q) SECURITY AND RESEARCH AND DEVELOPMENT ACTIVITIES.—Section 40119 is amended—

(i) in subsection (a) by striking ''Administrator of the''; and

(ii) in subsections (b) and (c) by striking ''Administrator'' each place it appears and inserting ''Administration''.

(4) NAVIGATION OF FOREIGN CIVIL AIRCRAFT.—Section 41703 is amended—

(A) in subsection (a)(3) by inserting '', after consultation with the Federal Aviation Administration,'' after ''Secretary of Transportation''; and

(B) in subsection (b) by inserting '', after consultation with the Federal Aviation Administration,'' after ''Secretary'' the 2nd place it appears.

(5) SLOTS.—Section 41714 is amended—

(A) in subsection (a)(1) by striking ''Secretary of Transportation'' and inserting ''Federal Aviation Administration'';

(B) in subsections (a)(2), (a)(3), (a)(4), (b)(1), (b)(2), (c), (d), (f), and (g) by striking ''Secretary'' and ''SECRETARY'' each place they appear and inserting ''Administration'' and ''ADMINISTRATION'', respectively;

(C) in subsection (b)(3) by striking ''Secretary'' the first place it appears and inserting ''Administration'';

(D) in subsection (b)(3) by inserting after ''Secretary'' the second place it appears the following: ''of Transportation'';

(E) in subsection (h)(2) by striking ''Administrator'' and inserting ''Administration''; and

(F) by adding at the end the following:

''(i) CONSULTATION WITH DOT.—In making determinations with respect to essential air service, exceptional circumstances, and the public interest, the Administration shall consult with the Secretary of Transportation.''.

(6) REGISTRATION AND RECORDATION OF AIRCRAFT.—Chapter 441 (other than section 44109) is amended—

(A) by striking ''Administrator of the'' each place it appears;

(B) by striking ''Administrator'' each place it appears (other than a place to which subparagraph (A) applies and the 3rd place it appears in section 44111(d)) and inserting ''Administration''; and

(C) in section 44102(b) by striking ''Secretary of Transportation'' and inserting ''Federal Aviation Administration''.

(7) INSURANCE.—Chapter 443 is amended—

(A) by striking ''Secretary of Transportation'' each place it appears and inserting ''Federal Aviation Administration''; and

(B) by striking ''Secretary'' each place it appears (other than a place to which subparagraph (A) applies, the 2nd, 3rd, and 5th places it appears in section 44305(b), the 1st place it appears in section 44307(a)(1), the 2nd place it appears in section 44307(b), and the 3rd place it appears in section 44307(d)) and inserting ''Administration''.

(8) FACILITIES, PERSONNEL, AND RESEARCH.—Chapter 445 is amended—

(A) by striking ''Administrator of the'' each place it appears (other than the 1st place it appears in section 44501(c)(2)(B) and the last place it appears in section 44502(c)(1));

(B) by striking ''Administrator'' each place it appears (other than a place to which subparagraph (A) applies, the 1st place it appears in section 44501(c)(2)(B), the last place it appears in section 44502(c), and in section 44507(3)) and inserting ''Administration'';

(C) in section 44506(b) by striking ''Administrators of the Federal Aviation Administration and'' and inserting ''Federal Aviation Administration and the Administrator of the'';

(D) in section 44506(c) by striking ''Department of Transportation'' and inserting ''Administration'';

(E) in section 44506(d) by striking ''Public Works and Transportation'' and inserting ''Transportation and Infrastructure'';

(F) in section 44507—

(i) by striking ''106(j)'' and inserting ''1317''; and

(ii) by striking ''the Administrator'' in paragraph (3) and inserting ''the Federal Aviation Board'';

(G) in section 44514(b) by striking ''Secretary and the'';

(H) by striking ''Secretary of Transportation'' each place it appears and inserting ''Federal Aviation Administration''; and

(I) by striking ''Secretary'' each place it appears (other than in sections 44501(b)(1)(B), 44502(c)(1), and 44505(a)(3) and a place to which subparagraphs (G) and (H) apply) and inserting ''Administration''.

(9) SAFETY REGULATION.—Chapter 447 is amended—

(A) by striking ''Administrator of the'' each place it appears (other than the 2nd place it appears in section 44714, the 2nd place it appears in section 44715(a)(2), the 1st, 4th, 7th, 9th, 10th, and 11th places it appears in section 44715(c), the 1st and 3rd places it appears in section 44715(d)(1), the 2nd place it appears in section 44715(d)(2), the 1st, 3rd, and 5th places it appears in section 44715(e), and the 2nd, 4th, and 6th places it appears in section 44715(f));

(B) by striking ''Administrator'' each place it appears (other than a place to which subparagraph (A) applies, the 3rd place it appears in section 44703(f)(2), the 3rd place it appears in section 44713(d)(2), the 2nd place it appears in section 44714, the 2nd place it appears in section 44715(a)(2), the 1st, 4th, 7th, 9th, 10th, and 11th places it appears in section 44715(c), the 1st and 3rd places it appears in section 44715(d)(1), the 2nd place it appears in section 44715(d)(2), the 1st, 3rd, and 5th places it appears in section 44715(e), the 2nd, 4th, and 6th places it appears in section 44715(f), and in section 44720(b)(2)) and inserting ''Administration'';

(C) in section 44702(d)(3) by striking ''Administrator's'' and inserting ''Administration's'';

(D) in the subsection heading to section 44709(b) by striking ''ADMINISTRATOR'' and inserting ''ADMINISTRATION'';

(E) in section 44720(b)(2) by striking ''Administrator'' each place it appears and inserting ''Federal Aviation Administration'';

(F) by striking ''Secretary of Transportation'' each place it appears (other than in sections 44712(b)(2) and 44723) and inserting ''Federal Aviation Administration'';

(G) in section 44723 by striking ''Secretary of Transportation'' and inserting ''Federal Aviation Board''; and

(H) by striking ''Secretary'' each place it appears (other than in sections 44712(b)(2) and 44720 and a place to which subparagraph (F) or (G) applies) and inserting ''Administration''.

(10) SECURITY.—Chapter 449 is amended—

(A) by striking ''Administrator of the'' each place it appears;

(B) by striking ''Administrator'' each place it appears (other than a place to which subparagraph (A) applies, the 1st two places it appears in section 44932(a), the 1st place it appears in section 44932(b), the 1st place it appears in section 44932(c), the 5th place it appears in section 44933(a), and each place it appears in section 44934(b)) and inserting ''Administration'';

(C) in section 44933(b)(4) by striking ''Administrator's'' and inserting ''Administration's'';

(D) by striking the heading for section 44932 and inserting ''**Civil aviation security**'';

(E) by striking subsection (a) of section 44932 and redesignating subsections (b) and (c) as subsections (a) and (b), respectively;

(F) in section 44932(a), as redesignated by subparagraph (E), by striking ''Assistant Administrator'' and inserting ''officer designated by the Chief Executive Officer of the Federal Aviation Administration'';

(G) in section 44932(b), as redesignated by subparagraph (E), by striking ''Assistant Administrator'' and inserting ''Administration'';

(H) in sections 44933(a) and 44934(b) by striking ''Assistant Administrator for Civil Aviation Security'' and inserting ''officer designated by the Chief Executive Officer of the Administration'';

(I) in section 44934(b)(1) by striking ''Assistant Administrator'' and inserting ''Administration'';

(J) by striking ''Secretary of Transportation'' each place it appears (other than in sections 44903(b)(1), 44907(d)(1)(C), 44907(d)(3), 44907(e), 44907(f), 44911(b), 44912(a)(3), 44931, and 44938(a)) and inserting ''Federal Aviation Administration'';

(K) by striking ''Secretary'' each place it appears (other than a place to which subparagraph (J) applies, the 1st place it appears in section 44903(d), in section 44903(b)(1), the 2nd place it appears in section 44907(b), the 3rd place it appears in section 44907(c), in section 44907(d)(1)(C), the 3rd place it appears in section 44907(d)(2)(A)(ii), the 2nd and 3rd places it appears in section 44907(d)(2)(B), in section 44907(d)(3), the 2nd place it appears in section 44907(d)(4), in sections 44907(e) and 44907(f), the 4th place it appears in section 44908(a), the 1st place it appears in section 44908(b), the 2nd place it appears in section 44909(a), and in sections 44910, 44911, 44912(a)(3), 44931, 44934, and 44938(a)) and inserting ''Administration'';

(L) in section 44905(g) by striking ''Department of Transportation'' and inserting ''Federal Aviation Administration'';

(M) in sections 44907(d)(1)(C), 44907(d)(3), 44907(e), and 44907(f) by inserting ''or Federal Aviation Administration'' after ''of Transportation'';

(N) in section 44907(d)(3) by inserting ''or Administration'' after ''Secretary'' the 2nd place it appears; and

(O) in the chapter analysis by striking the item relating to section 44932 and inserting the following:

''44932. Civil aviation security.''.

(11) ALCOHOL AND CONTROLLED SUBSTANCES TESTING.—Chapter 451 is amended—

(A) by striking ''Administrator of the'' each place it appears; and

(B) by striking ''Administrator'' each place it appears (other than a place to which subparagraph (A) applies) and inserting ''Administration''.

(12) FEES.—Chapter 453 is amended—

(A) by striking ''Administrator of the'' each place it appears;

(B) by striking ''Administrator'' each place it appears (other than a place to which subparagraph (A) applies) and inserting ''Administration'';

(C) in section 45301(a) by inserting after ''Secretary of Transportation'' the following: ''and the Federal Aviation Administration, as the case may be,''; and

(D) in section 45301(c)(4) by striking ''Administrator's'' and inserting ''Administration's''.

(13) INVESTIGATIONS AND PROCEEDINGS.—Chapter 461 is amended—

(A) in sections 46101(a)(1), 46102(a), 46103(a)(1), and 46104(a)—

(i) by striking ''(or the Administrator of'' and inserting ''(or''; and

(ii) by striking ''Administrator)'' and inserting ''Administration)'';

(B) by striking ''Administrator of the'' each place it appears (other than a place to which subparagraph (A)(i) applies and in section 46101(b));

(C) by striking ''Administrator'' each place it appears (other than a place to which subparagraph (A) or (B) applies) and inserting ''Administration'';

(D) in section 46109 by inserting ''or the Federal Aviation Administration'' after ''Transportation''; and

(E) in the subsection heading to section 46107(c) by striking ''ADMINISTRATOR'' and inserting ''ADMINISTRATION''.

(14) PENALTIES.—Chapter 463 is amended—

(A) in section 46301(c)—

(i) by inserting ''by other than air'' after ''transportation'' in paragraph (1)(D);

(ii) by redesignating paragraph (2) as paragraph (3);

(iii) by inserting after paragraph (1) the following:

''(2) FAA NOTICE AND HEARING.—The Federal Aviation Administration may impose a civil penalty for violations under subsection (a)(1) of this section related to the transportation by air of hazardous material only after notice and an opportunity for a hearing.'';

(iv) by inserting ''or Administration, as appropriate,'' after ''Secretary'' in paragraph (3), as so redesignated; and

(v) by striking ''paragraph (1) of'' in such paragraph (3).

(B) in section 46301(d)(2) by striking ''Administrator of the'';

(C) in subsections (d) and (e) of section 46301—

(i) by striking ''Administrator'' each place it appears (other than a place to which subparagraph (A) applies) and inserting ''Administration''; and

(ii) by striking ''Secretary'' each place it appears and inserting ''Administration'';

(D) in section 46301(f) by inserting ''or Administration, as the case may be,'' after ''Secretary'';

(E) in section 46301(g) by inserting ''and an order of the Administration'' before ''imposing'';

(F) in section 46301(h)(2) by striking the parenthetical phrase and inserting ''or Administration, as appropriate,'';

(G) in section 46302(b) by striking ''Secretary of Transportation'' and inserting ''Federal Aviation Administration'';

(H) in section 46303—

(i) by striking ''Secretary of Transportation'' and inserting ''Federal Aviation Administration''; and

(ii) by striking ''Administrator of the'';

(I) in section 46304—

(i) by striking ''Administrator of the''; and

(ii) by striking ''Administrator'' each place it appears (other than a place to which clause (i) applies) and inserting ''Administration'';

(J) in section 46306 by striking ''Administrator of the'' each place it appears;

(K) in section 46308(2) by striking ''Administrator of the'';

(L) in section 46311—

(i) by striking ''Administrator of the''; and

(ii) by striking ''Administrator'' each place it appears (other than a place to which clause (i) applies) and inserting ''Administration'';

(M) in section 46313—

(i) by striking ''Administrator of the''; and

(ii) by striking ''Administrator'' the 2nd place it appears and inserting ''Administration'';

(N) in section 46315(b)(1) by striking ''Administrator of the''; and

(O) in section 46316(a)—

(i) by striking ''Administrator of the''; and

(ii) by striking ''Administrator'' the 2nd place it appears and inserting ''Administration''.

(15) SPECIAL AIRCRAFT JURISDICTION OF UNITED STATES.—Section 46505(d)(2) is amended by striking ''Administrator of the''.

(16) AIRPORT DEVELOPMENT.—Chapter 471 is amended—

(A) by striking ''Secretary of Transportation'' each place it appears (other than in section 47102(1)(A)) and inserting ''Federal Aviation Administration'';

(B) by striking ''Secretary'' each place it appears (other than a place to which subparagraph (A) applies, in sections 47101(h), 47102(1)(A), 47102(1)(B)(i), 47103(a), 47103(c), 47106(c)(2), 47107(j)(4), 47110(e), and 47112(b), and the 2nd and 3rd places it appears in section 47153(b)) and inserting ''Administration'';

(C) in section 47106(c)(1)(B)(ii) by inserting ''of the Environmental Protection Agency'' after ''Administrator'';

(D) in section 47106(c)(2) by striking ''Secretary'' and inserting ''Federal Aviation Administration'';

(E) in sections 47106(c)(3) and 47110(d)(2)(B) by striking ''Secretary's'' and inserting ''Administration's'';

(F) in section 47107(k) by striking ''Public Works and Transportation'' and inserting ''Transportation and Infrastructure'';

(G) in section 47110(e)—

(i) by striking ''Secretary'' each place (other than the 2nd and 6th places) it appears and inserting ''Federal Aviation Board''; and

(ii) by striking ''Secretary'' the 2nd and 6th places it appears and inserting ''Federal Aviation Administration'';

(H) in the heading for each of sections 47117(h), 47129(a)(3), and 47129(c) by striking ''SECRETARY'' and inserting ''ADMINISTRATION'';

(I) in the subsection heading for section 47129(a) by striking ''SECRETARY'S'' and inserting ''ADMINISTRATION'S''; and

(J) in section 47130 by striking ''Administrator of the''.

(17) INTERNATIONAL AIRPORT FACILITIES.—Chapter 473 is amended—

(A) in section 47302—

(i) by striking ''Secretary of Transportation'' in subsection (a)(1) and inserting ''Federal Aviation Administration''; and

(ii) by striking ''Secretary of Transportation or'' in subsection (c) and inserting ''Federal Aviation Administration or the Secretary of'';

(B) in section 47303—

(i) by striking ''Secretary of Transportation or'' and inserting ''Federal Aviation Administration or the Secretary of''; and

(ii) in paragraph (1) by striking ''Secretary'' and inserting ''agency head'';

(C) in section 47304—

(i) by striking ''Secretary of Transportation or'' in subsection (a) and inserting ''Federal Aviation Administration or the Secretary of'';

(ii) by striking ''Secretary'' the 2nd and 3rd places it appears in subsection (a) and inserting ''agency head'';

(iii) by striking ''Secretary of Transportation'' the 1st place it appears in subsection (b) and inserting ''Federal Aviation Administration'';

(iv) by striking ''Secretary of Transportation or'' in subsection (b)(2) and inserting ''Chief Executive Officer of the Federal Aviation Administration or the Secretary of'';

(v) by striking ''Secretary of Transportation'' each place it appears in subsection (c) and inserting ''Federal Aviation Administration''; and

(vi) by striking ''Secretary of Transportation or'' in subsection (d)(2) and inserting ''Chief Executive Officer of the Federal Aviation Administration or the Secretary of'';

(D) in section 47305—

(i) by striking ''Secretary of Transportation'' in subsection (a) and inserting ''Federal Aviation Administration'';

(ii) by striking ''Secretary'' the 3rd and 4th places it appears in subsection (a) and inserting ''agency head''; and

(iii) by striking ''Secretary of Transportation or'' in subsection (b) and inserting ''Chief Executive Officer of the Federal Aviation Administration or the Secretary of''; and

(E) in section 47306 by striking ''Secretary of Transportation'' and inserting ''Federal Aviation Administration''.

(18) NOISE.—Chapter 475 is amended—

(A) by striking ''Administrator of the'' each place it appears (other than the 1st place it appears in section 47502, the 2nd place it appears in section 47509(a), the 2nd place it appears in section 47509(c), the 2nd place it appears in section 47509(d), and the 2nd place it appears in section 47509(e));

(B) by striking ''Administrator'' each place it appears (other than a place to which subparagraph (A) applies, the 1st place it appears in section 47502, the 2nd place it appears in section 47509(a), the 2nd place it appears in section 47509(c), the 2nd place it appears in section 47509(d), and the 2nd place it appears in section 47509(e)) and inserting ''Administration'';

(C) by striking ''Secretary of Transportation'' each place it appears and inserting ''Federal Aviation Administration''; and

(D) by striking ''Secretary'' each place it appears (other than a place to which subparagraph (C) applies) and inserting ''Administration''.

(19) FINANCING.—Chapter 481 (other than section 48109) is amended—

(A) by striking ''Administrator of the'' each place it appears;

(B) by striking ''Administrator'' each place it appears (other than a place to which subparagraph (A) applies) and inserting ''Administration'';

(C) by striking ''Secretary of Transportation'' each place it appears and inserting ''Federal Aviation Administration'';

(D) by striking ''Secretary'' each place it appears (other than a place to which subparagraph (C) applies and the 1st place it appears in section 48105) and inserting ''Administration'';

(E) in section 48102(d)(2) by striking ''Public Works and Transportation'' and inserting ''Transportation and Infrastructure''; and

(F) in section 48108(b)(2) by striking ''Department of Transportation'' and inserting ''Federal Aviation Administration''.

(20) MISCELLANEOUS.—Chapter 491 is amended—

(A) by striking ''Administrator of the'' each place it appears;

(B) by striking ''Administrator'' each place it appears (other than a place to which subparagraph (A) applies) and inserting ''Administration'';

(C) by striking ''Secretary of Transportation'' each place it appears and inserting ''Federal Aviation Administration''; and

(D) by striking ''Secretary'' each place it appears (other than a place to which subparagraph (C) applies and in section 49103(b)(1)) and inserting ''Administration''.

(21) COMMERCIAL SPACE LAUNCH ACTIVITIES.—Subtitle IX is amended—

(A) by striking ''Secretary of Transportation'' each place it appears and inserting ''Federal Aviation Administration'';

(B) by striking ''Secretary'' each place it appears (other than a place to which subparagraph (A) applies, the 1st place it appears in section 70109(a), the 2nd place it appears in each of sections 70109(b), 70109(c), 70112(a)(2), and 70112(b)(2), the 2nd and 3rd places it appears in each of sections 70116(a) and 70116(b), in section 70117(b)(2), and the 2nd place it appears in each of sections 70303(b)(2) and 70304(a)) and inserting ''Administration''; and

(C) in the subsection heading to section 70111(c) by striking ''SECRETARY'' and inserting ''ADMINISTRATION''.

(d) TITLE 5, UNITED STATES CODE.—

(1) EXECUTIVE SCHEDULE PAY RATES.—

(A) ADMINISTRATOR.—Section 5313 of title 5, United States Code, is amended by striking ''Administrator, Federal Aviation Administration.''.

(B) DEPUTY ADMINISTRATOR.—Section 5315 of such title is amended by striking ''Deputy Administrator, Federal Aviation Administration.''.

(2) DEFINITIONS.—Section 2109 of title 5, United States Code, is amended—

(A) by striking ''Department of Transportation'' each place it appears and inserting ''Federal Aviation Administration''; and

(B) by striking ''Secretary of Transportation'' and inserting ''Chief Executive Officer of the Federal Aviation Administration''.

(3) EXPENSE OF TRAINING.—Section 4109(c) of title 5, United States Code, is amended by striking ''Administrator, Federal Aviation Administration,'' and inserting ''Federal Aviation Administration''.

(4) REDUCTION IN RETIREMENT PAY FOR FORMER MEMBERS OF UNIFORM SERVICES.—Section 5532(f) of title 5, United States Code, is repealed.

(5) DIFFERENTIAL PAY.—Chapter 55 of title 5, United States Code, is amended—

(A) in the heading to section 5546a by striking ''**the Federal Aviation Administration and**'';

(B) in section 5546a(a) by striking ''Administrator of the Federal Aviation Administration (hereafter in this section referred to as the 'Administrator') and the'';

(C) in subsections (a)(1), (a)(2), (c), (d), (e), and (f)(1) of section 5546a—

(i) by striking ''Administrator or the'' each place it appears; and

(ii) by striking ''the Federal Aviation Administration or'' each place it appears;

(D) by striking ''; and'' at the end of section 5546a(a)(2) and inserting a period;

(E) by striking paragraph (3) of section 5446a(a);

(F) in section 5546a(f)—

(i) by striking ''(1)''; and

(ii) by striking paragraph (2); and

(G) in the item relating to section 5546a of the analysis for such chapter by striking ''the Federal Aviation Administration and''.

(e) COAST GUARD COOPERATION.—Chapter 5 of title 14, United States Code, is amended—

(1) in the heading to section 82 by striking ''**Administrator of**'';

(2) in sections 81, 82, and 90(b) by striking ''the Administrator of'' each place it appears;

(3) in section 90(b) by striking ''Administrator may'' and inserting ''Administration may''; and

(4) in the item relating to section 82 of the analysis for such chapter by striking ''Administrator of''.

(f) ACCESS TO NATIONAL DRIVER REGISTER.—Section 30305(b)(3) of title 49, United States Code, is amended—

(1) by striking ''the Administrator of''; and

(2) by striking ''Administrator'' each place it appears after the first and inserting ''Administration''.

(g) WOLF TRAP FARM PARK.—The Wolf Trap Farm Park Act (16 U.S.C. 284–284j) is amended—

(1) in section 4(e)—

(A) by striking ''Administrator of the''; and

(B) by striking ''Administrator'' each place it appears after the first and inserting ''Administration''; and

(2) in section 8(b) by striking ''Administrator of the'' each place it appears.

(h) CERTIFICATION OF FIREARMS.—Section 922(p)(5)(A) of title 18, United States Code, is amended by striking ''the Administrator of''.

(i) NATIONAL AIR AND SPACE MUSEUM ADVISORY BOARD.—Section 1(a) of the Act entitled ''An Act to establish a national air museum, and for other purposes'', approved August 12, 1946 (20 U.S.C. 77(a)), is amended by striking ''Administrator of the Federal'' and all that follows through the first succeeding comma and inserting ''Chief Executive Officer of the Federal Aviation Administration,''.

(j) FEDERAL PROPERTY.—Section 602(d)(14) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 474(d)(14)) is amended by striking ''Administrator of the'' and all that follows through ''or'' and inserting ''Federal Aviation Administration or''.

(k) NOISE CONTROL.—The Noise Control Act of 1972 (42 U.S.C. 4901–4918) is amended—

(1) in section 12(a)(2)(B) (42 U.S.C. 4911(a)(2)(B))—

(A) by striking ''Administrator of the'';

(B) by striking ''611 of the Federal Aviation Act of 1958'' and inserting ''44709(b)(1)(B) or 44715 of title 49, United States Code,''; and

(C) by striking ''such Administrator'' each place it appears and inserting ''such Administration'';

(2) in the last sentence of section 12(a) by striking ''such Administrator'' and inserting ''the agency'';

(3) in section 12(b)(1)(A) by striking ''Administrator'' the 2nd place it appears and inserting ''Administration'';

(4) in sections 12(b)(1)(B) and 12(e) by striking ''Administrator'' and inserting ''agency'';

(5) in section 12(c)—

(A) by striking ''Administrator of the'' the 2nd place it appears; and

(B) by striking ''611 of the Federal Aviation Act of 1958,'' and inserting ''44715 of title 49, United States Code,'';

(6) in section 16(a) (42 U.S.C. 4915(a))—

(A) by striking ''Administrator of the'' the 2nd place it appears;

(B) by striking ''611 of the Federal Aviation Act of 1958'' and inserting ''44715 of title 49, United States Code,''; and

(C) by striking ''Administrator'' the 3rd place it appears and inserting ''agency'';

(7) in section 16(b)—

(A) by inserting ''the Federal Aviation'' before ''Administration''; and

(B) by striking ''Administrator'' each place it appears after the 1st and inserting ''agency''; and

(8) in section 16(c) by striking ''Administrator'' and inserting ''agency''.

(l) PHASE-OUT OF HALON.—Section 604(d)(3) of the Clean Air Act (42 U.S.C. 7671c(d)(3)) is amended by striking ''Administrator of the'' each place it appears.

SEC. 15. REFERENCES.

A reference in any law, regulation, document, record, map, or other paper of the United States to the Secretary of Transportation (and any reference to the Administrator of the Federal Aviation Administration) with respect to a function which under this Act (including the amendments made by this Act) is made a function of the Federal Aviation Administration established by section 1311 of title 49, United States Code, shall be deemed to be a reference to the Federal Aviation Administration established by such section.

SEC. 16. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this Act (including the amendments made by this Act) shall take effect on the 90th day following the date of the enactment of this Act.

(b) EXCEPTIONS.—Section 1312 of title 49, United States Code, and section 7 of this Act shall take effect on the date of the enactment of this Act. The amendments made by section 14(d)(5) of this Act, relating to differential pay, shall take effect on the date the Federal Aviation Board begins implementation of the personnel management system for the Federal Aviation Administration under section 1314(d)(2) of title 49, United States Code.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. SHUSTER] and the gentleman from Minnesota [Mr. OBERSTAR] will each be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. SHUSTER].

Mr. SHUSTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of the FAA Revitalization Act. This is

legislation which will put us in a position to move into the next century with a modern air traffic control system, with a system that will provide America and the world with the best FAA and the best air traffic control.

I am very pleased that we have 62 cosponsors. This is bipartisan legislation. The gentleman from Minnesota [Mr. OBERSTAR], the distinguished ranking member of the full committee; the gentleman from Illinois [Mr. LIPINSKI], the distinguished ranking member of the subcommittee; the gentleman from Tennessee [Mr. DUNCAN], the distinguished ranking member of the subcommittee; and myself all are among those 62 bipartisan cosponsors. This is legislation whose time has come.

Since airline deregulation in 1978, passenger traffic has more than doubled to now over 500 million passengers a year. Even more significantly, commercial air travel is increasing at a rate of between 4.5 and 5 percent a year, which means that as we move into the next century, we will soon experience 1 billion, that is with a B, commercial air travelers a year.

The 10 largest U.S. airlines conduct nearly 15,000 flights a day. If we add commuter, military and general aviation flights, there are over 107,000 flights per day. This is expected to increase by about another 20,000 flights a day by the year 2002. The FAA's existing structure simply does not give it the flexibility to cope, not only with the current situation, let alone this future growth.

As some of my colleagues know, my background is in the electronic computer industry. I was absolutely stunned to realize that vacuum tubes are still used in approximately 500 of the FAA air traffic control facilities. In fact, in 1994 the FAA spent nearly $50 million on the purchase of vacuum tubes. Most businesses replaced their vacuum tube computers many, many years ago.

Further, the FAA's cumbersome procurement process results in these aging computers constantly breaking down. In fact, there have been at least 6 failures at the air traffic control center in Leesburg, VA. The longest was a 28-hour outage just last June 7.

FAA officials say that computers failed 20 times during a 4-month period at very important centers such as Chicago, Washington, Dallas, Cleveland, and New York. Failures have also been reported at Boston, Kansas City, Atlanta, San Juan, Houston, Oakland, and Miami.

Indeed, beyond this very serious problem which must be corrected, the FAA's bureaucratic personnel system results in some air traffic control facilities being overstaffed while others are understaffed. Indeed, under the FAA's funding systems, users pay into the trust fund with no assurance of getting their money back in the form of proposed infrastructure investments. Indeed, GAO has stated that the FAA's management structure has often been unable to fully cope with all the problems.

The good news, however, Mr. Speaker, is that there is a solution. The solution is this legislation, which exempts the agency from current personnel and procurement laws and gives the FAA an opportunity to develop procurement and personnel systems best suited to its own unique mission. Further, this legislation makes the FAA independent so it would not be subject to the bureaucratic interference from DOT.

It creates a board to oversee the operation of the new independent agency. The board would select a CEO to actually run the agency. Indeed, this legislation is the answer to modernizing the FAA so that we can be in a position, as we move into the next century, to provide the kind of both safety and efficiency which is so necessary,

This legislation will make air travel safer. New computers, a rational personnel system, and quicker decisions will all make air travel safer.

It will also make flying more affordable. Today our airlines are experiencing delays which have an added cost of $2.5 billion a year. Savings from reductions in these delays can be passed on to passengers, so this will permit facilities to be more efficient all across the country.

Indeed, this legislation will reform and streamline bureaucracy. At least 200 positions at DOT can be eliminated, whose only job is to oversee the FAA. This legislation will reduce the regulatory burden on the aviation industry. There are provisions in this bill to ensure that the FAA considers the costs to air travelers as well as the benefits of major new regulatory initiatives.

For all these reasons, I would urge my colleagues to vote for this bipartisan legislation. It passed by voice vote without a single dissenting vote out of our committee, has strong bipartisan support, and I urge the passage of this legislation.

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

□ 1545

Mr. OBERSTAR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today marks a watershed day that I have long looked forward to since, in fact, 1987 when I introduced the first independent FAA bill, then with bipartisan support as we have today. But this is the first time in all the years that I have introduced and reintroduced that bill that it has made its way to the floor. For that, I salute our chairman of the full committee, the gentleman from Pennsylvania [Mr. SHUSTER], for his splendid cooperation, his willingness to move this legislation along as a high priority item for our committee. For that I salute our chairman of the Subcommittee on Aviation, the gentleman from Tennessee [Mr. DUNCAN], who has taken on the burdensome task of learning all the intricacies of aviation, learning the importance of this agency and its role in modern aviation not only in the U.S. but worldwide and who has become a champion of aviation in the brief tenure that he has had as our chairman, and to our ranking Democratic member, the gentleman from Illinois [Mr. LIPINSKI], who, though a longtime member of the Subcommittee on Aviation, has just recently assumed the role of the leader on our side for the Subcommittee on Aviation and who likewise has devoted himself and plunged in with great enthusiasm into this subject matter, and I am very grateful to the gentleman for the job he has done and for the workload and responsibility that he has shouldered.

For many years of hearings of inquiry into the FAA, of safety in the field of aviation, one issue has jumped out, and that is the role of the FAA within this huge Department of Transportation subjugated to the interest to the will, to the changing of the leadership at the top of this department, and consequently with effects upon the FAA itself, have oftentimes gone months without an administrator under both Democratic and Republican administrations, without regard to which party was in control of the government. The FAA continued to have a back door sort of relationship with the Department of Transportation and yet one in which the Secretary of Transportation was all too willing to insert himself or herself into the internal affairs of this safety-conscious agency.

It became so painfully clear to me that what Congress did in response to the Johnson administration's initiative in 1966, bringing all modes together in one Department of Transportation, was flawed in this respect: that the Federal Aviation Administration should not be included in that department, that it should be, as it rightfully ought to be, an independent agency. It ought to have its own independent status because that is the status of aviation. It stands separately in our national picture. It is at the heart of a $600 billion sector of our national economy. Ten percent of our gross domestic product is related to aviation.

The FAA ought to stand on a par, frankly, with the other departments of government and not be subsumed under one. At the hearings that we had on FAA reform, all but one of the living former administrators of FAA endorsed a concept of an independent agency. Those former administrators served over a 30-year period from 1961 to 1991 in which there was a revolution in technology in the field of aviation. They served in Democratic and Republican administrations from President Kennedy to President Bush. They served at a time when FAA was independent and at a time when it was part of the Department of Transportation, and every one of them said the FAA should be independent.

Now, the present Secretary of Transportation does not support that concept, and I understand no sitting Secretary of Transportation ever wanted

to see the FAA become an independent agency. Of course, if the FAA is out from under DOT, the Secretary loses it as the majority of the Department of Transportation's total work force. And that is another problem that has disturbed me very much in this past year and a half when the FAA took more like 70 percent of the personnel reductions that the Department of Transportation experienced. That is unfair and unreasonable. They should not have had that kind of reduction.

Another concern that I have is in the rulemaking, particularly in the safety rulemaking side of the FAA's responsibility. And that I consider its primary responsibility. There are 15 signoffers on a rulemaking from the time it emanates from the office of certification until it becomes a rule, and more than half of that time spent in signoffs is the regulation marching its way through the Department of Transportation.

Well, as Chairman SHUSTER said a moment ago, there will be personnel savings if the FAA is moved out from under the department. There will be efficiency savings. There will be ability for the FAA to move ahead more effectively, more dynamically on modernization of the air traffic control system. And I think the whole aviation community in the United States and worldwide will have a greater sense of appreciation and respect for this autonomous, independent agency.

I use the word autonomous because the antidote for an independent FAA is a proposal to give the agency more flexibility or autonomy within the department. Friends, believe me, it will not happen. As long as the FAA is within the Department of Transportation, that agency, that department, is going to exert every measure of control that it can over the FAA, and doing business will simply be as it always has been.

We need a change. We need dynamic, progressive, forward-looking change in personnel, in procurement, in management of the safety function of the FAA, and being the leader worldwide in aviation, and restoring to FAA a leadership role as an independent agency will put it back in charge. And that is what we achieve with this legislation.

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

Mr. SHUSTER. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. DUNCAN], the distinguished chairman of our subcommittee.

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

Mr. DUNCAN. Mr. Speaker, I thank the distinguished chairman of our full committee for yielding me this time. And let me pay a special tribute to the gentleman from Pennsylvania [Mr. SHUSTER], for his outstanding leadership in helping move this legislation through our committee and to the floor today, and particularly for the really tremendous job he is doing as chairman of our full committee.

H.R. 2276 is an outstanding bill that enjoys widespread bipartisan support here in the House. It will help bring long overdue and needed reforms to the Federal Aviation Administration.

I want to also thank my ranking member, the ranking member of my subcommittee, the gentleman from Illinois [Mr. LIPINSKI]. I do not think anyone could have a kinder ranking member than I do on our subcommittee, and we have really worked well together. I want to also though mention for a few moments the gentleman from Minnesota [Mr. OBERSTAR], because I do not think that anyone in the entire Congress knows aviation issues better than the gentleman from Minnesota [Mr. OBERSTAR]. He serves as chairman of this subcommittee for many years, and he has really worked well with me in so many different ways, and I thank him for all of that and for this strong support of this legislation.

It would not be right though to go any further without mentioning our colleague from Iowa, Mr. JIM ROSS LIGHTFOOT. The gentleman from Iowa [Mr. LIGHTFOOT] really wrote the bulk, or a large portion of this bill, and his activities in regard to this legislation have also been tremendously meaningful in carrying this legislation forward.

Last year, the Subcommittee on Aviation held several days of hearings on various proposals to restructure our Nation's air traffic control system. From these hearings, it became very clear that a consensus of members as well as the aviation community supported a independent FAA. This process of which I am very proud has enabled us to develop an outstanding bill that has been endorsed by more than 30 leading aviation groups.

No other legislation in regard to aviation has ever had this kind of support. This bill has been endorsed by the Aircraft Owners' and Pilots' Association, the National Air Traffic Controllers' Association, the General Aviation Manufacturers' Association, the National Business Aircraft Association, the National Air Transportation Association, and many, many others.

I believe this legislation could be the most dramatic change in aviation since at least the Airline Deregulation Act of 1978, and perhaps since the Federal Aviation Act of 1958. I think we have a bill that the American people can and will support strongly.

I want the Members to know that this legislation is supported probably by every facet of the aviation community, business, labor, and all others.

Mr. Speaker, H.R. 2276 enjoys support from those representing general aviation, aircraft manufacturers, our Nation's small aircraft owners, the FAA air traffic controllers and many, many others. Also, as the gentleman from Minnesota [Mr. OBERSTAR] just pointed out, every living FAA former administrator, except for one who has not taken a position, supports this legislation. Since airline deregulation in 1978, air passenger traffic has doubled and is now over 500 million per year. According to several aviation experts, traffic is expected to top at least 800 million and maybe even a billion by the year 2002.

The 10 largest U.S. airlines conduct almost 15,000 flights per day at airports all across this country. If you add in commuter, military and general aviation, there are over 107,000 flights every day. Unfortunately the FAA's existing structure does not give it the flexibility to cope with even the existing situation let alone future growth. The FAA's cumbersome procurement process brought on by years of bureaucratic inertia have resulted in aging computers and 30-year-old, air traffic control equipment that constantly breaks down. Their antiquated equipment causes airplanes to be delayed and certainly shakes public confidence in the safety of flying. In fact, air traffic computers have failed and continue to fail at centers all across this country.

Let me also say, Mr. Speaker, this legislation creates a new agency. It simply removes the FAA from the cumbersome bureaucracy and interference of the department of Transportation. This agency will create a board that will also include three members, but will include also the Secretaries of Transportation and Defense. The board would select a chief executive officer to manage FAA's day-to-day operations.

For too long, the FAA's management structure has been stymied by outdated rules and big government policies that have not allowed for innovative management styles used by successful companies in the private sector. Today nearly every Federal independent agency, almost 30, are managed by boards. The only exceptions are law enforcement-type agencies.

Basically, Mr. Speaker, just to sum up, this legislation will really bring the FAA into the 21st century. It is very needed. Almost everyone who has looked at this agrees with this legislation. I am very proud of the product of our subcommittee and our full committee, and I urge the support by our members.

Mr. OBERSTAR. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. LIPINSKI], the distinguished leader for our side on the Subcommittee on Aviation.

Mr. LIPINSKI. Mr. Speaker, I thank the ranking member of the committee, whom I affectionately call ''Mr. Aviation,'' for yielding me this time.

Mr. Speaker, I rise in strong support of H.R. 2276, the Federal Aviation Administration Revitalization Act. I want to thank the chairman of the subcommittee, the gentleman from Tennessee, for all his work on this important legislation and for his leadership with the Aviation Subcommittee. I have enjoyed working with him and look forward to continuing to do so throughout the rest of the year.

I also want to commend the chairman of the full committee, the gentleman from Pennsylvania, and the

ranking member of the full committee—my predecessor as the ranking member on this subcommittee—the gentleman from Minnesota. I know that this legislation is the product of considerable effort on all of their parts. I look forward to working with them to see this bill enacted into law.

Mr. Speaker, H.R. 2276 directly addresses the problems at the FAA that we unfortunately see spelled out on the nightly news on a regular basis. The bill recognizes that the problems at the FAA are systematic and not related to, or greatly affected by, any particular individual's management style or philosophy. It is time to make changes at the agency so that the very capable people leading the FAA can have flexibility, resources, and management tools to anticipate and develop policies for the changes coming in the highly dynamic aviation industry.

This bipartisan legislation has strong support within the Transportation and Infrastructure Committee and currently has 62 cosponsors. It is what the FAA needs to operate effectively and efficiently to meet the needs of the 21st century.

Mr. Speaker, I urge support of the legislation.

□ 1600

Mr. SHUSTER. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Pennsylvania [Mr. CLINGER], the distinguished senior member of our committee.

Mr. CLINGER. Mr. Speaker, I thank the chairman very much for yielding this time to me, and want to commend him for his outstanding leadership in helping shape this important piece of legislation and bringing it to the floor today in an expedited fashion. In fact, I want to commend all of those who have been involved in shaping this legislation. As the gentleman from Minnesota [Mr. OBERSTAR] said, this is indeed an exciting day, sort of a landmark day for the entire aviation community, and I am pleased to rise in very strong support of this extremely important piece of legislation.

Mr. Speaker, I did serve for 6 years as the ranking Republican on the Subcommittee on Aviation working with my good friend and mentor, and most of what I have learned about aviation matters came from JIM OBERSTAR. We worked very hard and held countless hearings about the enormously, enormously complex regulations under which FAA has to operate to build and install a new air traffic control system.

The FAA is a case book example, Mr. Speaker, of Government regulation run amok. The result has been a monumental bungling of one of the most critically needed initiatives ever undertaken by the FAA, which is the development and purchase of an advanced automation system, This system was to have replaced our 1950's era air traffic control system. No matter the FAA began in the early 1980's to replace this outdated system, today, 25 years later 26 years later, they are still relying on the same vacuum-tube equipment to keep aircraft moving through our airways, and this is just really one example.

Mr. Speaker, I spent much of last year pursuing fundamental governmentwide procurement reform, and I am pleased in February the President signed the DOD Authorization Act, which included many of the procurement reforms I have been seeking for some time. Unfortunately, the final outcome of that legislation fell somewhat short of our initial expectations. What I had hoped for was bold procurement reform for every agency of the Federal Government.

With H.R. 2276, we have an opportunity at least to give the FAA an opportunity to make those bold reforms in procurement and personnel management. This is long overdue. Before we waste many more years and many hundreds of millions of dollars developing systems, we should enact this legislation. I urge my colleagues to support H.R. 2276.

Mr. SHUSTER. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. WELLER] the vice chairman of the Subcommittee on Aviation.

Mr. Speaker, I want to note that the hearing we held in Illinois at the request and urging of the gentleman from Illinois [Mr. WELLER] to examine the power outages at the air traffic control center in Aurora outside of Chicago, was very instrumental in helping us to develop the legislation which is before us today, and I want to thank the gentleman for his very significant contribution to this legislation.

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

Mr. WELLER. Mr. Speaker, I do want to commend the gentleman from Pennsylvania, Chairman SHUSTER, and the gentleman from Tennessee, Chairman DUNCAN, and the ranking members for this bipartisan effort on an issue that is so very important. This legislation, frankly, is sorely needed.

Mr. Speaker, at the Aurora air traffic control center serving the world's busiest airport, Chicago-O'Hare, there are 30-year-old computers that are still programmed with computer punch cards, and today the FAA is still the world's largest purchaser of vacuum tubes. Clearly these technologies, computer punch cards and vacuum tubes, are technologies that have been abandoned by the private sector decades ago. This is clearly an illustration of why we need to bring the FAA into the 21st century.

Mr. Speaker, I rise in support of H.R. 2276, the FAA Revitalization Act. Recent computer shutdowns at various air traffic control centers have brought to the forefront an issue of grave concern regarding air traffic safety. Aurora air traffic control center, which serves the world's busiest airport, Chicago O'Hare, is equipped with a 1960's vintage IBM 9020 E computer.

Last year this computer was shut down at least 10 times. In fact, at one time in August this computer was shut down for 29 hours, delaying air operations throughout the country. Five other major air traffic control centers are equipped with this same computer. There have been over 50 failures among these five sites within the past year. It is clear that this outdated and antiquated equipment is more prone to experience problems and outages, and it is time to bring the FAA into the 21st century.

Unfortunately, the FAA today is operating under burdensome, cumbersome procurement personnel procedures that make it difficult to replace outdated equipment and ensure that facilities are properly staffed.

I would like to touch briefly on the situation we are facing with the replacement computers known as the Advanced Automation System. This new computer system, which was to be installed in Chicago and other centers, is 10 years behind schedule and an estimated $4 billion over budget. The FAA has made a commitment to put in place interim computers at these centers. However they will not be operational at least for a year and a half. Mr. Speaker, I urge that this legislation be adopted.

Mr. SHUSTER. Mr. Speaker I am pleased to yield 2 minutes to the gentleman from Iowa [Mr. LIGHTFOOT], one of the architects of this legislation.

Mr. OBERSTAR. Mr. Speaker, I yield 15 seconds to the gentleman from Iowa.

The SPEAKER pro tempore [Mr. CAMP]. The gentleman from Iowa [Mr. LIGHTFOOT] is recognized for 2¼ minutes.

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

Mr. OBERSTAR. Mr. Speaker, will the gentleman yield?

Mr. LIGHTFOOT. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Speaker, I wish to pay compliment to the gentleman from Iowa [Mr. LIGHTFOOT] for the long years of work that he has devoted in the field of aviation and to this issue of an independent FAA. The gentleman has been a strong voice and a consistent voice, a strong point of support, and I salute him for all his contributions to the formulation of this legislation and getting us to the point where we are today.

Mr. LIGHTFOOT. Mr. Speaker, reclaiming my time, I thank the gentleman for his kind comments and would like to return the favor as well, because part of what we put together the gentleman drew the original blueprint for.

Mr. Speaker, I rise today in support of H.R. 2276, the FAA Revitalization Act. At the outset, let me commend Chairmen SHUSTER and DUNCAN and ranking members OBERSTAR and LIPINSKI for bringing forward this important legislation for our consideration today. Let me also congratulate the staff of

the Aviation Subcommittee on its hard work getting us here.

Last year, the Secretary of Transportation, Federico Peña, testified that the Clinton administration proposal for a Government owned air traffic control corporation was the only solution to the problems that exist at the FAA. I was very skeptical of this proposal because I personally do not believe we should separate the FAA's safety oversight function from the operation of the air traffic control system. Further, the General Accounting Office concluded that some of the financial assumptions used by the administration made the corporation proposal look superficially attractive to those of us trying to balance the Federal budget—but were not necessarily realistic.

In response to the problems we all agree on, that FAA needs personnel, procurement, and financial reforms, I introduced H.R. 1392, legislation restoring FAA to independent agency status. Frankly, very little in this town is original and my proposal owed a great deal to previous work on this issue by folks like JIM OBERSTAR, WENDELL FORD, and Barry Goldwater.

Shortly thereafter, the chairman of the Aviation Subcommittee, Representative DUNCAN, concluded his extensive series of hearings on FAA reform and also concluded that restoring FAA to independent agency status was the best alternative for reform. In September, working as a bipartisan team, we introduced the bill before the House today.

H.R. 2276 largely resembles my original legislation. It restores the FAA to independent agency status. It permanently exempts FAA from certain onerous procurement and personnel regulations. However, the legislation also establishes a Federal Aviation Board to make major decisions and a Management Advisory Committee composed of high level industry representatives to advise the FAA on certain management, policy, spending, and regulatory matters. I am certain these provisions will help make the FAA become a more businesslike agency.

I share the concerns expressed by Mr. LIVINGTON, Mr. WOLF, and others about the ''off-budget'' provisions originally included in this bill. As you all know, the issue of whether to take the trust funds off budget is a difficult and divisive one. I commend Mr. SHUSTER and Mr. DUNCAN for dropping those provisions, temporarily I am sure, so as to allow this bill to move forward today.

However, the bill does contain language creating a select panel to review innovative funding mechanisms such as loan guarantees and restructured grant programs, to ensure funds are available for future improvements in the Nation's aviation infrastructure. I hope the panel will look closely at the concept of linked funding, developed by the Aircraft Owners and Pilots Association, which will link aviation taxes collected to aviation funding. I am currently drafting legislation to implement this concept to see if it may hold part of the solution to our trust fund difficulties.

Just as importantly, the bill will allow us to terminate 200 positions at the Department of Transportation—eliminating duplicative bureaucracy that wastes taxpayer dollars. Taxpayer dollars which could be better spent funding priority transportation needs.

In closing, I would like to comment on the Secretary of Transportation's position regarding this legislation. The Secretary's opposition to an independent FAA is understandable. FAA represents most of his budget and employees.

But the Secretary chooses to deliberately misrepresent this legislation. He portrays this legislation as creating a new bureaucracy. Far from it, as we have already shown, this legislation will reduce over 200 duplicative positions within DOT. In fact, it is my hope this legislation will start another debate—about the future of the Department of Transportation.

When it became clear there was no support for the administration's ATC corporation proposal, the Secretary suddenly decided that aviation faced an imminent funding crisis. So now, the administration proposes we abandon the current system of aviation excise taxes and set up an entirely new system of aviation taxes—taxes to be determined by the administration and raised as it sees fit.

The basis of the administration's so-called funding crisis comes from a projection of FAA's future spending needs versus an extrapolation of future funding based on recommendations made by the joint budget resolution.

But this funding crisis is, in my opinion, a phony one. At the request of the Transportation Appropriations Subcommittee, the GAO has been looking into the methods and assumptions associated with this so-called funding crisis. An interim report delivered to the Transportation Subcommittee last week indicates the Administration, in documenting the so-called crisis, is once again rigging the financial assumptions to get a predetermined answer.

As an example Mr. Speaker, the administration forgot to include the $2.4 billion in savings over the next 5 years which it estimates will come from the personnel and procurement reforms included in this legislation and last year's transportation appropriations bill. If we didn't know better, we would think this phony funding crisis was just another scare tactic from an administration whose resistance to a 7-year balanced budget is well known.

Because of the administration's ongoing practice of cooking the books to get a predetermined answer and as a means of further resolving any doubt about the future funding needs of the FAA, the bill now includes a provision directing an independent audit of the FAA. This proposal, first advanced by my friend from the other body, Senator STEVENS, will also help Congress establish how much, if any, of a funding shortfall might lie ahead for the agency.

Companion legislation in the other body would pursue drastic measures to deal with a perceived crisis. GAO is already showing this funding shortfall may be based on unreliable information provided by the administration. In the past few years, you have heard a lot of rhetoric from the FAA about making the agency run more like a business. Well no business should be based on the sloppy propaganda we have gotten from the administration about this so-called funding crisis.

Mr. Speaker, this bill does not create the Secretary of Transportation's Government-owned corporation, or as I call it, the Postal Service of the Skies. It also does not give the Secretary the new taxes he wanted because they simply are not justified. What we have here on the floor today is a bill that everyone should support. A bill which has the support of the entire aviation community and a bill which will satisfy your constituents' demand for a safe and efficient air transportation system. I urge all my colleagues to support this legislation.

Mr. SHUSTER. Mr. Speaker, I am pleased to yield 2 minutes to the distinguished gentleman from New Jersey [Mr. FRANKS], a very important member of our committee.

Mr. FRANKS of New Jersey. Mr. Speaker, first I want to congratulate the gentleman from Pennsylvania, Chairman SHUSTER, the gentleman from Tennessee, Chairman DUNCAN, the gentleman from Illinois, Mr. LIPINSKI, and the gentleman from Minnesota, Mr. OBERSTAR, for their excellent work in bringing this bill to the floor today.

Mr. Speaker, today I rise in strong support of H.R. 2276, the Federal Aviation Administration Revitalization Act of 1995. Although this bill contains many worthwhile provisions that will modernize and improve the FAA, I want to bring to my colleagues' attention an amendment I offered in full committee that is of particular importance to my constituents, many of whom have been severely impacted by aircraft noise. Specifically, my amendment would establish the position of aircraft noise ombudsman within the FAA.

The idea of an aircraft noise ombudsman is long overdue. In my home State of New Jersey, the FAA has either arrogantly dismissed or totally ignored the pleas from my constituents for relief. After the Expanded East Coast Plan [EECP] was implemented by the FAA in 1987, it took years for the FAA to even react to the significant increase in aircraft noise over New Jersey that resulted from their policies. By passing this bill today, Congress will ensure that there will be an advocate in the FAA bureaucracy who will represent the concerns of residents affected by airline flight patterns.

This amendment also gives citizens someone to turn to should they have a

comment, complaint, or suggestion dealing with aircraft noise. As the experience in New Jersey demonstrates, the FAA views the very real concerns of our constituents regarding aircraft noise as nothing more than a minor inconvenience. For example, when the FAA was flooded by telephone calls from irate citizens after the EECP was implemented, their response was to belatedly install an answering machine on a single telephone line which was constantly jammed and to which citizens were unable to get through. The American people deserve better treatment when it comes to the decisions that directly affect their quality of life.

Moreover, by requiring the ombudsman be appointed by the FAA Board, and not by the Administrator, Congress will be assured that the position will be filled by a fair and independent individual, and not simply serve as a mouthpiece for the FAA bureaucracy. Ideally, I believe an aircraft noise activist from New Jersey would be the perfect candidate for this new position. After all, no group of citizens are more familiar with aircraft noise or the FAA bureaucracy than my constituents.

Mr. Speaker, my amendment is extremely important to the people of New Jersey, and to the residents of any area of the Nation affected by aircraft noise. I urge my colleagues to demonstrate to their constituents that Congress is genuinely interested in mitigating the effects of aircraft noise by passing this excellent bill.

Mr. SHUSTER. Mr. Speaker, I am pleased to yield 1 minute to the gentleman from Virginia [Mr. WOLF] the distinguished chairman of the Subcommittee on Transportation of the Committee on Appropriations.

Mr. WOLF. Mr. Speaker, I thank the chairman for yielding me this time.

Mr. Speaker, I understand that the gentleman has proposed an amendment in the nature of a substitute which differs in numerous ways from the bill, H.R. 2276, that was reported out. I am told the most significant of these changes involved the deletion of the off budget provisions. Is that accurate?

Mr. SHUSTER. Mr. Speaker, if the gentleman will yield, the gentleman is correct.

Mr. WOLF. Mr. Speaker, I thank the chairman for that. The other thing, for purposes of clarity, would the gentleman briefly describe what are some of the other changes that were made from the bill?

Mr. SHUSTER. I would yield to the distinguished chairman of the subcommittee, the gentleman from Tennessee, [Mr. DUNCAN], for an answer.

Mr. DUNCAN. Mr. Speaker, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from Tennessee.

Mr. DUNCAN. Mr. Speaker, the main provision was to take the off budget proposal out. We have another insertion there that would allow any savings from the FAA from their appropriation to be used, half to go to bonuses for FAA employees and half to be applied to the deficit. This was simply a way to try to encourage some savings by a Federal agency as a way to help in a small way the deficit. But I can assure the gentleman we meant in no way to try to sneak this through or pull anything over on the Committee on Appropriations. I can assure the gentleman that we will work with the gentleman to remove any objections that either the gentleman from Virginia or the Committee on Appropriations would have in regard to this particular provision.

Mr. MARTINI. Mr. Speaker, I rise today in support of the Federal Aviation Administration Revitalization Act of 1995, H.R. 2276. As a member of the House Transportation Subcommittee on Aviation and a cosponsor of this bill, I recognize the strong need to revamp and modernize the FAA to provide the safest, most efficient, and most cost-effective delivery of service available.

It is clear that as the aviation industry grows, the FAA's existing structure does not have the flexibility to grow with it. This is a responsible bill and exemplifies our efforts to maximize resources. First, it will modernize this outdated bureaucratic structure. Next, it will help make air travel—a key component of our economy—more productive, allowing the FAA to design its own personnel rules and avoid interference within the Department of Transportation. Last, with this new structure in place, Federal dollars can finally be used for new equipment and aviation personnel, not Government bureaucrats.

Of specific concern to me and thousands of my constituents in northern New Jersey is aircraft noise. What has happened over the last 5 to 8 years has been disheartening to say the least. We have seen the FAA, a Federal bureaucracy seemingly so set in its ways, virtually dismiss the concerns raised by homeowners affected by Federal policies which have increased overhead noise. Mr. Speaker, imagine the frustration felt by the taxpaying citizens of Montclair, NJ, who continue to be ignored and watch as the quality of their life erodes in the wake of thunderous jet engines. Perhaps the FAA's ears have grown deaf to concerns from the very noise they have created.

The people of New Jersey need someone within the FAA who is receptive to legitimate noise of concerns. By supporting this important piece of legislation, Congress will ensure the residents of New Jersey that their concerns will have a seat at the policymaking table. And while I believe H.R. 2276 is a giant step in the right direction, I will continue to closely monitor all FAA policies which could adversely affect my constituents. From this time on the FAA will be accountable for its decisions.

I urge my colleagues to join me in support of this bill and give the American people what they deserve—safe and effective air travel.

Mr. BURTON of Indiana. Mr. Speaker, I rise in strong support of H.R. 2276, the Federal Aviation Administration Revitalization Act. This well-crafted bill, introduced by Congressman LIGHTFOOT and House Aviation Subcommittee Chairman JOHN DUNCAN Jr., was unanimously approved by the Aviation Subcommittee and the full House Transportation Committee, and enjoys strong bipartisan support. Moreover, it is widely supported by the general aviation industry.

H.R. 2276 presents an opportunity to change and improve our Nation's aviation system. For years, those in the aviation industry have stressed the crucial need for FAA reform, and the need for the FAA to acquire state-of-the-art equipment in a timely manner. H.R. 2276 accomplishes this goal. This bill makes the FAA independent of the Department of Transportation, allowing the FAA to manage and regulate the safety of the air traffic control system without second-guessing or interference by the Department of Transportation, it frees the FAA from burdensome Federal procurement and personnel rules, and it establishes a commonsense management structure for the FAA.

By passage of H.R. 2276, Congress is demonstrating its commitment to strengthening the FAA and supporting general aviation and other segments of the aviation industry. I urge the prompt passage of this legislation so that we can ensure a safer and more efficient aviation system for America and its air travelers.

Mr. RAHALL. Mr. Speaker, I rise in strong support of H.R. 2276, the Federal Aviation Administration Revitalization Act which is before us today.

This bill, briefly, calls for the strengthening of the FAA by creating it as a separate agency, and will make other meaningful and much needed changes in the management of this most critical of Federal agencies.

Important to our consideration of this bill, and I call it to the attention of all my colleagues, is that it provides for the implementation of numerous reforms of the Agency's procurement and personnel management practices. When enacted, this bill will provide the FAA and its employees the necessary framework within which equipment modernization, cost savings, and labor-management teamwork can be fostered and will serve as a model for other Federal agencies.

It is urgent also that we enact this legislation in order to protect and preserve the applicability to the FAA of certain portions of title 5 of the U.S. Code critical to ensure that FAA employees can continue to have the statutory authority to be represented before the Agency and closely work with management to further implement needed reforms in a cohesive, structured fashion.

Many other changes to the Agency's structure, leadership, and operation are contained in the bill, and are equally important to ensure the continued safety of the Nation's air transportation system.

As many of my colleagues are aware, H.R. 2276 originally contained a provision to remove the aviation trust funds off-budget, but in an agreement with the Republican leadership, this portion of the bill has been removed in order for it to be considered under suspension of the rules. I remain committed to this change, and will hope for consideration of a free-standing bill, H.R. 842, that will take both aviation, highway, and other trust funds off budget later this session.

The importance of this bill is second only, in my view, of our need to increase spending on our aviation infrastructure, rather than continue the reductions in spending for such as the Airport Improvement Program [AIP] we have seen over the past several funding cycles. It is my hope that we can, through the aviation

funding study authorized in the bill, be provided useful information on innovative financing mechanisms that could be used to fund FAA operations and the development of aviation infrastructure. In the meantime, I believe that the dedicated funds, which are now in surplus, contained in the trust fund for aviation purposes should be spent for the purpose intended.

Mr. EWING. Mr. Speaker, I want to thank Chairman SHUSTER and Aviation Subcommittee Chairman DUNCAN for the expert leadership they have demonstrated in bringing this much-needed fundamental FAA reform legislation before the House of Representatives today. As a member of the Aviation Subcommittee, and as a frequent flyer, I am committed to ensuring that our Nation's aviation system remains the safest and most efficient in the world. H.R. 2276, the FAA Revitalization Act, is sound bipartisan legislation that will strengthen and improve U.S. aviation.

H.R. 2276 will restore efficiency and accountability to the FAA by removing FAA from U.S. Department of Transportation control and establishing it as an independent agency. The new FAA will have a corporate structure, with a five-member Board of Directors, and a chief executive officer from the aviation industry who will oversee the Agency's daily operation. This arrangement will provide direct accountability and improve FAA's responsiveness to the aviation community. It will also save taxpayers money by eliminating 200 FAA oversight positions in DOT.

However, the reforms contained in H.R. 2276 are not just structural. The bill implements desperately needed personnel and procurement reforms. Under current rules, the FAA does not have the flexibility to sufficiently allocate employees to facilities that are chronically understaffed, like the Chicago en route center, while other facilities are over staffed. H.R. 2276 grants FAA private sector-like powers to hire and dismiss employees, a well as the additional flexibility to offer incentives to employees for accepting jobs in hard to staff facilities. This personnel flexibility is achieved with the support of each major FAA employee union, and without weakening employee's rights to collectively bargain.

Finally, H.R. 2276 implements critical FAA procurement reforms. Current Federal procurement rules are so inefficient and cumbersome that new equipment is often outdated by the time it is installed. This problem not only deprives the traveling public and the aviation community of the latest and best equipment, but it frequently results in substantial Government waste and chronically over-budget projects. For example, the FAA's plans to replace its aging en route traffic control computers with the new advanced automation system [AAS] is nearly 10 years behind schedule and approximately $4 billion over its original budget. These cost overruns and delays are clearly unacceptable by any reasonable standards.

Mr. Speaker, H.R. 2276 is true reform legislation. It will fundamentally improve and restructure the FAA, which will benefit anyone who flies in the United States. For all the reasons I have outlined above, I urge all of my colleagues to support passage of H.R. 2276.

Mr. FRELINGHUYSEN. Mr. Speaker, today I rise in support of H.R. 2276, the Federal Aviation Revitalization Act of 1996. This legislation assures that an independent Federal agency will assume the current powers of the Federal Aviation Administration [FAA], for aviation safety, air traffic control, airway modernization, and yes, aircraft noise mitigation. As a Nation we are very dependent on aviation for movement of our citizens and movement of many goods and products. We need an agency that is responsible to the aviation industry, air travelers, as well as all taxpayers across our Nation.

In my view and the view of many aviation professionals, the stonewalling and arrogance which characterize the FAA's response to noise complaints, reflects the culture, attitudes, and philosophy of its parent bureaucracy, the U.S. Department of Transportation [DOT]. Making the FAA independent of the massive DOT bureaucracy, as well as the creation of the Management Advisory Committee and the Aircraft Noise Ombudsman, will enable the FAA to better represent the taxpayers. In a streamlined and independent agency, no decisionmaker will be able to hide behind layers of DOT bureaucracy. The three members of the Federal Aviation Board, who will administer the FAA, will be more visible and publicly accountable.

My colleague from New Jersey, Congressman BOB FRANKS, and his constituents, have experienced the same frustrations as I have with the FAA bureaucracy in the DOT. His successful effort to include in this legislation the creation of an Aircraft Noise Ombudsman directly addresses the needs for the taxpayers to have an advocate for their concerns regarding the very important issue of aircraft noise mitigation. The success of the Aircraft Noise Ombudsman will depend on the degree to which the FAA changes its approach toward communicating with taxpayers and Congress. The establishment of the FAA as an independent agency provides a positive starting point.

Consequently, Mr. Speaker, I ask that my colleagues support H.R. 2276 and give the American taxpayers a more responsive and efficient Federal Aviation Administration.

Ms. BROWN of Florida. Mr. Speaker, Chairman SHUSTER, Congressman OBERSTAR, Congressman DUNCAN, Congressman LIPINSKI, and I want to commend and congratulate you for working together in a bipartisan fashion to bring a good bill to the House floor.

H.R. 2276, the FAA Revitalization Act, addresses FAA's serious bureaucracy and procurement problems while ensuring that Congress keeps an important oversight role. H.R. 2276 makes the FAA an independent agency separate from DOT but still part of the executive branch. H.R. 2276 exempts the Agency from personnel and procurement systems, subject to congressional review. However, this bill does require FAA to develop new personnel and procurement systems tailored to meet the FAA's specific needs while still maintaining important employee rights such as whistleblowers protection, labor-management relations, and laws prohibiting discrimination. That's why it is important that H.R. 2276 be enacted into law before April 1.

If this bill is not enacted into law before April 1, then the fiscal year 1996 Transportation Appropriations Act's requirement that the FAA establish new personnel and procurement rules will go into effect. Unfortunately, the Appropriations Act does not require the FAA to adhere to employee rights that are clearly stated in H.R. 2276, especially the protection of labor-management relations. For the last several months, I have been hearing from FAA employees in my district who are very concerned that Congress will not meet its April 1 deadline and that they will lose their rights to negotiate with the FAA about the new personnel system. These employees have a great deal at stake. Let's get this bill enacted before it's too late.

Again, I commend my colleagues on their fine work and would ask my colleagues to support this bill.

Mr. SHUSTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OBERSTAR. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time, and ask all Members to support this very important landmark legislation.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. SHUSTER] that the House suspend the rules and pass the bill, H.R. 2276, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2276, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

□ 1615

BI-STATE DEVELOPMENT AGENCY, BY THE STATES OF MISSOURI AND ILLINOIS

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 78), to grant the consent of the Congress to certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois, as amended.

The Clerk read as follows:

H.J. RES. 78

Whereas the Congress in consenting to the compact between Missouri and Illinois creating the Bi-State Development Agency and the Bi-State Metropolitan District provided that no power shall be exercised by the Bi-State Agency under the provisions of article III of such compact until such power has been conferred upon the Bi-State Agency by the legislatures of the States to the compact and approved by an Act of Congress; and

Whereas such States have now enacted certain legislation in order to confer certain additional powers on such Bi-State Development Agency: Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the consent of Congress is hereby given to the additional powers conferred on the Bi-State Development Agency of the Compact Between Missouri and Illinois approved under the Joint Resolution of August 31, 1950 (64 Stat. 568) by

section 70.378 of the Act of May 26, 1993 (1993 Mo. Laws 382) and section 5 of Public Act 88–611, Laws of Illinois 1994.

(b) The powers consented to in subsection (a) and conferred by the laws referred to in such subsection shall take effect on January 1, 1995.

SEC. 2. The provisions of the Joint Resolution of August 31, 1950 (64 Stat. 568) shall apply to the additional powers approved under this joint resolution to the same extent as if such additional powers were conferred under the provisions of the compact consented to in such Joint Resolution.

SEC. 3. The right to alter, amend, or repeal this joint resolution is expressly reserved.

SEC. 4. The right is hereby reserved to the Congress to require the disclosure and furnishings of such information or data by the Bi-State Development Agency as is deemed appropriate by the Congress.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. GEKAS] and the gentleman from Rhode Island [Mr. REED] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as everyone knows by now, the Constitution of the United States empowers, no, directs the Congress to approve any kind of compact that may be entered into by any of the several States. If more than one State wishes to join with another in a joint venture, the consent of the Congress must be sought and obtained under the Constitution.

So, from time to time, we here in the House, in fact the entire Congress has to entertain importunings from various States to approve such compacts.

Back in 1950 there was such a compact approved by the Congress between Missouri and Illinois having to do with a joint venture across the river that divides them, and that compact was approved. That had to do with planning, development, et cetera. Now, the two States have found reason to come back to the Congress because one of the agencies that they empowered began operating a light-rail transit system and requested that the respective legislatures authorize it to appoint or employ a security force to prevent fare evasion and other misconduct on the system.

So, the Illinois Legislature and the Missouri Legislature did exactly that, passed their own concurrent legislation, as it were, which they referred to us for our consent, and that is the gist of this bill.

Mr. Speaker, we ask that the Congress approve it with first a vote here in the House. Our subcommittee and the full committee approved the passing of this legislation and have brought it to this stage in the legislative process.

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

Mr. REED. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the bill. I know of no objections to this legislation. House Joint Resolution 78 seeks congressional approval for additional powers conferred on the Bi-State Development Agency of Missouri and Illinois by those two State legislatures. These additional powers involve the jurisdiction of various local police officers to make arrests on the light-rail system and the agency's efforts to prosecute fare evaders.

Mr. Speaker, I urge speedy passage of this legislation.

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

Mr. COSTELLO. Mr. Speaker, I rise today in support of House Joint Resolution 78, of which I am a cosponsor. This legislation is necessary to give enforcement authority to the Bi-State Development Agency, the local organization that operates the mass transit system in the St. Louis metropolitan region. Bi-State was originally established by the States of Illinois and Missouri and approved by the U.S. Congress. However, that compact did not give Bi-State the authority to appoint or employ a security force or to enact rules and regulations governing fare evasion and other conduct.

As Bi-State has expanded from providing transit via buses to the large-scale and widely known success of the MetroLink light rail system, its needs have changed. With its growth and new responsibilities, the agency now requires more authority to enact rules and regulations on fare collection and to employ a security force. MetroLink passengers currently pay fares through a barrier-free, self-service, proof-of-payment system. This system, while successful, needs a consistent enforcement policy to ensure fare compliance.

The agency does not currently have the authority to enact these rules under the original compact approved by the U.S. Congress. Because both the Illinois and Missouri Legislatures have acted to extend Bi-State's authority and because local officials and Members of Congress from the region support the change, I urge my colleagues to support passage of this legislation.

Mr. GEKAS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GEKAS] that the House suspend the rules and pass the joint resolution, House Joint Resolution 78, as amended.

The question was taken.

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

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the joint resolution just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

HISTORIC CHATTAHOOCHEE COMPACT

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2064) to grant the consent of Congress to an amendment of the historic Chattahoochee compact between the States of Alabama and Georgia.

The Clerk read as follows:

H.R. 2064

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONSENT OF CONGRESS TO THE HISTORIC CHATTAHOOCHEE COMPACT BETWEEN THE STATES OF ALABAMA AND GEORGIA.

The consent of Congress is given to the amendment of articles I, II, and III of the Historic Chattahoochee Compact between the States of Alabama and Georgia, which articles, as amended, read as follows:

''ARTICLE I

''The purpose of this compact is to promote the cooperative development of the Chattahoochee valley's full potential for historic preservation and tourism and to establish a joint interstate authority to assist in these efforts.

''ARTICLE II

''This compact shall become effective immediately as to the States ratifying it whenever the States of Alabama and Georgia have ratified it and Congress has given consent thereto.

''ARTICLE III

''The States which are parties to this compact (hereinafter referred to as 'party States') do hereby establish and create a joint agency which shall be known as the Historic Chattahoochee Commission (hereinafter referred to as the 'Commission'). The Commission shall consist of 28 members who shall be bona fide residents and qualified voters of the party States and counties served by the Commission. Election for vacant seats shall be by majority vote of the voting members of the Commission board at a regularly scheduled meeting. In Alabama, two shall be residents of Barbour County, two shall be residents of Russell County, two shall be residents of Henry County, two shall be residents of Chambers County, two shall be residents of Lee County, two shall be residents of Houston County, and two shall be residents of Dale County. In Georgia, one shall be a resident of Troup County, one shall be a resident of Harris County, one shall be a resident of Muscogee County, one shall be a resident of Chattahoochee County, one shall be a resident of Stewart County, one shall be a resident of Randolph County, one shall be a resident of Clay County, one shall be a resident of Quitman County, one shall be a resident of Early County, one shall be a resident of Seminole County, and one shall be a resident of Decatur County. In addition, there shall be three at-large members who shall be selected from any three of the Georgia member counties listed above. The Commission at its discretion may appoint as many advisory members as it deems necessary from any Georgia or Alabama County, which is located in the Chattahoochee Valley area. The contribution of each party State shall be in equal amounts. If the party States fail to appropriate equal amounts to the Commission during any given fiscal year, voting membership on the Commission board shall be determined as follows: The State making the larger appropriation shall be entitled to full voting membership. The total number of members from the other State shall be divided into the amount of the larger appropriation and the resulting quotient

shall be divided into the amount of the smaller appropriation. The then resulting quotient, rounded to the next lowest whole number, shall be the number of voting members from the State making the smaller contribution. The members of the Commission from the State making the larger contribution shall decide which of the members from the other State shall serve as voting members, based upon the level of tourism, preservation, promotional activity, and general support of the Commission's activities by and in the county of residence of each of the members of the State making the smaller appropriation. Such determination shall be made at the next meeting of the Commission following September 30 of each year. Members of the Commission shall serve for terms of office as follows: Of the 14 Alabama members, one from each of said counties shall serve for two years and the remaining member of each county shall serve for four years. Upon the expiration of the original terms of office of Alabama members, all successor Alabama members shall be appointed for four-year terms of office, with seven vacancies in the Alabama membership occurring every two years. Of the 14 Georgia members, seven shall serve four-year terms and seven two-year terms for the initial term of this compact. The terms of the individual Georgia voting members shall be determined by their place in the alphabet by alternating the four- and two-year terms beginning with Chattahoochee County, four years, Clay County, two years, Decatur County, four years, etc. Upon the expiration of the original terms of office of Georgia members, all successor Georgia members shall be appointed for four-year terms of office, with seven vacancies in the Georgia membership occurring every two years. Of the three Georgia at-large board members, one shall serve a four-year term and two shall serve two-year terms.

''All board members shall serve until their successors are appointed and qualified. Vacancies shall be filled by the voting members of the Commission. The first chairman of the commission created by this compact shall be elected by the board of directors from among its voting membership. Annually thereafter, each succeeding chairman shall be selected by the members of the Commission. The chairmanship shall rotate each year among the party States in order of their acceptance of this compact. Members of the Commission shall serve without compensation but shall be entitled to reimbursement for actual expenses incurred in the performance of the duties of the Commission.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. GEKAS] and the gentleman from Rhode Island [Mr. REED] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the question recurs on the need for congressional action on a compact that has heretofore been entered into between two States. In this particular case, the instant legislation is one where a contract or compact had been entered into between Alabama and Georgia as required by our Constitution.

The problem was that in 1978 when they created this Historic Chattahoochee Commission, a Bi-State Heritage and Tourism Agency which serves 11 Georgia and 7 Alabama counties along the Lower Chattahoochee River, the States recently found that they wanted to change the nomination process for the commission's board, so in 1993 they each enacted an amendment, Georgia on the one hand, Alabama on the other hand. Their legislatures acted, and now they come to us to seek approval through the constitutional process.

We in the Subcommittee on Commercial and Administrative Law heard testimony on this legislation and reported it to the full Committee on the Judiciary on October 19. The Committee on the Judiciary reported favorably on the bill by voice vote, and we are here.

Neither I nor anyone that I know of has any objection to the bill.

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

Mr. REED. Mr. Speaker, yield myself such time as I may consume.

Mr. Speaker, again I rise in support of this legislation. I know of no objections to this legislation. As the gentleman from Pennsylvania has explained, H.R. 2064 amends the Chattahoochee compact between the States of Alabama and Georgia to change the method for filling vacancies on the Historic Chattahoochee Commission. The bill was introduced by the gentleman from Alabama [Mr. EVERETT], along with the gentleman from Alabama [Mr. BEVILL], the gentleman from Georgia [Mr. BISHOP], the gentleman from Alabama [Mr. BROWDER], the gentleman from Alabama [Mr. CRAMER], and the gentleman from Alabama [Mr. HILLIARD].

Mr. Speaker, I urge its passage and I am glad that I can participate in this historic event.

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

Mr. GEKAS. Mr. Speaker, I yield such time as he may consume to the gentleman from Alabama [Mr. EVERETT], who was instrumental in bringing this matter to the attention of the House of Representatives.

Mr. EVERETT. Mr. Speaker, the Historic Chattahoochee Commission is involved in activities to promote tourism in the lower Chattahoochee River area, that encompasses 7 counties in Alabama and 11 counties in Georgia. The commission has been very successful in these endeavors, which prompted the National Trust for Historic Preservation to identify this commission as a model heritage tourism organization.

The legislation before the House, H.R. 2064, grants congressional consent to approve the changes made by the Alabama and Georgia Legislatures in 1993 to an interstate compact. The changes made to the compact simplify the way the Historic Chattahoochee Commission appoints its board members. Currently, the 28 board members, 14 from each State, are appointed by a cumbersome process involving an historical commission or similar body of each county to make the appointment.

The problem is that some counties do not have an historical organization, while other counties have several historical organizations, which has led to confusing and time consuming proceedings.

This legislation amends the process by making the election of commissioners to vacant seats by majority vote of the voting members of the commission. Some members are nonvoting.

Since Congress originally approved this compact back in 1978, both the Alabama and Georgia attorneys general have determined that the Historic Chattahoochee Commission cannot use the amended appointment process without the approval of Congress. This legislation is obviously supported by the States of Alabama and Georgia, and I am aware of no opposition.

Mr. Speaker, these changes will certainly enable the commission to place more of their efforts on promoting tourism in this area of Alabama and Georgia, and I urge the swift adoption of this legislation.

Mr. REED. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GEKAS. Mr. Speaker, I note an overwhelming absence of other speakers and, therefore, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GEKAS] that the House suspend the rules and pass the bill, H.R. 2064.

The question was taken.

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

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CONDEMN BOMBINGS IN ISRAEL

Mr. GILMAN. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 149) condemning terror attacks in Israel, as amended.

The Clerk read as follows:

H. CON. RES 149

Whereas, on February 25, 1996, two vicious terror attacks in Jerusalem and Ashkelon killed 2 American citizens and 25 Israelis, and wounded over 75 more;

Whereas, on February 26, 1996, an Israeli citizen was killed and 22 Israelis were injured when a terrorist drove a rental car into a Jerusalem bus stop;

Whereas, on March 3, 1996, a suicide bus bombing in Jerusalem took the lives of 18 innocent Israelis and other individuals and injured 10 more;

Whereas, on March 4, 1996, yet another heinous explosion by a suicide bomber in Tel

Aviv murdered at least 13 and wounded 130 more;

Whereas, the Gaza-based Hamas terror group claimed responsibility for the most recent bombings, and the Damascus-based Palestinian Islamic Jihad and Popular Front for the Liberation of Palestine terror groups have claimed responsibility for the majority of terror attacks since the signing of the Declaration of Principles;

Whereas, these successive incidents represent an unprecedented escalation by Hamas and Palestinian Islamic Jihad of their terrorist campaign designed to cause maximum carnage against the peaceful civilian population of Israel, including children, women and the elderly;

Whereas, these terrorist attacks are aimed not only at innocent Israeli civilians but also at destroying the Middle East peace process;

Whereas, since the signing of the Declaration of Principle between Israel and the PLO on September 13, 1993 nearly 200 people, including 5 American citizens, have been killed in terrorist acts;

Whereas, the Palestine Liberation Organization, the Palestinian Authority and Yasser Araft have been ineffective and unsuccessful in completely rooting out the vicious terrorist elements from Palestinian controlled areas, calling into question their committment to the peace process;

Whereas, the vast majority of Palestinian terror suspects have not been apprehended, or if apprehended, not tried or punished, and not terror suspects requested for transfer have been transferred to Israeli authorities by Palestinian authorities in direct contravention of agreements signed between the PLO and Israel;

Whereas, the Palestinian Authority must must now do much more systematically to end the threat posed by terrorist groups and take other steps consistent with the Israel-Palestinian Interim Agreement, including the apprehension, trial, and punishment of those who conduct terrorist acts and the implementation of procedures agreed upon with Israel to transfer suspected terrorists;

Whereas, the hateful language calling for Israel's destruction, that remains an integral part of the Palestinian National Covenant only serves to incite those opposed to the peace process;

Whereas, the Palestinian National Covenant has not yet been amended, despite commitments by the PLO to do so;

Whereas, these failures undermine and threaten the peace process as well as continued U.S. financial assistance;

Whereas, the government of Iran continues to provide safe haven, financial support and arms to terror groups such as Hamas, Islamic Jihad, or Hizbollah among others, and has in no way acted to restrain these groups from committing acts of terrorism;

Whereas, notwithstanding Syria's participation in a serious negotiating process to reach a peace agreement with Israel, Syria continues to provide a safe haven for terrorist groups opposed to the peace process, permits the arming of Hizbollah in Lebanon, and has not acted to a prevent these groups from committing acts of terrorism; and

Whereas, failure to act against terrorists by the Palestinian Authority, Iran, Syria, and others only undermines the credibility of the peace process: Now, therefore, be it

Resolved, by the House of Representatives (the Senate concurring), That the Congress—

(1) condemns and reviles in the strongest terms the attacks in Jerusalem, Ashkelon and Tel Aviv;

(2) extends condolences to the families of all those killed, and to the Government and all the people of the State of Israel;

(3) expresses its support and solidarity with the people and Government of the State of Israel;

(4) reaffirms its full support for Israel in its efforts to combat terrorism as it attempts to pursue peace with its neighbors in the region;

(5) calls upon the Palestinian Authority, the elected Palestinian Council and Chairman Arafat to act swiftly and decisively to apprehend and effectively punish the perpetrators of terror attacks, to prevent such acts of terror in the future, to confiscate all unauthorized weapons and to avoid and condemn all statements and gestures which signal tolerance for such acts and their prepetrators;

(6) calls upon Chairman Arafat, the Palestinian Authority and the elected representatives of the Palestinian Council to eliminate the terrorist structure and terrorist activities of Hamas, Palestinian Islamic Jihad, the Popular Front for the Liberation of Palestine, and all other terror groups;

(7) calls upon Chairman Arafat, the Palestinian Authority and the elected representatives of the Palestinian Council to adopt legislative and executive measures to ban the existence and operations of all terrorist organizations resident in the Palestinian autonomous areas;

(8) insists that Chairman Arafat convene the Palestinian National Council, so that the Palestinian National Covenant will be amended of its vile references to Israel within sixty days of the Palestinian Council's inauguration on March 7, 1996:

(9) reaffirms its belief that the Palestinian National Covenant must be amended in order for the peace process to succeed;

(10) calls upon the Palestinian people to support the deletion of anti-Israel language from the Palestinian National Covenant;

(11) calls upon the Palestinian people to express their revulsion for terrorism against Israel, and condemn and isolate those elements of Palestinian society that employ and support such terrorist acts;

(12) urges all parties to the peace process, in order to retain the credibility of their commitment to peace, to bring to justice the perpetrators of acts of terrorism, and to cease harboring, financing, and arming terror groups in all territories under their control; and

(13) calls upon those Arab states that have failed to condemn these acts of terrorism to do so immediately and forthrightly, and to support all efforts in the region to combat terrorism;

(14) calls upon the international community to cooperate with the United States in isolating states which engage in international terrorism;

(15) insists that Iran and Syria cease all support for all terrorist groups operating in areas under their control and refrain from all activities in opposition to the Middle East peace process;

(16) expresses its intent to reconsider United States assistance to the Palestinian Authority, in consultation with the Administration, in light of the steps that must be taken by the Palestinian Authority against terrorist infrastructures and operations;

(17) urges the United States to act decisively and swiftly against those governments who continue to harbor, arm or finance terror groups seeking to undermine the peace process; and

(18) praises United States efforts to provide Israel with all appropriate anti-terrorism resources to eliminate the tide of terrorist incidents against Israel.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. GILMAN] and the gentleman from California [Mr. LANTOS] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. GILMAN].

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

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of House Concurrent Resolution 149, legislation I introduced with the significant support of Members of this House, which condemns the recent terrorist bombings in Israel.

On February 25–26, and March 3–4, suicide bomber explosions murdered almost 60 people and wounded over 200. Such violence cannot be permitted to continue. The future of the peace process, and the security of the people of Israel, hang in the balance.

House Concurrent Resolution 149 condemns these terrorist acts in the strongest possible terms. These attacks are aimed not only at innocent Israeli civilians and at destroying the Middle East peace process, but additionally show that the PLO, and the Palestinian Authority, under the chairmanship of Yasser Arafat, have been ineffective and unsuccessful in rooting out these vicious terrorist elements from Palestinian controlled areas. Moreover, the hateful language calling for Israel's destruction, that remains an integral part of the Palestinian National Covenant has not been amended.

Accordingly, this calls into question the PLO's commitment to the peace process, and therefore, House Concurrent Resolution 149 expresses its intent to reconsider United States assistance to the Palestinian Authority.

Tomorrow's terrorism summit in Egypt will be well attended by many nations, but Iran and Syria will be conspicuously absent. Iran continues to provide support to terror groups such as Hamas, Islamic Jihad, and Hizbollah, and has in no way acted to restrain these groups. Notwithstanding Syria's participation in the peace talks, Syria has not condemned the bombings, and continues to provide safe haven for terrorist groups opposed to the peace process. Syria permits the continued arming of Hizbollah in Lebanon, and has taken no steps to prevent terror from taking place.

Because these failures to act against terrorists undermines the credibility of the peace process, House Concurrent Resolution 149 condemns the attacks, extends our condolences to the families of all those killed, and reaffirms our full support for Israel in her efforts to combat terrorism as she attempts to pursue peace.

House Concurrent Resolution 149 calls upon Chairman Arafat to act swiftly and decisively to apprehend and punish the perpetrators of terror attacks, to prevent such acts of terror, to confiscate unauthorized weapons, and to condemn all statements which signal tolerance for terrorism.

House Concurrent Resolution 149 also insists that Chairman Arafat convene the Palestinian National Council, to amend the Palestinian National Covenant.

The international community, many of whom will be represented at tomorrow's summit in Egypt, are called upon to cooperate with the United States in isolating states which engage in international terrorism. They must join the United States in insisting that Iran and Syria cease all support for all terrorist groups and refrain from activities in opposition to the Middle East peace process.

Finally, House Concurrent Resolution 149 praises United States efforts to provide Israel with all appropriate antiterrorism resources to eliminate the tide of terrorist incidents against Israel.

Earlier today, our House Committee on International Relations held a hearing on PLO commitment compliance and the threat of terrorism to Israel. We had a session which underscores that we must be ever vigilant against those who only half-heartedly condemn terror and violence.

Accordingly, Mr. Speaker, I urge our colleagues' strong support for passage of House Concurrent Resolution 149, and thank our colleagues for their clear and unambiguous endorsement of this legislation.

□ 1630

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

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of House Concurrent Resolution 149, as amended.

Mr. Speaker, first I want to commend the distinguished chairman of the Committee on International Relations, my good friend, the gentleman from New York [Mr. GILMAN], for taking the leadership on this issue, as indeed he has taken the leadership on issues of terrorism for many years with great effectiveness, both in this body and in international bodies.

Mr. Speaker, I also wish to commend my colleague, the gentleman from Indiana [Mr. HAMILTON], the ranking member of the Committee on International Relations.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, as we debate this resolution, the President of the United States is on his way to Egypt to attend a conference called in the wake of the most nightmarish terrorist attacks that we have watched unfold on our television sets in Jerusalem and Tel Aviv and in Israel. I want to commend the President, not only for this extremely important symbolic action, but for his persistent support of the democratic State of Israel which has taken such enormous risks for peace at such a very high price in precious human life.

Mr. Speaker, this resolution does many things. It condemns the terrorist attacks in Jerusalem, Ashkelon, and Tel Aviv, it extends the condolences of the Congress and the American people to the families of the victims, it expresses support and solidarity with the people of Israel who are undergoing some very difficult times in the face of this mindless and brutal terrorist wave, and it expresses support for the State of Israel as it combats terrorism and attempts to pursue peace with its Arab neighbors.

An important aspect of our resolution calls on Yasser Arafat to recognize that this is his last chance to demonstrate that he has the will and the capability to pulverize the terrorist infrastructure of Hamas in territory under his control. We have had for too long a double-faced approach by Arafat saying the right things to the West but praising to high heaven some of the most brutal terrorists, like the engineer who created the most terrible weapons of destruction in recent times in this terrorist wave. Arafat must understand that if he does not destroy the terrorist infrastructure, Israel will do it itself. That would set back the cause that we have been trying so hard to support, the cause of reconciliation, accommodation, and peace.

Our resolution, Mr. Speaker, also deals with state sponsors of terrorism, countries such as Iran. Iran must cease its support for Hamas and other terrorist organizations.

Later this week our committee will mark up legislation to impose tighter sanctions against Iran and those companies and countries which support Iran economically.

I particularly want to call on our European friends and on Japan to recognize their responsibility in fighting terrorism supported by Iran. Their reckless pursuit of profits is singly unseemly as human lives are sacrificed in the wave of terrorism supported by counties such as Iran.

I want to deplore the failure of Syria to express its regret with respect to these terrorist acts. Just a few weeks ago in Damascus I met with the Foreign Minister of Syria, and it was clear in our discussion that terrorism has no room in the new Middle East. Yet Syria is staying away from the conference in Egypt and has failed to condemn this outrageous wave of terrorist attacks.

I am calling on all of my colleagues on both sides of the aisle to demonstrate unanimous bipartisan support for this resolution. It is one of the most important steps the Congress will take in expressing our support for peace and stability in the region so critical to the national interests of the United States.

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

Mr. GILMAN. Mr. Speaker, I yield 2 minutes to the gentlewoman from Kansas [Mrs. MEYERS], a member of our Committee on International Relations.

Mrs. MEYERS of Kansas. Mr. Speaker, I rise in support of this resolution. All civilized people and nations must stand with Israel and condemn this series of despicable crimes. We must all work together to bring these criminals to justice. The primary target of our efforts must be the wicked masterminds who repose in safety while duping their misguided followers into believing that killing innocent men, women, and children with suicide bombs is a holy act. These evil beings who make a travesty of their professed religion must be made to pay the price.

Furthermore, the Palestinian Authority must be finally put on notice that if it wants to be treated as a member of the civilized world, it has to behave as one. Its leaders must be made to understand that if they have any hope of actually joining the community of nations, they themselves must suppress the terrorist wing of Hamas—I will not call it the military wing because military people fight other soldiers; they do not blow up civilian buses. This will not be easy for them. It will certainly not be uniformly popular among the Palestinian people. But difficult choices are the price of responsible leadership. Can Mr. Arafat and his colleagues prove themselves responsible enough to stop these vicious terrorists? They had better, if for no other reason than self-interest. Because if they do not, I am certain that the Israelis eventually will, and doom forever the hopes of Palestinian independence. If Israelis and Palestinians are to live together in peace, these atrocities must be stopped.

Mr. GILMAN. Mr. Speaker, I appreciate the comments of the gentlewoman from Kansas [Mrs. MEYERS] and her support of the resolution.

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

Mr. LANTOS. Mr. Speaker, I have no further request for time, and I yield back the balance of my time.

Mr. HAMILTON. Mr. Speaker, I rise in strong support of House Congressional Resolution 149 as amended. I want to commend my colleagues Chairman GILMAN and Congressman LANTOS for their leadership on this measure.

We have all known for some time that as significant as it is, the Middle East peace process is also fragile. It cannot run on automatic pilot. It can only be strengthened and protected by sustained efforts to combat terrorism and to build a stronger structure of peace.

Unfortunately, four terrorist bombings in Israel this month—killing some 62 people, including 2 Americans, and injuring over 200 people—have brought us to this crisis.

This recent wave of murderous bombings has added a new urgency to the need for a more sustained and comprehensive effort by the Palestinian Authority to stop terrorism. The Palestinian Authority must work to destroy the structure of terrorism which small radical groups wishing to undermine the peace process have built. There is simply no other course of action that will allow the peace process to continue.

The effort by Chairman Arafat and by the Palestinian Authority to combat terrorism must be a sustained, 100-percent effort. Chairman Arafat cannot do what he has done in the past: relax efforts after the pressure of the moment eases. Hard-core terrorists cannot be coopted: They do not answer to reason and they do not support the peace process.

Statements opposing terrorism may have their place. But words alone will not reinforce the fragile peace. There is today no substitute for action against terrorist cells and the structure that supports them, and against those in Gaza, in the Middle East, and throughout the world who give terrorists safe haven, financial support, logistical support, weapons, and other assistance.

This resolution states clearly what needs to be done—what the Palestinian Authority needs to do, what is needed to reinforce the peace process and bring greater security to Israelis and Arabs, and what the United States and others can do to help the parties. Peace in the Middle East will be hollow if there is no security for people.

Mr. Speaker, I urge my colleagues to support this timely resolution. As we speak, President Clinton is on Air Force One on his way to the Middle East to cosponsor with President Mubarak of Egypt a Conference of the Peacemakers tomorrow in Egypt.

Mr. HOYER. Mr. Speaker, the Jewish holiday of Purim is usually an especially happy one. It is a celebration. Yet this year it was wrought with tears and horror—overshadowed

by the deaths of Israelis killed by a bomb blast on a crowded bus. Instead of celebration, it was mourning, instead of happiness, it was shock.

Like so many of my colleagues, I rise today to join the Members of this body, and the people of America, in condemning the recent heinous terrorist attacks against the people of Israel. These attacks are nothing more than a blatant attempt by the militant Hamas warmongers to derail the peace process in the Middle East. Their virulent actions against the people of Israel have left scores dead and hundreds wounded. Their actions deserve, at a minimum, world condemnation.

Once again, the people of Israel have found their democracy under attack—and once again, instead of reacting hastily and with massive military might—they restrained from seeking a quick revenge—for it is their desire for peace that is stronger than the delirious fanatics that seek to wreak havoc on the peace process.

I am pleased that President Clinton will join leaders from throughout the world at a summit in Egypt in a show of unity against both terrorism and the terrorists in the Middle East. I would like to commend Egyptian President Mubarak for hosting the conference and to also commend other Arab countries, including Jordan and Saudi Arabia for participating in this Conference which will hopefully reaffirm the need to continue the peace process in the Middle East.

As members of the Jewish community throughout the Washington metropolitan area celebrated Purim last week, Rabbi Jack Moline of Alexandria said that ''We are not compromising what we are doing tonight. It is imperative that we go through with this and not let [the bombers] define our world for us.'' For the people of Israel, they too, cannot compromise, they, too, cannot allow a group of terrorists to define their world. They haven't and with our actions here today, we show our support for them, for their uncompromising valor, and for their commitment to peace.

Ms. HARMAN. Mr. Speaker, I rise today in support of House Concurrent Resolution 149, and to condemn in the strongest possible terms the use of terrorism by the enemies of peace in the Middle East.

In the past 2 weeks, Israel has been the victim of four gruesome and horrible bombing attacks. Like all Americans, I am saddened and shocked by the killings, and I want to extend my condolences to the families of the slain. But the dead, among them children, are not the only innocent victims of the bombs, nor are they the bombers' primary target. Instead, the bombs have been carefully placed to undermine the foundations of the peace process, to shatter every Israeli's sense of basic security, and to threaten the rule of law.

Mr. Speaker, the people of the United States cannot and will not sit by complacently as extremists like Hamas and Islamic Jihad attempt to destroy the best hope for Middle East peace through terror and violence. I commend President Clinton for his swift condemnation of the recent attacks, and for his commitment to provide Isarel with counter-terrorism technology and assistance. I encourage further cooperation between Israel and the United States in finding ways to stop terrorists from striking. And I endorse the upcoming summit in Egypt, where over 30 nations, including many Arab States, will seek to develop international strategies for fighting terrorism.

But the Palestinian Authority, as Israel's partner in the peace process, must also assume responsibility for ensuring that the atrocious attacks of the past month are never repeated. We must let Chairman Arafat and the Palestinian Council know that America cannot tolerate failure in stopping terror attacks on innocent Israeli civilians. The authority's crackdown on Hamas over the past week is a welcome step, and should be noted. But we must make absolutely clear America's interest in seeing the Palestinian Authority control the violence of rejectionist minority groups like Hamas, and in seeing the Palestinian Council fully accept the peace process by purging from its charter all reference to the destruction of Israel.

Mr. Speaker, this resolution sends an important message to the world that America will not accept terrorism. I urge my colleagues to support it.

Ms. DELAURO. Mr. Speaker, I am proud to stand with my colleagues to reaffirm American support for Israel in the wake of tragic bombings that have claimed nearly 60 lives. My sympathy for the families who lost loved ones in the past weeks is unlimited, as is my outrage at these barbaric acts and their perpetrators.

The fanatics who have murdered innocent men, women, and children must be brought to justice. Groups such as Hamas that preach and practice acts of terror are an unacceptable presence in the civilized world.

Although it is hard, we must try to draw strength from this tragedy and redouble our commitment to bring peace to the Middle East. We must let terrorists know that their cruel violence will not be rewarded. I applaud President Clinton for meeting with world leaders in Egypt to unite against terrorism and to encourage Middle East nations to rejoin the path toward peace.

The United States must do all it can to support the people of Israel, further the peace process, and bring these killers to justice.

Ms. ESHOO. Mr. Speaker, I rise to condemn the recent terrorist bombings carried out against innocent Israelis. At least 57 people have been murdered in the past few weeks in Israel during a wave of suicide bombings carried out by Hamas.

I am pleased to support H. Con. Res. 149 which calls upon Chairman Arafat, the Palestinian Authority, and the Palestinian Council to apprehend and punish the terrorists who planned these bloody attacks, and to prevent such acts in the future. It also calls for the elimination of the terrorist structures of Hamas, Palestinian Islamic Jihad, and the Popular Front of the Liberation of Palestine. In addition, the measure recognizes the role the United States must play by expressing our intent to reconsider United States assistance to the Palestinian Authority in light of steps that must be taken by the authority against terrorist infrastructures and operations.

Mr. Speaker, these attacks were the work of cowards and common criminals. Now, it's up to both Israeli and Palestinian authorities to bring the perpetrators of these crimes to justice and redouble their efforts to guarantee Israel's security. Just as important, they must not let the terrorists achieve their political objective of derailing the Middle East peace process. The victims will truly have died in vain if terrorism succeeds in renewing the hideous cycle of violence that has plagued Israel since it became a state.

Mrs. LOWEY. Mr. Speaker, at this difficult hour we stand in solidarity with the people of Israel and reaffirm our commitment to their peace and security. We unequivocally condemn the reign of terror that has forever silenced the voices of so many of our children. We grieve for the victims—and we pray that no Israeli mother will have to bury a son or a daughter ever again. We remember the words of Yitzhak Rabin and say: ''Enough of blood and tears. Enough.''

The terrible events of the last weeks have profoundly shaken us all. We yearn so desperately for peace—yet today we are at war—at war against terror—at war against the enemies of peace.

There can be no noncombatants in this battle.

Israel has declared war on Hamas. Yasser Arafat must now become a full partner in this struggle. Nothing less is acceptable. There must be no more speeches in Arabic extolling the martyrs—no more terrorists arrested during the day and released at night. The covenant calling for Israel's destruction must be revoked—compliance with the declaration of principles must be total. This is Yasser Arafat's moment of truth—he must prove in word and deed that he is fully committed to peace. Either he is our ally in the war against terror—or he is our eneny.

This week President Clinton will travel to Egypt to participate in a historic world summit against terrorism.

The President's message will be simple and clear: There can be no compromise with terror. The days of talk are over—it is time for action. Hamas and Islamic Jihad must be eliminated. States that sponsor and finance terrorism—Iran, Iraq, Libya, Syria—must be isolated. Our allies must join us in cutting off all sources of funding and support for terrorism.

Yitzhak Shamir wrote many years ago that, ''Israel's twin goals have always been peace and security.'' We cannot have one without the other—and that is why we must continue to strive for both in the difficult days ahead. Thank you.

Mr. ROEMER. Mr. Speaker, I rise in strong support of House Concurrent Resolution 149, and urge all of my colleagues to join me in supporting this resolution to condemn the despicable terrorist bombing attacks in Israel. I am hopeful that is sends a message to the people of Israel to let them know that the United States stands behind them and will provide every possible support against the increasing and menacing incidents of terrorism.

We condemn, will all our strength, the outrageous agenda by extremists seeking to rekindle the glowing ashes of irreconcilibility in this long-suffering region. They seek to once again plunge the peaceseekers and the people of the Middle East into conflict and confrontation.

Mr. Speaker, this resolution expresses the sincere condolences of the United States to all of the families of those victims killed in the recent bombings. This resolution also sends a message that the people of Israel are not alone in their fight against terrorism. Indeed, the scourge of terrorism today has permeated each corner of the world, striking developing and developed nations alike.

At this crucial time, as sponsors of the Middle East peace process, we reaffirm our support for the peace process and remain confident that terrorists will not be allowed to obstruct the development of the Palestine-Israeli peace process, their constructive dialog and cooperation to resolve the existing problems. We encourage the Palestinian leadership, which has already condemned these abhorrent provocations, to follow this policy with even tougher measures.

Mr. Speaker, we have simply worked too hard for too long to allow terrorists to take over the peace process and determine the fate of peace after so much progress. Our support for the people of Israel, however, should not stop with passage of this resolution. Later this week, we will debate the antiterrorism legislation which seeks to provide significant resources to fight domestic and international acts of terrorism and bring swift justice to the perpetrators.

While nothing can take away the national and personal pain caused by terrorist attacks on innocent men, women, and children, perhaps this resolution can help in some small way by helping to bring an end to the violence. We strongly voice our support and understanding to the Jewish people of Israel and around the world for peace and against cowardly acts of terror.

Mr. FOX of Pennsylvania. Mr. Speaker, like you, I was shocked and deeply saddened when I heard about the fourth suicide bombing which took place on the Eve of Purim in Tel Aviv's shopping district. The once-solid confidence of the people of Israel and of the pro-Israel community in the United States has been terribly shaken by the tragic events of the past weeks.

The United States and Israel are permanent partners in our pursuit of peace, prosperity, and the promise of liberty. We have built a strong foundation based on years of mutual respect and trust. Together, we share risks, rewards, and losses as we strive to make this world a better, safer place to live, work, and raise our families. The United States will continue to stand ''shoulder to shoulder'' with its closest ally, the State of Israel, during this troubling time. Hamas and other enemies of peace should know that no blast will be strong enough to weaken the indestructible link between our country and the state of Israel.

After returning from the funeral of the late Prime Minister Yitzhak Rabin, I remember thinking that in the long run, those who resort to violence will find that it accomplishes little. Often, it spurs people on to completion of the task at hand—in this case, peace in the Middle East. Just as we were building upon the legacy of Yitzhak Rabin, we will now continue on the path for peace, honoring the memory of the 61 innocent victims who were murdered and the 190 who were injured in the four recent reprehensible suicide bombings.

Seventeenth century Dutch philosopher Benedictus De Spinoza once said, ''Peace is not the mere absence of war, but is a virtue that springs from force of character.'' During my trips to Israel this past year, it was clear to me that Yitzhak Rabin provided that force of character. And after meeting with Prime Minister Peres, Yitzhak Rabin's partner in peace, I became convinced that he would continue to provide that force. We must work with him to heal the wounds and move on toward a more permanent peace and sustained security for our Israeli allies.

As Members of Congress, we must not hesitate, together with our colleagues and the White House, to provide whatever diplomatic, economic, humanitarian, or military support is necessary so that Israel can combat the cowardly terrorists of Hamas and others who would seek to derail the peace for which Yitzhak Rabin and so many others gave their lives. The United States must continue to provide whatever form of assistance is required to preserve and protect the peace and security of Israel and its people.

While I am encouraged by the recent arrest of the head of the military wing of Hamas, we must continue to demand that PLO Chairman Arafat and the leaders of all the states of the Middle East join us in this war on terrorism. I am proud to stand in support of International Relations Committee Chairman BEN GILMAN's resolution to clearly communicate this message to Chairman Arafat—we will accept no less than full cooperation on this matter. Chairman GILMAN's legislation demands that the Palestinian Authority apprehend and punish terrorists, confiscate all unauthorized weapons, eliminate the terrorist structure and activities of Hamas, Palestinian Islamic Jihad, and the Popular Front for the Liberation of Palestine, ban the existence of all such organizations in the autonomous areas, and amend the Palestinian National Covenant to remove all hate-filled anti-Israel language. This legislation also calls upon all parties to the peace process to condemn terrorist acts and join us in the fight against terrorism. We insist that Iran and Syria cease all support for such deplorable activities. I salute the President for convening the antiterrorism conference tomorrow, and I am also strongly urging him to act decisively and swiftly against those who continue to harbor, arm, or finance terrorists seeking to undermine the peace process.

I thank the chairman for his leadership and I join you in praying for an end to the despicable violence committed by terrorists and for peace and prosperity for Israel and throughout the Middle East.

Mr. SANFORD. Mr. Speaker, this past month terrorist acts in Israel have taken the lives of innocent people. More than that, they have placed the peace of this region once again in jeopardy. Today, I rise to stand with the people of Israel and the Jews around the world. This measure, which we are currently considering, condemns the recent terrorist attacks as well as urges action in support of the peace process. However, it cannot console those who have become victims of a misguided attempt to settle a dispute over land. It cannot repair the buildings and lives which are now fragmented. Through this measure the United States states its opposition to actions such as those which have occurred recently in Israel. This Nation will not condone the senseless actions of terrorists. We stand with those for peace and for Israel.

Mr. GILMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CAMP). The question is on the motion offered by the gentleman from New York [Mr. GILMAN] that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 149), as amended.

The question was taken.

Mr. GILMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of this concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

SUPPORT HOUSE CONCURRENT RESOLUTION 149 CONDEMNING TERROR ATTACKS IN ISRAEL

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

Mr. ENGEL. Mr. Speaker, I wanted to add my voice to the comments of my colleagues about the resolution condemning terrorism, but we had hearings today in the House Committee on International Relations to try to find out if the Palestinian authority is doing all it can do or has done all it can do to curb the scourge of terrorism, and I think the frustration that one sees and hears; we feel, on the one hand, that the peace process needs to continue. On the other hand, we cannot continue with blinders and pretend that nothing has happened.

So I certainly support the resolution, I think we need to condemn terrorism, I think we need to reach out to the brave people of Israel. No country could tolerate this kind of wanton terrorism against its civilian population, and I think clearly the ball is in Mr. Arafat's court. He has to determine whether or not he is going to be serious about cracking down on the scourge of terrorism. It is not enough anymore just to condemn it, it is not enough anymore to say one is against it. We have to show actions speak louder than words. He has got to route out terrorism, the United States has to stand foursquare against terrorism, but all the nations of the world have to participate.

So I am happy to join in support of the resolution as I know every Member of Congress will. Terrorism is a threat to all of us everywhere in the world.

□ 1645

IN SUPPORT OF THE PEOPLE OF ISRAEL

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

Mr. FOX of Pennsylvania. Mr. Speaker, I rise to support the Gilman resolution. The terrible devastation of Israel,

with the fourth attack on the innocent Israeli victims, which has killed 61 people, injured 190 people, is certainly something this country, the United States, will not tolerate. The Hamas organization has caused such terror and such grief that the once solid confidence of the people in Israel has been shaken. We here in America will show our support in every way possible, whether it is economic, humanitarian, in any way that Israel needs our help. It is our strongest ally in the Middle East, and a democracy that is so important to this country and the world's peace. We must be there to help them.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 1561, FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1996 AND 1997

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 375 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 375

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 1561) to consolidate the foreign affairs agencies of the United States; to authorize appropriations for the Department of State and related agencies for fiscal years 1996 and 1997; to responsibly reduce the authorizations of appropriations for United States foreign assistance programs for fiscal years 1996 and 1997, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore (Mr. CAMP). The gentleman from Florida [Mr. GOSS] is recognized for 1 hour.

Mr. GOSS. For purposes of debate only, Mr. Speaker, I yield the customary 30 minutes to the gentleman from California [Mr. BEILENSON], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. GOSS asked and was given permission to include extraneous material.)

Mr. GOSS. Mr. Speaker, this is a very simple, fair rule providing for House consideration of the conference report on H.R. 1561, the American Overseas Interests Act—otherwise known as the State Department Reauthorization. As is the custom for conference reports, this rule allows for 1 hour of general debate and preserves the right of the minority to offer a motion to recommit, with or without instructions. Finally, the rule waives all points of order against the conference report and its consideration. Mr. Speaker, H.R. 1561 was passed by the House on June 8, 1995. Since that time, Members in both Houses have invested a great deal of time and energy working to make this the first year since 1985 that we have reauthorized the State Department programs in this bill. In our Rules Committee hearing last week, both Chairman GILMAN and the ranking minority member, Mr. HAMILTON, said they were encouraged by the efforts that the conference committee has made to bring us this far. Unfortunately, I understand that the President is planning to veto this reform-minded initiative, essentially because it will cramp his unique foreign policy style.

In response, Mr. Speaker, I have to say that I think we all understand that the responsibility for conducting foreign policy rests primarily but certainly not exclusively with the executive branch. Today, this long overdue legislation recognizes and addresses the responsibility of the legislative branch in this area—responsibility it has passed on over much of the past 10 years. These duties include policy oversight and, most importantly, laying out the broad priorities for the expenditure of U.S. tax dollars overseas. In this respect, Congress must share some of the blame for our current confused and inconsistent foreign policy agenda. However, it is clear that the lion's share of the blame for recent flip-flops, diplomatic gaffs, excessive costs and ill-defined missions rests squarely with President Clinton and his foreign policy ''B'' team. To date, the Clinton administration has focussed its priorities and resources on extensive involvement on high-visibility—low-yield projects in Northern Ireland, Bosnia and Haiti—to the point where the United States has been actively engaged in the de facto governance of two out of these three regions. While the administration may have the best of intentions, its focus on these efforts has resulted in the neglect and/or mismanagement of critical situations in Cuba and Taiwan, to name just two. Today, the administration is finally getting around to recognizing that Fidel Castro is not such a nice guy, and that a Chinese invasion of Taiwan could threaten the entire balance of power in Asia and the Pacific—but I am afraid that the reason it took so long to arrive at these rather obvious conclusions is that the White House has conducted United States foreign policy in the same way it has conducted domestic policy: setting priorities by what the opinion polls say, bowing to pressure from hunger-striking activists, and giving more attention to photo ops that will resonate with the voters instead of doing the hard work of conducting a vigorous and consistent policy agenda across the globe based on a clear delineation of what our national security interests really are in today's world.

Mr. Speaker, I hope that passage of H.R. 1561 will begin to put us back on the right track by freeing up foreign policy assets and making them reflect changing priorities in a changing world. It does make some necessary cuts to the operating expenses of the bureaucracy at the State Department and agencies like USAID, USIA, and ACDA—a total of $1.7 billion over 4 years—and requires one of these agencies to be consolidated into the State Department. It also includes many other important provisions, including asserting the supremacy of the Taiwan Relations Act, and setting strict reporting requirements for the Bosnia operation. I would urge my colleagues to support this rule.

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

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 375 makes it in order to consider the conference report on H.R. 1561, the Foreign Relations Authorization Act for fiscal years 1996 and 1997. As our friend and colleague, the gentleman from Florida [Mr. GOSS] has explained, it waives all points of order against the conference report.

The conference report authorizes appropriations for the State Department, and it requires the President to select and abolish at least one foreign affairs agency among the Agency for International Development, the Arms Control and Disarmament Agency, or the U.S. Information Agency, USIA. We have concerns about the substance of this conference report, as well as the manner in which the conference was conducted.

The gentleman from Indiana [Mr. HAMILTON], the ranking Democrat on the Committee on International Relations, told the Committee on Rules that a Democratic alternative to the conference agreement was dismissed out of hand. Furthermore, the gentleman from Indiana said that he as the ranking member never saw the conference agreement before it was filed. He told the Committee on Rules ''With this kind of approach, we are not making laws, we are making political statements.''

Furthermore, I want to express strong objections to the provisions in this conference agreement, as our colleagues know. If the measure is presented to the President in its current form, he has said that he will veto the bill. This bill could result in the abolition of AID, the Agency for International Development. This agency provides vital assistance to millions of poor and hungry people in developing nations. The small amount, the really tiny amount of savings that his, perhaps, would achieve could come at a terrible loss to human life and to our international standing around the world.

The funding levels contained in this bill are inadequate to protect the foreign policy interests of the United States. The bill would seriously undermine our ability to conduct diplomacy and operate overseas posts of foreign affairs agencies. If the bill passes, our Nation would retreat like a turtle into its shell, avoiding our international responsibilities and opportunities. That should not, it seems to us, be the image of our great Nation.

We are, however, pleased with a provision in the bill that prohibits the United States from selling small arms to Indonesia. This provision was included in response to that country's 1975 invasion and continued military presence in the island territory of East Timor, where numerous deaths and human rights abuse have occurred. We are glad this legislation does not let the East Timor tragedy go unnoticed.

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

Mr. GOSS. Mr. Speaker, it is my privilege to yield such time he may consume to the distinguished gentleman from New York [Mr. GILMAN], chairman of the Committee on International Relations.

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

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of House Resolution 375, the rule governing consideration of the conference report on H.R. 1561, the Foreign Relations Authorization Act. I commend the gentleman from New York [Mr. SOLOMON], my good friend and colleague, chairman of the Committee on Rules, for his committee's expeditious consideration of the rule, and the gentleman from Florida [Mr. GOSS], for advocating the adoption of this rule.

Mr. Speaker, I would like to list at this point the main provisions of the conference report, an important conference report. This bill is the first major authorization bill reorganizing the international affairs agencies designed back in the 1950's to fight the cold war. It is also the first Republican foreign affairs authorization bill in 40 years.

In short, the bill will require the President to abolish one of three international affairs agencies, either the USIA, AID, or ACDA, moving their functions back into the State Department, pursuant to the initial suggestion by Secretary Christopher.

It mandates $1.3 billion in budget savings below the fiscal year 1995 spending levels for the operating expenses of State, of AID, of USIA, and ACDA over the next 4 years. It provides authorization of appropriations totaling $6.5 billion for fiscal year 1996 and 1997 to fund the State Department, to fund USIA, to fund ACDA, AID, and related programs. This represents a $500 million reduction from fiscal year 1995 spending on these programs.

It also eliminates the AID housing guarantee program that GAO estimates will lose over $1 billion of the taxpayers' money, the Roth-Gejdenson section. It includes the MacBride principles of economic justice for aid to Northern Ireland. It includes the Humanitarian Corridors Act language, conditioning aid to Turkey on releasing United States humanitarian aid to Armenia. It includes many administration-requested provisions to improve the management of the State Department; in other words, allowing the State Department to collect from insurers for free medical care provided.

□ 1700

It authorizes full administration requests for narcotics control assistance and for the Peace Corps. This bill also imposes a number of important human rights restrictions carefully modified to meet the concerns of the administration. Major provisions include the supremacy of the Taiwan Relations Act over executive agreements and reporting on United States involvement in Bosnia to ensure our mission fulfills its stated purpose of bringing about a lasting and just peace and further restricts the use of refugee funds for involuntary repatriation of genuine refugees or persons in serious danger of subjection to torture.

Accordingly, Mr. Speaker, I urge my colleagues to support this rule and look forward to their support for the important conference report.

Mr. GOSS. Mr. Speaker, may I inquire how much time remains on each side?

The SPEAKER pro tempore. The gentleman from Florida has 22 minutes remaining; the gentleman from California has 27½ minutes remaining.

Mr. GOSS. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from New Jersey [Mr. SMITH], who is the chairman of the Subcommittee on International Operations and Human Rights.

Mr. SMITH of New Jersey. Mr. Speaker, I thank my good friend for yielding me this time.

I urge Members to support this rule. It is a good rule, and it is a very good, comprehensive conference report that we have put together. It has taken our subcommittee and the full committee the better part of a year and a half, working with the Senate, to craft this legislation. There were delays, as I think many Members know, on the Senate side, regrettably, but thankfully we are going to have this bill presented to the whole House very shortly.

H.R. 1561, the Foreign Relations Authorizations Act for 1996 and 1997 has attracted attention, Mr. Speaker, including a veto threat from the Clinton administration, because it would require the consolidation of at least one Government agency and because it would save $1.7 billion over 4 years.

I think it is important that, with the taxpayers clamoring for downsizing throughout the Federal bureaucracy, that the State Department and other agencies of our foreign policy apparatus not be immune to the budget-cutting knife.

Amid the discussion of these issues, however, some of the most important aspects of H.R. 1561 have gone almost unnoticed. Specifically, despite the need to cut spending and consolidate programs, the conference report manages to hold harmless, and at times even enhances, the most important programs and to enact important policy provisions that will indeed support freedom, democracy, and save lives.

Mr. Speaker, in considering H.R. 1561, I hope we will carefully consider the following human rights provisions:

First, Mr. Speaker, the Humanitarian Corridors Act. Section 1617 of the bill will limit assistance to those countries that restrict the transport or delivery of U.S. humanitarian assistance. I introduced the Humanitarian Corridors Act and offered the entirety of that legislation to this bill for a very simple reason: It is wrong, patently wrong, for countries receiving American assistance to keep U.S. humanitarian aid from reaching other countries. Yet this is precisely being done by Turkey, which has been blockading Armenia for several years. Ankara's opening of an air corridor with Armenia last summer indeed was a step in the right direction, but it does not represent a remedy for the problem. Turkey still refuses to open land routes through its territory for the delivery of badly needed United States humanitarian assistance to Armenia, which creates an unacceptable situation.

The MacBride principles, another very, very important set of principles that for years we have been trying to get enacted into law, Mr. Speaker, section 1615 of the bill includes language that guarantees United States assistance programs in Northern Ireland will only go towards projects that do not engage in religious discrimination and which provide employment opportunities for members of the region's Catholic minority. Some of us in Congress have been fighting, as I said, for these principles for many years. It has been a bipartisan effort. We have the opportunity to codify that this evening.

Chairman GILMAN, I think, deserves particular credit for his tenacity for steering this important human rights provision through this legislation and including it.

Refugee protection, the refugee provisions, Mr. Speaker, of H.R. 1561 will prevent the United States tax dollars from being spent to return to Vietnam and Laos thousands of men and women who served side by side with the American forces during the Vietnam war.

These provisions will also restore the Reagan and Bush policy of protecting people who can show that they are fleeing forced abortion or forced sterilization or they have actually been subjected to such cruel measure, such as the women who are now being held in California and in other parts of the country.

Mr. Speaker, H.R. 1561 would also require periodic reports to Congress on what Fidel Castro is doing to enforce his end of the Clinton-Castro immigration deal of 1994 and how people are treated who are returned to Cuba pursuant to the second Clinton-Castro immigration deal of May of 1995.

Despite the need for cuts, Mr. Speaker, in international broadcasting and other public diplomacy programs, H.R. 1561 holds harmless two of our freedom

broadcasting programs, such as Radio Free Asia and Radio and TV Marti.

The bill also requires, when cuts must be made, they must not fall disproportionately on broadcasts to countries, such as Iran and Iraq, where people do not enjoy freedom of information within their own country.

The bill also requires that Radio Free Asia commences its broadcasts into China, Vietnam, North Korea, Burma, and other countries whose people do not enjoy freedom and democracy, as we all know so well, within 6 months. No more delays; it is about time this important broadcasting got up and running.

Mr. Speaker, this is a fair rule, and I believe it is a very, very comprehensive conference report. As I think Members know, there were objections made by the other body when it came to the foreign aid section. That has been taken out of this bill, so we are talking basically about consolidation and about reauthorizing many of our important programs like USIA, the State Department refugee assistance.

I urge support for the rule.

Mr. BEILENSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. HALL], a distinguished member of the Committee on Rules.

(Mr. HALL of Ohio asked and was given permission to revise and extend his remarks.)

Mr. HALL of Ohio. Mr. Speaker, I want to thank my friend, the gentleman from California [Mr. BEILENSON], for yielding this time to me.

Mr. Speaker, I am very concerned with provisions in the bill which could result in the abolition of USAID, the U.S. Agency for International Development. This Agency provides vital assistance to millions of poor and hungry people in developing nations. The small amount of savings would come at a terrible loss to human life and to our international standing.

Mr. Speaker, the abolishment of USAID is a misguided idea that will lead to increased pain and suffering in the poorest countries of the world and it will reduce the effectiveness of the United States in international affairs. Now is the worst time to be thinking of getting rid of USAID. While the world is becoming increasingly interdependent, there are civil breakdowns in places like Bosnia and Rwanda, and there are outbreaks of deadly diseases in remote regions of the world. I think at this time there are 25 major humanitarian crises going on in the world.

I have been particularly impressed by the work of Brian Atwood as administrator of USAID. He has done an excellent job transforming USAID into an agency that improves its performance at the same time making dramatic budget reforms. In recent years, under Atwood's leadership, USAID has reduced senior management by nearly one-third and he has eliminated 90 organizational units in Washington. He also achieved $7 million in cost savings over 5 years by combining administrative functions with other Government agencies.

If this bill passes, our Nation will retreat like a turtle into its shell, avoiding our international responsibilities and opportunities. This is not my image of our Nation, and it should not be ours.

Mr. GOSS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN], the distinguished chairman of the committee.

Mr. GILMAN. Mr. Speaker, I wish to address the gentleman from Ohio and mention that we have provided discretionary authority to the President to eliminate one of three agencies, not mandating that AID be eliminated, giving the President the opportunity to decide between AID, USIA, or ACDA, the Arms Control Agency. So there is no mandate, and I just wanted to make certain that the gentleman understands that there is no mandate to remove AID.

Mr. BEILENSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. HALL].

Mr. HALL of Ohio. Mr. Speaker, I would just respond to the chairman of the Committee on Foreign Relations that I am aware of the fact that it does not mandate that USAID go out of business, or not exist. It gives the choice. It could be one of three agencies.

I think it is felt by many of us here in Congress and many people in the administration that if they are given this, and I hope that they are not given this choice, that probably USAID will be given a direction to eliminate that, and I do not even want it considered in the legislation.

I think USAID is probably one of the more important programs that we have and when we consider where we used to be years ago, when we had $19 or $20 billion in foreign aid, which is like less than one-half of 1 percent of our total budget and now it is at $12 billion, and we want to eliminate the humanitarian agency in the whole Government when, in fact, it saves millions and millions of lives, I would not say every year but over the many, many years, to put them into the equation that they possibly could be abolished I think is a wrong way to go.

I think the people that we have at AID, starting with Brian Atwood, have done a very impressive job. I am very enthused about their direction, their vision for the future, and what this world is about as far as humanitarian concerns are concerned.

I just think we are going the wrong way here, and it makes us look like we are retreating on one of the most important issues that we have to deal with in the Congress of the United States.

People were asked in several polls, ''Would you be willing to fund humanitarian issues, humanitarian types of aid in countries overseas,'' and almost 90 percent of the people agreed that that was a good thing to do.

They also said in the poll, ''Would you be willing to give 100 extra dollars in tax moneys to humanitarian aid,'' and they said if they could be assured that the money was going to the poorest of the poor, they would be glad to do it. I was amazed by that poll.

Another poll showed that a lot of people believe that, you know, our foreign aid, when they did this poll across the country, that of our total budget, that somewhere between 18 and 22 percent of the people believed that, I am sorry, of the people polled, they believed that the total amount going to foreign aid, 18 to 22 percent was the amount of money going to foreign aid from our total budget. And they said, ''What actually do you think the money ought to be,'' and the numbers said they thought it ought to be 8 to 9 percent when, in fact, all we are arguing about here today is less than one-half of 1 percent. This is the aid that goes to humanitarian issues, the many crises going on in the world today.

So even to raise the issue, to have the possibility that it would be eliminated, to put it into the State Department, would be a political decision, I think, that would not work for the poorest of the poor and would hurt them. And I think it would go a long way in not bringing the kind of child survival activities and the type of micromanagement kinds of things that we need overseas in development assistance.

I oppose this bill. I do not think it is a good idea.

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume to comment on another matter relative to this, if I may, at this time.

Mr. Speaker, pursuant to section 426 of the Congressional Budget and Impoundment Control Act of 1974, we had been considering making a point of order against consideration of this rule. Section 425, as opposed to 426 of that same act, states that a point of order lies against legislation which, one, imposes an unfunded mandate in excess of $50 million actually against State or local governments, or, two, does not publish prior to floor consideration a CBO estimate of any unfunded mandates in excess of $50 million annually for State and local entities or in excess of $100 million annually for the private sector.

Section 426 of the Budget Act specifically states that the Committee on Rules may not waive this point of order. However, on page 2, lines 9 and 10 of House Resolution 375, which we are discussing here today, all points of order are waived against the conference report and against consideration. For that reason we were, as I said, considering making a point of order. This rule should not have been considered pursuant to this rule 426.

□ 1715

We decided not to pursue that point of order for a number of reasons, one of them being an unusual CBO estimate that we have heard about but have not yet seen. But we do think it is important to discuss very briefly, and I shall be very brief, Mr. Speaker, our reasons for objecting to the waiver of the unfunded mandate rule.

We should, of course, be sticking with the rules. Our good friends on the other side of the aisle came up with this proposal at the beginning of last year, and since that time have consistently waived it. We think we ought to take some of these rules a little bit more seriously and perhaps not pass them in the first place if we are not going to pay much attention to them.

This particular conference report has four refugee-related provisions which, taken together, may well result in increased costs to individual States throughout this country. There are good arguments on both sides of the question of whether these four provisions represent unfunded mandates, and apparently CBO itself is having some trouble coming up with a definitive answer.

What I want to say and be clear about is we would have made the point of order not because of necessarily opposition to the four particular provisions dealing with refugees, but because of our understanding of the intention of the unfunded mandates law, which is to provide full and open debate on any issues or that may raise unfunded mandates for the States. That, after all, was the expressed purpose from our friends on the other side as part of their Contract for that particular change in our rules.

Allowing for debate on the unfunded mandates question in this bill would provide one way to alert States that the Congress is in fact taking action which may well have come impact on state costs. It would give some notice to the States that the States' costs may increase or that State programs may assume some new burdens or may in fact need to be changed to avoid those burdens because of this particular legislation which Congress in fact will be considering today as soon as we are through with the rule.

Mr. Speaker, in conclusion, let me simply say that Members should be aware that this legislation does in fact contain provisions which could impose unfunded costs on State and local governments. Last year, as we have just discussed, the House overwhelmingly approved legislation that would help identify instances of unfunded mandates on public and private sector entities. In fact, much of the month of January of 1995 was consumed by that particular piece of legislation.

We find it somewhat ironic, after all the debate that took place at that time, particularly with regard to protecting Members; rights to be informed about unfunded mandates, that on one of the first major authorization bills that is coming out of the Committee on Rules since that time, the Republicans are apparently attempting to allow legislation that imposes unfunded costs on State and local governments without our raising that point. Most on that side of the aisle, and I guess a lot of Members on our side of the aisle as well, voted for the unfunded mandates bill.

We simply hope that Members will think long and hard about what a ''yes'' vote on this rule in fact proves. If one is truly opposed to the imposition of unfunded mandates on the States by the Federal Government, then we suggest that one would oppose this particular rule.

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

Mr. GOSS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California [Mr. DORNAN].

Mr. DORNAN. Mr. Speaker, I thank my colleague the gentleman from California. Old friendships are worth a lot around here.

Mr. Speaker, I am proud to be an original co-sponsor of the provision to withhold funding for expanding diplomatic relations until the President certifies that the Vietnamese government ''fully cooperates'' in accounting for our MIAs. This measure is essential to achieve the fullest possible accounting of our missing heroes. In repeated testimony before my subcommittee the most senior Defense Department analysts who investigate this issue have stated under oath that the Vietnamese continue to hold back critical information on servicemen who were known to have been alive under Communist control in Vietnam, Laos and Cambodia.

In January, the U.S. Government gave the Vietnamese a list of 69 MIAs that based on the Defense Department's recent ''comprehensive review'' of all MIA cases. The review shows that there are over 400 MIAs who were last known alive or dead under Vietnamese control whom the Vietnamese can provide either bodily remains or their own documents, records and witnesses that can resolve their fates.

Based on this official review, I provided the Vietnamese with an additional 29 priority MIAs that the Communists should be able to account for. About a dozen of these cases overlap with the Defense Department list. All together the Vietnamese has been given the names of 75 MIAs that the U.S. Government knows they can account for immediately. And on January 20, 1996 while visiting Hanoi Assistant Secretary of State Winston Lord expressed to the Vietnamese ''disappointment in the level and quality of work that the Vietnam government Office for Missing Persons performs on cases.'' Although the Vietnamese dribble out isolated records and documents to manipulate the political debate in this Congress, the bottom line is that they are continuing to torture the families of our missing heroes. We have the power to stop this cruel charade.

This provision is strongly supported by the vast majority of veterans organizations and families of the missing heroes. We have letters of support from: the National League of POW/MIA Families, the National Alliance of POW/MIA Families, the American Legion, the Disabled American Veterans, the Vietnam Veterans Coalition, the Veterans of the Vietnam War, Inc., The American Defense and the Vietnam Veterans of America. I strongly encourage all Members of Congress to support this much needed measure.

For the RECORD I would like to include letters from the veterans and families organizations who support this provision.

But first, Mr. Speaker, check this out.

VIETNAM

(SRV Papers Back Cuban Downing of U.S. Airplanes—BK0103131396 Hanoi Voice of Vietnam in English 1000 GMT 1 Mar 96)

[FBIS Transcribed Text] Under the title ''Genuine Rights to Self Defense,'' the leading daily newspaper NHAN DAN and the Army paper QUAN DOI NHAN DAN on March 1 run commentaries reaffirming that the shooting down of two planes being flown by a reactionary organization involving Cuban exiles in the United States was genuine self-defense in line with international law to defend Cuba's territorial integrity and security.

NATIONAL LEAGUE OF FAMILIES OF AMERICAN PRISONERS AND MISSING IN SOUTHEAST ASIA,

Washington, DC, March 12, 1996.

Hon. BEN GILMAN,

Chairman, House International Relations Committee, 2170 Rayburn House Building, Washington, DC.

DEAR CONGRESSMAN GILMAN: In response to the President's veto message regarding HR 1561, the League has always maintained that the Government of Vietnam could unilaterally account for hundreds of Americans, and League policy has emphasized that ability as the crucial aspect of the fullest possible accounting since the League's inception. This legislation outlines the four criteria of unilateral action by Vietnam that President Clinton set forth as his measure and the League agrees with each of them.

Recently the administration completed a comprehensive review of all cases of those Americans missing and unaccounted for from the war in Southeast Asia which confirmed that Vietnam can unilaterally respond to and make significant progress on each of these four criteria.

What is particularly strange to the League is that the veto message was sent while a high level Presidential delegation, led by a cabinet member and included a member of the President's staff, was in Vietnam to present the expectations of the United States Government from this review. This delegation is comprised of the League's Executive Director Ann Mills Griffiths and the leadership of five major veterans groups all at the invitation of the President.

We're concerned that someone in the administration may have undercut the entire purpose of the trip with this veto message while the President's delegation was in Hanoi. If the President can't support the language concerning Vietnam within this bill, then the board views this as nullifying the praise that his administration has been lauding on Vietnam for their supposed ''outstanding cooperation''. The League position remains as stated and will be such until Vietnam has responded in a concrete way to the President's stated criteria. This is the

President's chance to signal Vietnam that his administration is serious in upholding his four criteria.

Sincerely,

JO ANNE SHIRLEY,
Chairman of the Board.

NATIONAL ALLIANCE OF FAMILIES, FOR THE RETURN OF AMERICA'S MISSING SERVICEMEN,
March 12, 1996.

Hon. ROBERT K. DORNAN,
Chairman, Subcommittee Military Personnel, International Relations, 1201 Longworth Bldg., Washington, D.C.

DEAR CHAIRMAN DORNAN: The National Alliance's Families and Veterans plead with you to stand firm in maintaining the provision that asks for THE LIMITATION OF FUNDING FOR UPGRADING OF THE EMBASSY IN VIETNAM TO THE LEVEL AS OF JULY 11, 1995 (Sec. 609, HR 2076) in both the AUTHORIZATION and APPROPRIATION BILLS of 1996; until such time, that President Clinton can sign on the dotted line confirming that Vietnam's Government is fully and totally cooperating. This would entail Vietnams being forthcoming with the unilateral return of U.S. Servicemen's Remains, records and documents that we known they are concealing.

At your two hearings in the Military Personnel Subcommittee on the POW/MIA travesty in the past months, testimony was received indicating that the Socialist Republic of Vietnam continues to hide information as well as the remains of our Servicemen which they dribble out slowly at their discretion to give the appearance that Vietnam is fully cooperating.

President Clinton promised that the precondition for normalized relations with Vietnam would be the fullest possible cooperation. Well, Clinton ''normalized'' and Communist Vietnam is still deliberately and perniciously dribbling out documents as you can see with the enclosed Reuters' story dated (3-12-96). Where is this ''superb'' and ''splendid'' cooperation by Vietnam?

Our Families, Veterans and concerned citizens thank you for your total support regarding our loved ones. Please, there should be no compromise of the House language for H.R. 2076 (Sec. 609). We ask only for honesty, and the full unilateral return of the remains of our loved ones, including the records and documents before the U.S. gives the funding for Diplomatic facilities in Vietnam.

Bless you for your stalwart support.

Sincerely,

DOLORES APODACA ALFOND,
National Chairperson.

VETERANS OF THE VIETNAM WAR, INC.,
Freeport, NY, March 12, 1996.

Hon. BEN GILMAN,
Chairman, International Relations.

Hon. ROBERT DORNAN,
Chairman, Military Personnel Subcommittee.

DEAR SIRS: The Veterans of the Vietnam War, Inc. strongly supports the provisions in the State Department Authorization and State Department Appropriations bills that deny funds for expanded relations until the Vietnamese government fully and honestly cooperates to account for American Prisoners of War and those still missing in action.

Based on sworn testimony given by General James Wold before the Military Personnel Subcommittee, who admitted that the Communist Vietnamese government continues to withhold valuable documents, including records of the Vietnamese Politburo and Central Committee, our membership is adamant that no further funding with American dollars be allocated to the expansion of relations with the Communist government of Vietnam.

These provisions strengthen the efforts of United States negotiators who are seeking the truth about the large number of POW/MIA cases. These include men last known alive or whose corpse was photo documented, and continued warehousing of remains. The Vietnamese government can unilaterally provide these remains, records and documents that will lead to resolution of this ongoing tragedy. Without this leverage, the Vietnamese Communists will never give us the answers that they are withholding on hundreds of brave Americans.

It is in the interest of the American people and the Clinton Administration that the President demands immediate resolution to the POW/MIA issue before further funding is granted.

We thank you for your dedication to our POW's and MIA's and to the TRUTH.

Sincerely,

JOYCE A. ROMMEL,
National POW/MIA Dir.

THE AMERICAN LEGION,
Washington, DC, February 27, 1996.

Hon. ROBERT DOLE,
Senate Majority Leader, Hart Senate Office Building, U.S. Senate, Washington, DC

DEAR SENATOR DOLE: In December, the President vetoed the Commerce-Justice-State (CJS) appropriations bill that contains a provision which denies funds for expanded relations with Vietnam unless he certifies that Vietnamese officials are fully cooperating with efforts to account for American POW/MIAs from the Vietnam War. Under this certification provision, the State and Commerce Departments would be prohibited from expanding the number of personnel assigned to posts in Vietnam beyond what existed on July 11, 1995, and only allows the United States to operate the Liaison Office established on January 28, 1995.

The American Legion urges you to include this language in the Omnibus Appropriations Bill that is currently under consideration. The President moved to include the Socialist Republic of Vietnam in the family of nations when the President decided to normalize relations on July 11, 1995. The Administration said this will lead to progress on the issue of American Prisoners of War and Missing in Action, but regretfully, we have not found that to be true.

The Vietnamese posseses the ability to unilaterally disclose information on specific cases, as Defense Department officials have testified and their Comprehensive Review of individual cases clearly shows. Thus, we should emphasize this fact and show how important the POW/MIA issue continues to be to the American people by limiting funds for diplomatic facilities in Vietnam subject to the President's certification that Vietnam is ''fully cooperating.''

The American Legion expects the fullest possible accounting of our POW/MIAs, and believes that withholding funds for diplomatic facilities would restore at least some of the leverage the United States has surrendered while prematurely normalizing relations with Vietnam.

The American Legion thanks you for your continuing strong support on this important issue.

Sincerely,

DANIEL A. LUDWIG,
National Commander.

DISABLED AMERICAN VETERANS,
Washington, DC, March 12, 1996.

Hon. ROBERT K. DORNAN,
Hon. BENJAMIN A. GILMAN,
House of Representatives, 1201 Longworth House Office Building, Washington, DC.

DEAR REPRESENTATIVES DORNAN AND GILMAN: The provisions in section 609 of H.R. 1561 are consistent with the DAV's position, as embodied in and mandated by a resolution adopted in National Convention, that calls for release of any Americans who may still be held captive, return of the remains of deceased service members, and the fullest possible accounting of those still missing as a condition to increasing our relations with the Socialist Republic of Vietnam. The DAV therefore supports the provisions of section 609 and urges that they be retained in the bill.

Sincerely,

RICHARD F. SCHULTZ
National Legislative Director.

NATIONAL VIETNAM VETERANS COALITION,
Washington, DC, March 12, 1996.

Re Appropriation Bill (H.R. 2076, Sec. 609)—Limitation of funding for the upgrading of the U.S. Embassy in the Socialist Republic of Vietnam.

Rep. ROBERT DORNAN,
Chairman, Military Personnel Subcommittee, 1201 Longworth Bldg., Washington, DC.

Rep. BEN GILMAN,
Chairman, House International Relations, 2449 Rayburn House Office Bldg., Washington, DC.

DEAR CONGRESSMEN: The FY 1996 Commerce/Justice/State House Appropriations Bill passed the House on March 7, 1996, keeping in tact Section 609—''Limitation of the use of funds for diplomatic facilities in Vietnam''. It is our understanding that President Clinton is now seeking to VETO this bill in opposition to Section 609.

The National Vietnam Veterans Coalition urges President Clinton to reassess his position on this matter. The Coalition in its entirety, strongly and unanimously supports the present language of this bill. This provision is necessary to assure a full accounting of American POW/MIAs. This provision will also enhance prospects of U.S. Vietnamese economic relations by firmly demonstrating to Vietnam that the United States will accept nothing less than honesty in all relations that affect both nations.

We are asking that the President do nothing more than what he, himself has always committed to the American people. In January, the United States told Vietnam that resolving the fate of missing U.S. servicemen would be its priority regarding any future ties between the two countries and said at that time we wanted more progress.

As we all know this has not happened. Again, we are urging the President to reassess his position and to sign this bill in its entirely.

Sincerely,

J. THOMAS BURCH, Jr.,
Chairman, National Vietnam Veterans Coalition.

AMERICAN DEFENSE INSTITUTE
March 12, 1996.

Hon. ROBERT K. DORNAN
Chairman, Subcommittee on Military Personnel, House of Representatives, LHOB–1201, Washington, DC.

DEAR CONGRESSMAN DORNAN: The American Defense Institute respectfully requests the House to make one final effort to obtain information on missing U.S. servicemen before our nation fully embraces Vietnam. The House can demonstrate to the Hanoi government America's continuing concern about

men like James Kelly Patterson, my navigator, whose name surfaced in the Foreign Broadcast Information System, February 28, 1996, stating that evidence exits that he had been forced to work at a secret arms testing site in the Soviet Republic of Kazakhstan. Denying diplomatic funding in the Commerce, State, Justice Appropriations Bill (section 609 of H.R. 2076) as passed by the House, will help accomplish a final resolution to this national tragedy.

The Administration has clearly stated the nation's intention to move forward with diplomatic ties with Vietnam. At the same time, Department of Defense officials have testified that there has not been full disclosure of information Vietnam can provide to account for missing Americans. Is it not unreasonable to limit diplomatic activity until that information is forthcoming? Can we do less for our fallen soldiers?

As a defense policy organization, the American Defense Institute considers the nation's continuing effort to obtain information on missing service personnel to be critical to the morale of those serving in the military today. On behalf of those active duty men and women, POW/MIA families who still wait for answers, the majority of former Vietnam POWs, and most of the nation's 27 million veterans, we urge the Senate to join with the House of Representatives and say with one voice to the government of Vietnam that full diplomatic relations with the United States must be earned by providing all available information on missing Americans.

Sincerely,

EUGENE B. MCDANIEL,
President.

DORNAN TWO DOZEN MIA CASES TO BE UNILATERALLY RESOLVED BY THE GOVERNMENT OF VIETNAM

Refno 0021.—Versace, Humberto Rocque.
Refno 0024.—Roraback, Kenneth M.
Refno 0050.—Cook, Donald Gilbert.
Refno 0054.—McLean, James Henry.
Refno 0096.—Hall, Walter Louis.
Refno 0105.—Lindsey, Marvin Nelson.
Refno 0162.—Pogreba, Dean Andrew.
Refno 0215.—Nordahl, Lee E.
Refno 0691.—Patterson, James Kelly.
Refno 1329.—Francisco, Sam Dewayne.
Refno 1329.—Morrison Joseph C.
Refno 1388.—Brucher, John Martin.
Refno 1402.—McDonnell, John Terrence.
Refno 1405.—Luna, Carter Pervis.
Refno 1437.—Brashear, William James.
Refno 1437.—Mundt, Henry G.
Refno 1456.—Sparks, Donald L.
Refno 1625.—Duke, Charles R.
Refno 1719.—Burnett, Sheldon John.
Refno 1747.—Pearce, Dale Allen.
Refno 1747.—Soyland, David Pecor.
Refno 1748.—Entrican, Dannly D.
Refno 1843.—Wiles, Marvin Benjamin C.
Refno 1927.—Borah, Daniel Vernon Jr.
Refno 1934.—Anderson, Robert Dale.
Refno 1945.—Brown, Robert Mack.
Refno 1945.—Morrisey, Robert D.
Refno 1948.—Stafford, Ronald Dean.
Special Case, Laos—Renno 0084.—Hrdlicka, David Louis

WOLD LIST DPMO CASES REQUIRING CRITICAL VIETNAMESE ASSISTANCE

0023.—Cody, Howard Rudolph.
0024.—Roraback, Kenneth M.
0047.—Tadios, Leonard Masayon.
0048.—Parks, Joe.
0049.—Bennett, Harold George.
0050.—Cook, Donald Gilbert.
0052.—Hertz, Gustav.
0077.—Shea, James Patrick.
0086.—Walker, Orien J.
0096.—Compa, Joseph James, Jr.
0096.—Curlee, Robert Lee, Jr.
0096.—Hagen Craig Louis.
0096.—Hall, Walter Louis.
0096.—Johnson, Bruce G.
0096.—Owens, Fred Monroe.
0096.—Saegaert, Donald Russell.
0097.—Holland, Lawrence Thomas.
0099.—Schumann, John Robert.
0105.—Lindsey, Marvin Nelson.
0121.—Gray, Harold Edwin, Jr.
0266.—Smith, Harold Victor.
0301.—Mape, John Clement.
0315.—Cooper, William Earl.
0326.—Malone, Jimmy M.
0350.—Alberton, Bobby Joe.
0350.—Edmondson, William Rothroc.
0350.—McDonald, Emmett Raymond.
0350.—Shingledecker, Armon D.
0350.—Stickney, Phillip J.
0430.—Eaton, Curtis Abbot.
0435.—Milikin, Richard M., III.
0476.—Taylor, Danny Gene.
0512.—Scungio, Vincent Anthony.
0529.—Niehouse, Daniel Lee.
0542.—Begley, Burriss Nelson.
0586.—Silva, Claude Arnold.
0589.—Poor, Russell Arden.
0641.—O'Grady, John Francis.
0680.—Jefferson, James Milton.
0727.—Apodaca, Victor Joe., Jr.
0732.—Klemm, Donald M.
0826.—Moore, Herbert William, Jr.
1065.—Hunt, Robert W.
1093.—Ray, James Michael.
1112.—Cichon, Walter Alan.
1258.—Acosta-Rosario, Humberto.
1260.—Ferguson, Walter, Jr.
1277.—Shark Earl E.
1329.—Francisco, San DeWayne.
1329.—Morrison, Joseph C.
1456.—Sparks, Donald L.
1504.—Cook, Glenn Richard.
1538.—Long, Carl Edwin.
1719.—Ard, Randolph Jefferson.
1719.—Burnett, Sheldon John.
1843.—Wiles, Marvin Benjamin C.
1870.—Fowler, James Alan.
1870.—Seuell, John W.
1924.—Buell, Kenneth Richard.
1934.—Anderson, Robert Dale.
1940.—Hall, James Wayne.
1952.—McElvain, James Richard.
1952.—Ward, Ronald J.
1965.—Bennett, Thomas Waring, Jr.
1978.—Bush, Elbert Wayne.
1978.—Deane, William Lawrence.
1978.—Lauterio, Manuel Alonzo.
1978.—Stinson, William Sherril.
1978.—Wilson, Mickey Allen.
69 INDIVIDUALS.—(51 CASES)

Mr. BEILENSON. Mr. Speaker, I yield 5 minutes to the gentleman from New Mexico [Mr. RICHARDSON].

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

Mr. RICHARDSON. Mr. Speaker, if passed into law, this bill would be the beginning of the U.S. withdrawal from the international arena.

If this bill passes, the United States is on the slippery slope toward isolationism, and as the last superpower, the United States cannot withdraw from the world. Sections of this bill force the United States to retreat from further engagement in world affairs.

American leadership in the international arena is directly threatened by this bill. The conduct of foreign policy is a significant Presidential prerogative. It is not the prerogative of the Congress. Presidential authority to conduct foreign policy and direct national security legislation is severely curtailed by this bill.

The President should always be prepared to consult the Congress in foreign policy questions, but this bill goes too far in undermining the ability of the President to conduct foreign policy. The bill does not authorize the necessary level of funding for the President to conduct effective foreign policy.

Diplomacy is America's first line of defense. Diplomacy is essential to maintaining American leadership in world affairs. Diplomacy is also an inexpensive way to represent vital U.S. interests abroad.

I recently returned from a trip overseas in the subcontinent, and I spoke to many foreign service officers, AID officers, USIA officers. They are demoralized. They feel that their true worth and value is not appreciated by this Congress. These are men and women that risk their lives, do their jobs well, are patriotic, effective and efficient, yet they are being sent a message that their service is not important, that funding for their agency is not important, that they are furloughed.

This is not the way to treat America's diplomats. These are men and women that form the elite of the American Federal Government. They have been tested through extensive examinations. They do not deserve this treatment.

The United States spends slightly more than 1 percent of its Federal budget on international diplomacy and international assistance programs. This investment in peace and prosperity is the cornerstone of our national security policy. It is clearly cheaper to engage in diplomacy than to pay for military operations.

At this very time that we are in a state of tension between Taiwan and China, there is a provision in this bill, section 1601, amending the Taiwan Relations Act that is going to increase risk at a time of heightened tensions. This is not the time, this is not the week, this is not the day to be sending a message at a time of very heightened tensions. We have ships and destroyers in a state of alarm in Taiwan and in China. This is not the time when we abruptly shift policy and tie the President's hands.

We also have a provision on international organizations which would provide inadequate funding levels for fiscal years 1996 and 1997 and unworkable notification requirements which would undermine our diplomatic efforts in the U.N. and also are efforts to reform the U.N. system. This is not the kind of bill nor the kind of initiative we want to be sending at this time.

The bill also threatens the existence of vital international agencies in foreign policy. The U.S. Agency for International Development, the U.S. Information Agency, and the Arms Control and Disarmament Agency may all be shut down by passage of this bill. At

least one of them is going to be closed down. What is America's foreign policy going to be, if not to help international markets for American firms, extending America's promise of freedom through the free flow of information, and to make the world safe from the horrors of nuclear warfare?

Mr. Speaker, this is not a good bill. There are many serious Members on the other side that know the limits and the possibilities of American foreign policy. They know that we are the last superpower. They know that, regrettably, because we resolved the Bosnia issue and many others, that the world is coming to us for leadership. When we retreat and when we say that we cannot staff our embassies and we close consulates, not providing services to Americans and not showing the American flag, that is a signal at this time of our existence when the American leadership is not only going to be questioned, but once again many are going to say that the American giant, the country that is a hope for freedom and diplomacy and democracy, is not out there to do its job.

Mr. Speaker, this is not a good bill. It should not be passed. The President's right to conduct foreign policy should be maintained, and this bill does not do that.

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in concluding, I simply want to commend the gentleman who just spoke for his excellent and his very thoughtful statement. His points, especially those made relative to the fine men and women who serve us overseas and what we owe them, I think could not have been better said.

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

Mr. GOSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from New Mexico, perhaps more than any Member of this Congress, knows how helpful Members of this Congress can be in the execution of foreign policy, and I think that it is correct to say that foreign policy is not the exclusive right of the executive branch. It is an area where we both have an interest.

I would agree, as I said in my opening remarks, that the executive branch has primary responsibility, but we have primary oversight responsibility. Surely in terms of foreign policy of the national interests of the United States, this body has a tremendous amount to say and should have a tremendous amount to say.

Second, I would like to reply just very briefly to the remarks of my distinguished colleague from California, Mr. BEILENSON, about this question about points of order. We had looked very closely into that ourselves, and, as traditional with conference reports, I would have waived all points of order against it. We had gotten to the conclusion, after checking with CBO, that we in fact have no unfunded mandate. Therefore, we did not see any problem with waiving a rule when there was no unfunded mandate. In fact, I have a letter I will introduce into the RECORD from the Congressional Budget Office dated March 12, that in fact says, among other things, the bill would impose no intergovernmental private-sector mandates as defined by Public Law 1044 and would have no direct budgetary impacts on State, local, or tribal governments. I believe that as well.

Mr. Speaker, I will also include in the RECORD a statement which would have been our statement had we actually taken the point of order question to the floor. I would simply say it would be a futile gesture to provide an answer when there is no problem, although that is the kind of thing we do very well in government these days. It seems at great cost to the taxpayers, and I would put that point of order in that particular category.

Finally, I would like to urge strong support for the rule at this time. Whether one agrees with the substance of the bill, the rule is actually a pretty good rule. It should allow us to get on with our job. I think there is every reason for people to support this particular rule.

Mr. Speaker, the letter and statement referred to earlier are included for the RECORD.

Mr. Speaker, I rise in strong support of the question of consideration of this rule and urge an ''aye'' vote on it. Let me make quite clear from the outset that the point of order that has triggered this separate 20-minute debate and vote is completely bogus—there are no unfunded mandates in this State Department conference report.

Mr. Speaker, the point of order was made that House Resolution 375 is in violation of section 426(a) of the Budget Act which prohibits the consideration of a rule that waives section 425 of the Budget Act relating to unfunded mandates. A section 425 point of order is triggered if the maker of the point of order can, and I quote, ''specify the precise language on which it is premised.''

In this case, the existence of a blanket waiver in this rule is sufficient specific language to trigger the point of order and a separate debate and vote. There is no requirement that a point of order against the rule need identify any matter in the conference report that might be in violation of the unfunded mandate procedures.

And so, while the rule waives all points of order against the conference report, implicitly including any unfunded mandate points of order, there is no provision that we are aware of in the conference report that remotely relates to mandates on State or local governments.

There were no such mandates identified by the Congressional Budget Office in the House reported bill, or in the House-passed bill, H.R. 1561, or in the Senate-passed bill. Nor are we aware of any that have been added in conference.

I would therefore submit that while the point of order may be technically valid because this is a blanket waiver, its use in this instance is an abuse of process—a dilatory tactic designed to prolong and delay consideration by the House of this boilerplate rule on a conference report that contains no unfunded mandates of order and that the House should not be subjected to additional debate and a vote where no such valid point of order would lie.

So, the question might be asked, Why not exempt the unfunded mandate point of order from the blanket waiver in the rule? The point of order that has been made against this rule is the perfect answer to that question. While you can have only one bogus point of order against the rule, you could have an infinite number raised against the conference report—each of which would trigger a separate debate and vote of the House to consider the conference report.

In other words, the minority has already made the case for the blanket waiver with this completely groundless and dilatory point of order against the rule. I would therefore urge that the motion to consider this rule be adopted.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 12, 1996.

Hon. BENJAMIN A. GILMAN,
Chairman, Committee on International Relations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: In response to the request of your staff, the Congressional Budget Office has reviewed the Conference Report to H.R. 1561, the Foreign Relations Authorization Act, Fiscal Years 1996 and 1997, as reported on March 8, 1996. The bill would consolidate various foreign affairs agencies, authorize appropriations for the Department of State and related agencies, and address other matters in foreign relations.

The bill could impose no intergovernmental or private sector mandates as defined by Public law 104–4 and would have no direct budgetary impacts on state, local, or tribal governments.

We are preparing a separate federal cost estimate for later transmittal.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Pepper Santalucia (225–3220) for effects on state, local, and tribal governments, and Eric Labs (226–2900) for impacts on the private sector.

Sincerely,

JUNE E. O'NEILL.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 226, nays 180, not voting 25, as follows:

[Roll No. 56]

YEAS—226

Allard	Ganske	Nethercutt
Archer	Gekas	Neumann
Armey	Geren	Ney
Bachus	Gilchrest	Norwood
Baker (CA)	Gillmor	Nussle
Baker (LA)	Gilman	Oxley
Ballenger	Goodlatte	Packard
Barr	Goodling	Parker
Barrett (NE)	Goss	Paxon
Bartlett	Graham	Petri
Bass	Greenwood	Pombo
Bateman	Gunderson	Porter
Bereuter	Gutknecht	Portman
Bilbray	Hancock	Pryce
Bilirakis	Hansen	Quillen
Bliley	Hastert	Quinn
Blute	Hastings (WA)	Radanovich
Boehlert	Hayes	Ramstad
Boehner	Hayworth	Regula
Bonilla	Hefley	Riggs
Bono	Heineman	Roberts
Brownback	Herger	Rogers
Bryant (TN)	Hilleary	Rohrabacher
Bunn	Hobson	Ros-Lehtinen
Bunning	Hoekstra	Roth
Burr	Hoke	Royce
Burton	Horn	Salmon
Buyer	Hostettler	Sanford
Callahan	Houghton	Saxton
Calvert	Hunter	Scarborough
Camp	Hutchinson	Schaefer
Campbell	Hyde	Schiff
Canady	Inglis	Seastrand
Castle	Istook	Sensenbrenner
Chabot	Johnson (CT)	Shadegg
Chambliss	Jones	Shaw
Chrysler	Kasich	Shays
Clinger	Kelly	Shuster
Coble	Kim	Skeen
Coburn	King	Smith (MI)
Collins (GA)	Kingston	Smith (NJ)
Combest	Klug	Smith (TX)
Cooley	Knollenberg	Smith (WA)
Cox	Kolbe	Solomon
Crane	LaHood	Souder
Crapo	Largent	Spence
Cremeans	Latham	Stearns
Cubin	LaTourette	Stump
Cunningham	Lazio	Talent
Davis	Leach	Tate
Deal	Lewis (CA)	Tauzin
Diaz-Balart	Lewis (KY)	Thomas
Dickey	Lightfoot	Thornberry
Doolittle	Linder	Tiahrt
Dornan	Livingston	Torkildsen
Dreier	LoBiondo	Traficant
Duncan	Longley	Upton
Dunn	Lucas	Vucanovich
Ehlers	Manzullo	Waldholtz
Ehrlich	Martini	Walker
Emerson	McCollum	Walsh
English	McCrery	Wamp
Ensign	McDade	Watts (OK)
Everett	McHugh	Weldon (FL)
Ewing	McInnis	Weldon (PA)
Fawell	McIntosh	Weller
Flanagan	McKeon	White
Foley	Metcalf	Whitfield
Forbes	Meyers	Wicker
Fowler	Mica	Wolf
Fox	Miller (FL)	Young (AK)
Franks (CT)	Molinari	Young (FL)
Franks (NJ)	Moorhead	Zeliff
Frelinghuysen	Morella	Zimmer
Frisa	Myers	
Funderburk	Myrick	

NAYS—180

Abercrombie	Bentsen	Brown (CA)
Ackerman	Berman	Brown (FL)
Andrews	Bevill	Brown (OH)
Baesler	Bishop	Cardin
Baldacci	Bonior	Clay
Barcia	Borski	Clayton
Barrett (WI)	Boucher	Clement
Becerra	Brewster	Clyburn
Beilenson	Browder	Coleman
Collins (MI)	Johnson, E. B.	Pelosi
Condit	Johnston	Peterson (FL)
Conyers	Kanjorski	Peterson (MN)
Costello	Kaptur	Pickett
Coyne	Kennedy (MA)	Pomeroy
Cramer	Kennedy (RI)	Poshard
Danner	Kennelly	Rahall
DeFazio	Kildee	Rangel
DeLauro	Kleczka	Reed
Dellums	Klink	Richardson
Deutsch	LaFalce	Rivers
Dicks	Lantos	Roemer
Dingell	Levin	Rose
Dixon	Lewis (GA)	Roybal-Allard
Doggett	Lincoln	Sabo
Dooley	Lipinski	Sanders
Doyle	Lofgren	Sawyer
Edwards	Lowey	Schroeder
Engel	Luther	Schumer
Eshoo	Maloney	Scott
Evans	Manton	Serrano
Farr	Markey	Sisisky
Fattah	Martinez	Skaggs
Fazio	Mascara	Skelton
Fields (LA)	Matsui	Slaughter
Filner	McCarthy	Spratt
Foglietta	McDermott	Stark
Frank (MA)	McHale	Stenholm
Frost	McKinney	Studds
Furse	McNulty	Stupak
Gejdenson	Meehan	Tanner
Gephardt	Meek	Taylor (MS)
Gibbons	Menendez	Thompson
Gonzalez	Miller (CA)	Thornton
Gordon	Minge	Thurman
Gutierrez	Mink	Torres
Hall (OH)	Moakley	Torricelli
Hall (TX)	Mollohan	Towns
Hamilton	Montgomery	Velazquez
Harman	Moran	Vento
Hastings (FL)	Murtha	Visclosky
Hefner	Nadler	Volkmer
Hilliard	Neal	Ward
Hinchey	Oberstar	Waters
Holden	Obey	Watt (NC)
Hoyer	Olver	Williams
Jackson (IL)	Orton	Wise
Jackson-Lee (TX)	Owens	Woolsey
	Pallone	Wynn
Jacobs	Pastor	Yates
Jefferson	Payne (NJ)	
Johnson (SD)	Payne (VA)	

NOT VOTING—25

Barton	Fields (TX)	Rush
Bryant (TX)	Flake	Stockman
Chapman	Ford	Stokes
Chenoweth	Gallegly	Taylor (NC)
Christensen	Green	Tejeda
Collins (IL)	Johnson, Sam	Waxman
de la Garza	Laughlin	Wilson
DeLay	Ortiz	
Durbin	Roukema	

□ 1749

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. CAMP). Pursuant to the provisions of clause 5 of rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order: House Joint Resolution 78, de novo; H.R. 2064, de novo; and House Concurrent Resolution 149 by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

BI-STATE DEVELOPMENT AGENCY BY THE STATES OF MISSOURI AND ILLINOIS

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the joint resolution, House Joint Resolution 78, as amended.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GEKAS] that the House suspend the rules and pass the joint resolution, House Joint Resolution 78, as amended.

The question was taken.

RECORDED VOTE

Mr. GOSS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 405, noes 0, not voting 26, as follows:

[Roll No. 57]

AYES—405

Abercrombie	Coble	Frelinghuysen
Ackerman	Coburn	Frisa
Allard	Coleman	Frost
Andrews	Collins (GA)	Funderburk
Archer	Collins (MI)	Furse
Armey	Combest	Ganske
Bachus	Condit	Gejdenson
Baesler	Conyers	Gekas
Baker (CA)	Cooley	Gephardt
Baker (LA)	Costello	Geren
Baldacci	Cox	Gibbons
Ballenger	Coyne	Gilchrest
Barcia	Cramer	Gillmor
Barr	Crane	Gilman
Barrett (NE)	Crapo	Gonzalez
Barrett (WI)	Cremeans	Goodlatte
Bartlett	Cubin	Goodling
Bass	Cunningham	Gordon
Bateman	Danner	Goss
Becerra	Davis	Graham
Beilenson	Deal	Greenwood
Bentsen	DeFazio	Gunderson
Bereuter	DeLauro	Gutierrez
Berman	Dellums	Gutknecht
Bevill	Deutsch	Hall (OH)
Bilbray	Diaz-Balart	Hall (TX)
Bilirakis	Dickey	Hamilton
Bishop	Dicks	Hancock
Bliley	Dingell	Hansen
Blute	Dixon	Harman
Boehlert	Doggett	Hastert
Boehner	Dooley	Hastings (FL)
Bonilla	Doolittle	Hastings (WA)
Bonior	Dornan	Hayes
Bono	Doyle	Hayworth
Borski	Dreier	Hefley
Boucher	Duncan	Hefner
Brewster	Dunn	Heineman
Browder	Edwards	Herger
Brown (CA)	Ehlers	Hilleary
Brown (FL)	Ehrlich	Hilliard
Brown (OH)	Emerson	Hinchey
Brownback	Engel	Hobson
Bryant (TN)	English	Hoekstra
Bunn	Ensign	Hoke
Bunning	Eshoo	Holden
Burr	Evans	Horn
Burton	Everett	Hostettler
Buyer	Ewing	Houghton
Callahan	Farr	Hoyer
Calvert	Fattah	Hunter
Camp	Fawell	Hutchinson
Campbell	Fazio	Hyde
Canady	Fields (LA)	Inglis
Cardin	Filner	Istook
Castle	Flanagan	Jackson (IL)
Chabot	Foglietta	Jackson-Lee (TX)
Chambliss	Foley	
Chrysler	Forbes	Jacobs
Clay	Fowler	Jefferson
Clayton	Fox	Johnson (CT)
Clement	Frank (MA)	Johnson (SD)
Clinger	Franks (CT)	Johnson, E. B.
Clyburn	Franks (NJ)	Johnston

Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roybal-Allard
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—26

Barton
Bryant (TX)
Chapman
Chenoweth
Christensen
Collins (IL)
de la Garza
DeLay
Durbin
Fields (TX)
Flake
Ford
Gallegly
Green
Johnson, Sam
Laughlin
Ortiz
Roukema
Royce
Rush
Stockman
Stokes
Taylor (NC)
Tejeda
Waxman
Wilson

□ 1810

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

So (two-thirds having voted in favor thereof) the rules where suspended and the joint resolution, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. CAMP). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

HISTORIC CHATTAHOOCHEE COMPACT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2064.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GEKAS] that the House suspend the rules and pass the bill, H.R. 2064.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

CONDEMN BOMBINGS IN ISRAEL

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 149, as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. GILMAN] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 149, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 406, nays 0, not voting 25, as follows:

[Roll No. 58]

YEAS—406

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky

Volkmer	Watts (OK)	Wolf
Vucanovich	Weldon (FL)	Woolsey
Waldholtz	Weldon (PA)	Wynn
Walker	Weller	Yates
Walsh	White	Young (AK)
Wamp	Whitfield	Young (FL)
Ward	Wicker	Zeliff
Waters	Williams	Zimmer
Watt (NC)	Wise	

NOT VOTING—25

Barton	Fields (TX)	Rush
Bryant (TX)	Flake	Stockman
Chapman	Ford	Stokes
Chenoweth	Gallegly	Taylor (NC)
Christensen	Green	Tejeda
Collins (IL)	Johnson, Sam	Waxman
de la Garza	Laughlin	Wilson
DeLay	Lewis (KY)	
Durbin	Ortiz	

□ 1819

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. LEWIS of Kentucky. Mr. Speaker, I was unavoidably detained and did not cast my vote on rollcall No. 58. Had I been present, I would have voted ''yes'' on House Concurrent Resolution 149.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1963

Mrs. THURMAN. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1963.

The SPEAKER pro tempore (Mr. CAMP). Is there objection to the request of the gentlewoman from Florida?

There was no objection.

CONFERENCE REPORT ON H.R. 1561, FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1996 AND 1997

Mr. GILMAN. Mr. Speaker, pursuant to House Resolution 375, I call up the conference report on the bill (H.R. 1561) to consolidate the foreign affairs agencies of the United States; to authorize appropriations for the Department of State and related agencies for fiscal years 1996 and 1997; to responsibly reduce the authorizations of appropriations for U.S. foreign assistance programs for fiscal years 1996 and 1997, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution, 375, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Friday, March 8, 1996, at page H1987.)

The SPEAKER pro tempore. The gentleman from New York [Mr. GILMAN] and the gentleman from Indiana [Mr. HAMILTON] will each be recognized for 30 minutes.

The Chair recognizes the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

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

Mr. GILMAN. Mr. Speaker, I bring before the House, the conference agreement on H.R. 1561, the Foreign Relations Authorization Act for fiscal years 1996 and 1997.

We bring to the floor a bill that eliminates at least one Federal agency, cuts spending $500 million before FY 1995 levels, and achieves savings of $1.7 billion over four years.

The conference agreement requires the abolition of at least one agency from among the four international affairs agencies—the Arms Control and Disarmament Agency, the Agency for International Development, and the United States Information Agency and its consolidation into the Department of State.

This consolidation—and the President is certainly encouraged to consolidate more than one agency—together with other provisions of the bill, will result in a savings in fiscal years 1996 through 1999 of at least $1.7 billion in the authorizations for programs under the control of the Committee on International Relations.

The bill reauthorizes the Department of State and related agencies for fiscal years 1996 and 1997. Further, it authorizes, at reduced but manageable levels, the salary and expense accounts for the Departments of State, USIA, ACDA, and AID through 1999.

In this manner we are able to ensure that savings in these accounts are planned for and achieved, as will be seen in the accompanying spreadsheet.

Regrettably, the President already has stated his intention to veto this bill, which provides for the first measure of reform in our foreign affairs agencies in 50 years, including reforms his own administration proposed.

With regard to consolidation, Secretary of State Warren Christopher last year suggested consolidating three outdated foreign affairs agencies into the State Department. Our bill requires the consolidation of only one agency.

Our bill also provides for a number of foreign policy principles important to U.S. national interests.

Our bill puts the Taiwan Relations Act at the center of our relations, allowing the United States to fully support Taiwan. The President, siding with the Chinese Communist government, seeks to limit our support for Taiwan by asserting that an Executive Agreement takes precedence over legislation by the U.S. Congress.

On Vietnam, our bill conditions the expansion of United States relations with Vietnam on POW–MIA progress. The President, by disagreeing with this bill, stands with the Vietnamese Government and against the families of missing Americans.

On the international housing program, our bill follows the GAO's advice and ends the AID Housing Guarantee Program, except in South Africa. By vetoing our bill, the President would continue this ''international S&L,'' despite the GAO's warnings that the program will cost the taxpayers over $1 billion in loan losses.

Our bill, for the first time, also provides that recipients of grants from the International Fund for Ireland abide by the MacBride Principles of fair employment in the North of Ireland.

Our bill condemns Turkey's misguided policy of obstructing aid to Armenia by prohibiting assistance to any country that bars or obstructs delivery of U.S. humanitarian aid.

Our bill contains a bipartisan provision requiring that foreign aid funds not spent after three years following their appropriation be returned to the U.S. Treasury.

Our bill also contains 20 provisions to improve management of the State Department that the administration requested.

They include authority to collect fees for visas and use the funds to improve our border security operations, and authority to collect from insurers for providing free health care to U.S. diplomats and their families at overseas posts, to name a few.

We also provide higher spending levels for a very few programs, such as the Peace Corps and International Narcotics Control programs.

H.R. 1561 also provides for reforms in the United Nations to refocus the U.N. on its traditional development and peacekeeping roles, preserves organizational flexibility for the agencies, provides for the humanitarian assistance and resettlement for refugees, promotes the rapid implementation of broadcasting into the non-democratic countries of Asia, and terminates United States participation in obsolete international organizations.

Mr. Speaker, this conference agreement reflects a number of compromises between the House and the Senate and accommodates many of the most serious concerns raised by the administration and the minority.

While the minority chose not to participate in the process, we made a sincere effort to meet their concerns.

It was disappointing that we could not build within the administration and among many of our colleagues a consensus to organize the foreign affairs functions to meet the coming century.

While we are bringing a solid Department of State and related agencies bill to the floor, many of us are disappointed that we could not build a consensus within the administration and among our democractic colleagues to organize the foreign affairs functions to meet the coming century.

Because of bureaucratic inertia and a lack of vision, the Clinton administration has engaged in an all-out assault on any effort to revitalize, reinvigorate, reorganize, reform, restructure, or reconsider the foreign affairs programs of our Nation.

The tragedy is that this bill reflects the failure of the Clinton administration to provide the foreign policy leadership in the early years of the post-cold-war era that was once provided by another Democratic administration—Harry Truman's—in the early years of the cold war era.

Truman's administration—including the President, the Secretary of State, the Secretary of Defense, and hundreds of other competent and courageous public servants—were concerned with building institutions and about the quality and effectiveness of the institutions of government entrusted to them.

The Truman years were years of an openness to new ideas and a willingness to experiment.

Faced with a world situation and an American role in the world radically different from those that existed before the Second World War, President Truman, Secretary Marshall, Secretary Forrestal, Secretary Acheson, and others did what was necessary to adapt to the new era.

This was the era in which the State Department was reformed from top to bottom, in which new agencies like USIA and the foreign aid agency were created, in which the Air Force was created, and authority over the Army, Navy, and Air Force was consolidated into one new Department of Defense. Intelligence matters were consolidated and placed in a newly created Central Intelligence Agency. The National Security Council was created.

I could go on.

The point is that in the years after the Second World War, our country was fortunate enough to have as the leaders of its foreign policy institutions great public servants who were concerned not only with creating a new policy for the new era, but in building the institutions to carry out the new policy.

Today, the institutions of foreign policy built for the cold war era demand serious attention and will require hard work if the institutions are to serve our policy objectives in this post-cold-war era.

The end of the cold war is not the only reason why these institutions need attention. Massive changes in the external environment in which these agencies operate also demand that these institutions be reformed and revitalized.

The revitalization of the foreign policy institutions does not have to be an adversarial process with Congress imposing upon a reluctant bureaucracy reforms that the bureaucracy itself is unable to adopt.

We were prepared, as the new Republican majority in Congress, to work collaboratively with the President and his Secretary of State to develop and carry out a program of reform and revitalization of these institutions.

We in Congress were prepared to work in that great spirit of bipartisanship and executive-legislative collaboration that characterized the post-World War II era.

Regretably our offers of cooperation were spurned.

But the day will surely come—in less than a year, I believe—in which the leadership will be there to engage in a program of revitalizing the foreign affairs functions of our Government. There will eventually be leadership in foreign affairs who have the vision to create the foreign policy for the post-cold-war era and the courage to implement such a vision through institutional changes. Those whose vision is too unfocused and whose courage is too uncertain must give way to those who can provide the leadership that is so desperately lacking today.

Those who oppose the reform and revitalization of the foreign affairs programs are the real isolationists because they have allowed themselves and their thinking to become isolated from the great changes that have taken place.

They recognize the change in the world, but want to isolate themselves from the serious, hard work of adapting public institutions to the changes in the world.

In a now-infamous memo, the A.I.D. Agency said its aim was to—and I quote—''delay, obfuscate and derail'' this bill.

This conference report is a downpayment on our pledge to streamline and consolidate our foreign affairs apparatus for the first time in 50 years to make them more effective and efficient.

In his State of the Union speech 7 weeks ago, the President stated that, in his words, ''the era of big government is over.'' When Congress sends this bill to his desk in the Oval Office, we will see if the President truly meant what he said.

FOREIGN RELATIONS AUTHORIZATION ACT FOR FISCAL YEARS 1996 AND 1997

[In fiscal years]

International Affairs, Budget Function 150, Account	1995 Actual authority	1996 Request authority	1996 H.R. 1561 authority	1996 Approps. conferences	1996 S. 908 authority	1996 Final conference	1997 H.R. 1561 authority	1997 S. 908 authority	1997 Final conference
Administration of Foreign Affairs:									
Transition Fund	.....	.....	.....	.....	125,000	.....	.....	100,000	.....
Diplomatic and Consular Programs	1,748,000	1,758,438	1,728,797	1,719,220	1,688,500	1,719,220	1,656,903	1,612,000	1,710,000
Salaries and Expenses	383,972	374,350	366,276	365,146	368,000	365,146	335,287	373,000	357,000
Capital Investment Fund	0	32,800	20,000	16,400	32,800	16,400	20,000	32,800	16,400
Protection of Foreign Missions and Officials	9,579	8,579	9,579	8,579	8,579	8,579	9,579	8,579	10,000
Emergencies in the Diplomatic and Consular Services	6,500	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Payment to the American Institute in Taiwan	15,465	15,465	15,165	15,165	15,400	15,165	13,710	15,400	14,165
Buying Power Maintenance	(5,223)	0	0	0	.....	0	0	.....	0
Office of the Inspector General	23,850	24,250	23,469	27,369	23,350	27,369	21,469	23,000	27,000
Security & Maintenance of U.S. Missions	391,760	421,760	391,760	385,760	401,760	385,760	369,860	401,760	380,000
Representation Allowances	4,780	4,800	4,780	4,500	4,500	4,500	4,780	4,500	4,500
Repatriation Loans Program Account	776	776	776	776	776	776	776	770	776
Subtotal	2,579,459	2,647,218	2,566,602	2,548,915	2,674,665	2,548,915	2,438,364	2,577,809	2,525,841
Assessed Contributions for Peacekeeping	518,687	445,000	445,000	225,000	445,000	445,000	300,000	375,000	375,000
Subtotal	518,687	445,000	445,000	225,000	445,000	445,000	300,000	375,000	375,000
International Conferences and Contingencies	6,000	6,000	6,000	3,000	7,000	3,000	5,000	5,000	3,000
Subtotal	6,000	6,000	6,000	3,000	7,000	3,000	5,000	5,000	3,000
Assessed Contributions to Internat'l Orgs	872,661	923,057	873,505	700,000	777,000	850,000	828,388	777,000	840,000
Subtotal	872,661	923,057	873,505	700,000	777,000	850,000	828,388	777,000	840,000
Payment to the Asia Foundation	15,000	10,000	10,000	5,000	5,000	5,000	9,000	3,000	10,000
Subtotal	15,000	10,000	10,000	5,000	5,000	5,000	9,000	3,000	10,000
Migration and Refugee Assistance:									
Refugee Assistance	591,000	591,000	590,000	671,000	591,000	590,000	590,000	671,000	590,000
Refugees to Israel	80,000	80,000	80,000	.....	80,000	80,000	80,000	.....	80,000
Burmese Refugees	.....	.....	1,500	.....	.....	1,500	1,500	.....	1,500
Subtotal	671,000	671,000	671,500	671,000	671,000	671,500	671,500	671,000	671,000
International Narcotics Control	105,000	213,000	213,000	115,000	.....	115,000	213,000	.....	213,000
Peace Corps	231,345	234,000	219,745	205,000	.....	210,000	215,000	.....	234,000
Subtotal	336,345	447,000	432,745	320,000	0	325,000	428,000	0	447,000

FOREIGN RELATIONS AUTHORIZATION ACT FOR FISCAL YEARS 1996 AND 1997—Continued

[In fiscal years]

International Affairs, Budget Function 150, Account	1995 Actual authority	1996 Request authority	1996 H.R. 1561 authority	1996 Approps. conferences	1996 S. 908 authority	1996 Final conference	1997 H.R. 1561 authority	1997 S. 908 authority	1997 Final conference
Arms Control and Disarmament Agency:									
Core programs	40,878	45,300	44,000	35,700	22,700	35,700	39,500	0	30,000
Chemical Weapons Convention (CWC)	9,500	17,000	0	.....	.....	.....	.....	.....	.....
Cobra Dane Radar	.....	14,000	0	.....	.....	.....	.....	.....	.....
Subtotal	50,378	76,300	44,000	35,700	22,700	35,700	39,500	0	30,000
U.S. Information Agency:									
Board for International Broadcasting	229,735	0	0	.....	.....	.....	0	.....	.....
BIB—Grants and Expenses	7,290	0	0	.....	.....	.....	0	.....	.....
Salaries and Expenses	475,645	496,002	445,645	445,645	429,000	445,645	402,080	387,000	440,000
Technology Fund	0	10,100	5,050	5,050	10,100	5,050	5,050	9,500	5,050
East-West Center	24,500	20,000	15,000	11,750	20,000	11,750	8,000	8,000	11,750
North-South Center	4,000	1,000	4,000	2,000	.....	2,000	3,000	.....	3,000
Radio Construction	69,314	85,919	70,164	40,000	83,000	40,000	52,647	79,500	35,000
International Broadcasting Operations	238,338	395,340	311,191	325,191	310,000	325,191	246,191	300,000	330,000
Broadcasting to Cuba	24,809	0	24,809	24,809	.....	24,809	24,809	.....	24,809
RFE/RL	.....	.....	.....	.....	75,000	.....	.....	75,000	.....
Israeli Relay Station	(2,000)	.....	.....	.....	.....	.....	.....	.....	.....
Subtotal	1,071,631	1,008,361	875,859	854,445	927,100	854,445	741,777	859,000	849,609
Educational & Cultural Exchange Programs:									
Fulbright	135,753	130,799	112,484	200,000	109,500	102,500	88,681	101,000	98,000
S. Pacific Exchanges	900	0	900	.....	.....	.....	900	.....	.....
East Timorese Scholarships	0	0	800	.....	.....	.....	800	.....	.....
Cambodian Scholarships	0	0	141	.....	.....	.....	141	.....	.....
Tibetan Exchanges	0	0	500	.....	.....	.....	500	.....	.....
Other Programs	177,352	121,877	77,266	.....	118,322	97,500	57,341	107,300	85,000
Unspecified cuts	(40,726)	.....	.....	.....	.....	.....	.....	.....	.....
Subtotal	273,279	252,676	192,091	200,000	227,822	200,000	148,363	208,300	183,000
National Endowment for Democracy	34,000	34,000	34,000	30,000	32,000	32,000	32,000	29,000	30,000
Radio Free Asia	5,000	0	10,000	(5,000)	.....	10,000	10,000	.....	10,000
Eisenhower Exchange Fellowship Prog. Trust Fund	2,800	300	.....	300	.....	.....	0	.....	.....
Office of the Inspector General	4,300	4,593	4,300	State IG	4,100	State IG	3,870	3,900	State IG
Subtotal	46,100	38,393	48,300	25,300	36,100	42,000	45,870	32,900	40,000
Agency for International Development:									
USAID Operating Expenses	515,500	529,000	465,774	465,750	432,000	465,000	419,196	389,000	465,000
Operating Expenses—USAID Inspector General	39,118	39,118	35,206	30,200	35,000	30,200	30,685	31,500	27,000
Subtotal	554,618	568,118	500,980	495,950	467,000	495,200	449,881	420,500	492,000
Housing Guarantee Program Account:									
Subsidy Appropriation	19,300	16,760	0	4,000	.....	4,000	0	.....	0
Operating Expenses	8,000	7,240	7,000	7,000	.....	7,000	6,000	.....	6,000
Subtotal	27,300	24,000	7,000	11,000	0	11,000	6,000	0	6,000
Internat'l Relations Committee total	7,022,458	7,117,623	6,673,582	6,095,310	6,260,387	6,486,760	6,111,643	5,929,509	6,472,950
Function 300 HIRC Jurisdiction State Department									
International Commissions:									
International Boundary Waters Comm. (S&E)	12,858	13,858	13,858	12,058	12,500	12,058	19,372	12,300	19,372
International Boundary Waters Comm. (Constr)	6,644	10,398	10,393	6,644	10,000	6,644	9,353	10,000	9,000
American Sections: IBC	740	740	740	640	740	640	666	720	666
American Sections: IJC	3,550	3,550	3,500	3,360	3,500	3,360	3,195	3,500	3,195
International Fisheries Commissions	14,669	14,669	14,669	14,669	14,669	14,669	13,202	14,400	13,202
Subtotal	38,461	43,215	43,160	37,371	41,409	37,371	45,788	40,920	45,435
HIRC bill total	7,060,919	7,160,838	6,716,742	6,132,681	6,301,796	6,524,131	6,157,431	5,970,429	6,518,385

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

Mr. HAMILTON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Florida [Mr. HASTINGS].

Mr. HASTINGS of Florida. Mr. Speaker, I thank the ranking member for yielding me this time.

Mr. Speaker, I rise to express my opposition to the conference report on H.R. 1561.

Before I point out what I believe to be mistaken undertakings on behalf of our committee, I would like to point out that my friend, the gentleman from Florida [Mr. GOSS], who happens not to be on the floor at this time, made a statement earlier regarding this bill which is not correct.

He stated that this would be the first State Department authorization bill since 1985. Our research shows that that simply is not accurate. There has been a State Department authorization bill every year for the last 15 years authorized in 2-year increments.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. HASTINGS of Florida. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I think what the gentleman meant, if we adopt this, it would be the first State authorization bill to be adopted, foreign aid authorization bill to be adopted since 1985.

Mr. HASTINGS of Florida. Reclaiming my time, that is not what he said. I want it clearly understood there has not been an authorization bill for foreign aid since 1985, but that does not relate to this bill since the foreign aid authorization has been deleted from this measure.

□ 1830

I just wanted to point that out. I think that that will reflect accurately, and the gentleman from Florida [Mr. GOSS] needs to be mindful of that.

This report has a myriad of problems, as illustrated by the fact that not one Democrat on the conference committee supported the final product. The President, as the chairman a moment ago has pointed out, has promised to veto it and correctly so. It reorganizes and eliminates foreign policy agencies because of political concerns, not because the changes will make operations more efficient.

The report also cuts spending on our foreign aid programs too deeply. The minimal amounts that we spend in the first place reap benefits for us in expanded trade, better relations, a greater sphere of influence, just to mention a few things. But to cut back on our meager assistance is just plain shortsighted.

This conference report is just another example of this Congress micromanaging foreign policy and preventing the President from doing his job. Foreign policy obviously is important. We cannot wish the world's problems away. Instead of retreating, we must have the flexibility to get involved so that we can help those in trouble and promote our own interests. The two goals are not incompatible, but they will be unachievable if this report is passed.

Mr. Speaker, I want to point out one more thing, and that is the provision dealing with Taiwan. This simply is not the right time to bring this kind of provocative measure to the floor. The fact of the matter is, Taiwan is getting

ready to have an election and China is rumbling all over the place. For us to deal with this kind of measure stops us from being able to take the kinds of measures that are vitally necessary.

Mr. GILMAN. Mr. Speaker, I yield 30 seconds to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I would like to ask the gentleman what in the Taiwan Relations Act does he object to? In the language passed duly by the Congress, it is the law of our land. What does the gentleman object to?

Mr. HASTINGS of Florida. Mr. Speaker, if the gentleman will yield, the repudiation at this time would destabilize what we have done, I would remind my friend. We have a longstanding policy that this United States has, both Republican and Democrat, toward China. What we will be doing is increasing the risk at the time of heightened tensions. I am not opposed to us talking about this, but I am talking about the timing.

Mr. GILMAN. Mr. Speaker, I am pleased to yield 3 minutes to the distinguished chairman of the Committee on Economic and Educational Opportunities, the gentleman from Pennsylvania [Mr. GOODLING].

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

Mr. GOODLING. Mr. Speaker, I rise today in support of the conference report to H.R. 1561, the Foreign Relations Authorization Act.

I would like to express my thanks to Chairman BEN GILMAN and his staff for guiding this bill through rough waters and rocky terrain. It has not been easy, and he and his staff have done an admirable job.

I would also like to thank Chairman CHRIS SMITH for all of his work concerning a provision I will discuss in a moment concerning coercive population control policies.

Before I do so, however, I would like to address some of the criticisms I have heard about this bill. We have before us today a bill that represents a genuine compromise on some very difficult issues.

I certainly did not get everything I wanted in this bill. I thought my provision concerning U.N. voting coincidental was worthy of support and inclusion in the conference report. Dozens of Members could say the same thing about many of their provisions that have been left behind. Chairman GILMAN went so far to leave his provisions concerning microenterprise projects out of the bill.

But we all agreed to compromise in order to move the bill forward. That is called governing. It is a product of the democratic process. So when I hear people complain we have been unwilling to give in, and when I learn the President has pledged a veto of this bill despite all of our efforts, I begin to wonder who is serious about governing.

This ''my way or the highway'' approach to Government is not going to cut it. The other side must be willing to give in on some issues. We have given in on the population issue. We have given in on foreign assistance provisions. We have given in on eliminating three agencies to only one. In contrast, I do not recall one single issue where the minority has compromised.

I say this not out of malice but simply as a point of reference. I would hope we could move forward.

This conference report contains a provision of particular significance which I alluded to earlier. It addresses the coercive population control policies employed by the Chinese Government.

For over 1,000 days, a group of Chinese men have been held in the York County jail, which happens to be in my district. Their crime? These men fled China in fear of China's coercive abortion and sterilization policies.

Had these individuals fled China for the United States during the years President Reagan and President Bush were in office, they would likely have been granted asylum in the United States years ago. Under Presidents Reagan and Bush, fear of repressive, coercive population control policies, which China clearly employs, was grounds for asylum. Under Reagan-Bush, these individuals would likely have been set free, and the Federal Government is paying over $1 million in taxpayer money each year to keep them locked up.

Unfortunately, President Clinton changed the policy when he took office in the belief that fear of forced abortion or sterilization does not merit asylum in this country.

H.R. 1561 would change U.S. law back to the Reagan-Bush policy that was the law of the land for years and which hardly resulted in our Nation being overrun by hordes of asylum seekers.

The House will next week consider legislation to crack down on illegal immigrants. I am the first to say that illegal immigrants who have no grounds for asylum must be sent away. But it is wrong to make an example of these Chinese men and women who fear coercive population policies.

This provision is supported by the Family Research Council, and various churches. This provision is humane, and most of all, it speaks well of America and Americans.

Mr. Speaker, I again want to thank Chairman GILMAN and Chairman SMITH for their work on this bill and I urge all Members to support this conference report.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Maryland [Mr. WYNN].

Mr. WYNN. Mr. Speaker, I thank the chairman for yielding me time.

Mr. Speaker, I rise to strongly oppose this piece of legislation, the conference report. This is a bad bill. It is a bad bill for several reasons.

First, we have to understand this is not foreign aid. This is a budget for the State Department, USAID, our own agencies.

Under the Constitution, the President is empowered to conduct the U.S. foreign policy. This bill hamstrings the President in the exercise of that responsibility.

First, it abolishes an agency indiscriminately. They do not tell us which agency. They do not say why. They do not indict the agency for malfeasance or any other problems. They just say abolish an agency. It is not real reform. It is reform purely for the sake of saying we had reform. It does not make any sense.

We cannot manage a foreign policy by these kinds of arbitrary changes, moving boxes around without any meaningful purpose.

Second, is deep and unreasonable cuts. This budget, this program, will hamstring the President in terms of his ability to retain qualified people. This budget and the cuts they propose will result in RIF's, layoffs, and the loss of highly talented people. We cannot run a foreign policy without qualified people. We have international responsibilities as a world leader.

A couple of final very important points: This bill discourages burden sharing. We found out through Desert Storm that we need multilateral action. But by discouraging and inhibiting U.S. participation in the United Nations and other multilateral organizations, we discourage burden sharing, because other countries will say, ''If the United States does not participate, if the United States does not pay its dues, then why should we? If the United States is trying to pull back on its financial commitment, why should we commit when we are a much smaller country?''

It discourages burden sharing at a time when we need to involve other countries.

Finally, it limits U.S. population assistance programs. One of the biggest problems we will confront in the year 2000 and beyond is the question of an exploding population. Under this bill, as many as 7 million couples will be denied the opportunity to get family planning assistance. I am not advocating any kind of coercive abortions, but I am saying people ought to be able to get information and assistance to engage in family planning.

Mr. GILMAN. Mr. Speaker, I am pleased to yield 5½ minutes to the gentleman from New Jersey [Mr. SMITH], a senior member of our Committee on International Relations and the chairman of our Subcommittee on International Operations and Human Rights.

Mr. SMITH of New Jersey. Mr. Speaker, I thank my friend for yielding me time.

Mr. Speaker, I just want to advise the body that the gentleman's statement a moment ago was entirely wrong. There is nothing authorizing or providing for population control funds in this bill either way. It simply is silent on the issue. There is no foreign aid in this bill. That was dropped at

the insistence of the Democrats during the House-Senate conference committee, and it would have led to a filibuster beyond any doubt on the Senate side had we insisted that be in there. So it was dropped. It is not there.

Mr. Speaker, I would like to address some of my remarks this evening to my Democratic colleagues, because, frankly, I am astonished again by some of the disinformation going on about what is in the bill or not in the bill.

I am also a little bit hurt by the suggestion this was not a bipartisan bill. The budget savings in the consolidation provisions are there, but they have been modified. There has been compromise with a capital ''C'' with regards to this bill to meet what we thought were the administration's objections. But the goal posts keep moving back.

Let me speak primarily, however, to the human rights provisions which we have worked very, very hard in my Subcommittee on International Operations and Human Rights and in the full committee with the leadership of the gentleman from New York [Mr. GILMAN].

Opposition to the violation of fundamental human rights is not a partisan issue, and this bill contains stronger human rights provisions than any previous foreign relations authorization act that I have seen on this floor during my 16 years as a Member of this House. Frankly, they were even stronger when the bill passed the House, but we had to moderate some of them and we dropped others to meet the objections of the administration.

I am very pleased that the Humanitarian Corridors Act is in this report. I offered that bill as a freestanding bill and as an amendment to the bill when it came up. It seems to me a very modest proposal to say that those countries that receive U.S. foreign assistance cannot impede or inhibit or proscribe the transiting of humanitarian aid to another country.

I speak, of course, to Turkey and the fact they have disallowed humanitarian assistance to Armenia. It is important if we have relations and provide foreign aid that we say to our allies, allow these medicines and other kinds of assistance to get to our friends in Armenia.

There is also the McBride Principles championed by our good and distinguished chairman, the gentleman from New York [Mr. GILMAN]. That is in here. I just notice and would say parenthetically, Mr. Clinton just got the Irishman-of-the-Year award. He should not veto this bill. This will be the first time we codify the McBride Principles that many of us have talked about. Now we are going to do something about it in this legislation.

There is also an authority to provide the Special Envoy to Tibet. It is not mandatory. I think it is a step forward in the right direction, so that human rights can be further recognized in that very troubled region of the world.

The Migration and Refugee Assistance provisions come under our subcommittee. We, after hearings and hearing from all of the refugee community, have decided that it was very important that we hold harmless the refugee budget. The world is awash with refugees. We have to at least provide, I think, this modest amount of money to provide for them. There is $671 million in each of the fiscal years for refugee programs, $500,000 higher than the administration's 1996 request, and substantially higher than the estimates that the administration's requests were based on for 1997. So we held those refugee assistance accounts harmless.

There is also allocation of funds for certain Burmese refugees and for the resettlement of refugees to Israel. They are carried over from the prior year. We have also authorized such funds that are necessary for the resettlement of certain Southeast Asia refugees in the high risk categories identified by the Lautenberg amendment, primarily those that served with the United States forces in the former government of South Vietnam, religious refugees and members of the Hmong ethnic minority from Laos.

Subsection 1104(b) prohibits expenditures on programs involving repatriation to Vietnam, to Laos or Cambodia, unless the remaining asylum seekers have been or will be interviewed by United States immigration officers, and unless resettlement offers have been made or will be made to those found to be refugees under United States law.

This provision was modified in conference to make it clear that the refugee status interviews can, under certain circumstances, be held in the asylum seeker's country of origin. This is to accommodate the administration's so-called Track Two plan for interviews in Vietnam. This plan will only work if we can somehow guarantee the safety of the asylum seekers during the interview process. We are not there yet, but this provision, which did pass the House 266 to 156 in a broad bipartisan vote, will help us with those boat people, so that we close out the comprehensive plan of action with honor and kindness, and not cruelty.

The section on the Cuban immigration policies, and this is I think very timely, Mr. Chairman, this would require periodic reports on the Cuban Government's methods of enforcing its 1994 and 1995 anti-immigration agreements with the United States, and on the treatment of persons returned by the United States to Cuba.

SECTION 1252, EXTENSION OF CERTAIN ADJUDICATION PROVISIONS

Mr. Speaker, this section extends the Lautenberg amendment, which identifies certain high-risk refugee categories and provides that applicants in these categories are presumed to be refugees if they assert both a fear of persecution and a credible basis for their fear of persecution. The high-risk categories include nationals or residents of an independent state of the former Soviet Union or Estonia, Latvia, or Lithuania who are Jews or evangelical Christians, as well as certain Southeast Asians. (See section 1104 above.) The provision would also extend until October 1, 1997, the Attorney General's ability to adjust the status of aliens who are nationals of an independent state of the former Soviet Union, Estonia, Latvia, Lithuania, Vietnam, Laos, or Cambodia and were granted parole into the United States after August 14, 1988, to the status of aliens lawfully admitted for permanent residence.

SECTION 1253, U.S. POLICY REGARDING THE INVOLUNTARY RETURN OF REFUGEES

The House-passed provision would have provided that no funds authorized by this act be used for the involuntary return of any person to a country in which he or she has a well-founded fear of persecution. This provision has been modified to meet DOS concerns. The conference provision omits the prohibition against using DOS funds to assist or promote such returns—to meet the argument that the House-passed provision might have been violated if a DOS official made a phone call. Also, the provision is now limited to refugee accounts, not all DOS accounts. The effect of this provision, therefore, is to provide that funds for refugee protection may not be used to forcibly repatriate people unless it has been determined that they are not refugees.

SECTION 1255, PERSECUTION FOR RESISTANCE TO COERCIVE POPULATION CONTROL METHODS

This section would provide that forced abortion, forced sterilization, or persecution for resistance to such measures are persecution on account of political opinion within the meaning of the refugee definition in the Immigration and Nationality Act. It would effectively reinstate the prior interpretation of the law, which was reversed by an INS order on August 5, 1994.

SEC. 1256, U.S. POLICY WITH RESPECT TO THE INVOLUNTARY RETURN OF PERSONS SUBJECTED TO TORTURE

This section would prohibit the use of funds authorized by this act in the involuntary return of any person to a place in which he or she is in serious danger of subjection to torture. This provision has been substantially modified to meet DOS concerns. The section now specifically subjects the definition of torture to all reservations, understandings, etc., adopted by the United States when it ratified the Convention Against Torture. The conference also eliminated the assist or promote language to which DOS objected. (See section 1254 above.)

SEC. 1304, RESPONSIBILITIES OF BUREAU CHARGED WITH REFUGEES

The House-passed provision would have established. This provision would have established a coordinator for human rights and refugees within the Office of the Secretary of State. It would also have established a statutory bureau of Refugee and Migration assistance. Under the House provision, the coordinator for human rights and refugees would supervise the Bureau of Refugee and Migration Assistance and the Bureau of Democracy, Human Rights, and Labor, and would report directly to the Secretary of State. The conference substantially modified this provision to meet DOS concerns. The Department had argued that human rights and refugee protection are distinct functions requiring two separate bureaus, and also that the institution of a coordinator who reported to the Secretary rather than an Undersecretary might have the unintended effect of isolating these bureaus. The

conference therefore modified the provision to specify only that the bureau with responsibility for refugee and migration and refugee assistance be independent of the bureau charged with responsibility for population policy. The department can, of course, still maintain a population office in another bureau, as it did prior to 1993. The present provision is designed to reinforce the principle that refugees are linked primarily to human rights problems, not demographic problems.

Related human rights issues:

SEC. 1102(E), LIMITATION ON FUNDING FOR UNDP PROGRAMS IN BURMA

Reduces funding to the UNDP in each fiscal eyar by the estimated cost of UNDP projects in and for Burma, unless the President certifies that all such projects are directed toward the needs of the poor; are conducted through international or private voluntary organizations independent of the SLORC; do not benefit the SLORC; and are endorsed by the democratic leadership of the Burmese people.

SEC. 1408, CONDUCT OF CERTAIN EXCHANGE PROGRAMS

This section requires that exchanges with countries whose people do not enjoy freedom and democracy be carried out in cooperation with human rights and pro-democracy leaders in these countries. The administration successfully argued for the deletion of language that would have extended eligibility for scholarships and exchanges in such countries—including China, Viet Nam, Cambodia, Laos, and East Timor—to exiles from these countries.

SEC. 1410, EDUCATIONAL AND CULTURAL EXCHANGES FOR TIBETANS AND BURMESE

This section carries over a provision of prior law to require that exiles from these countries be eligible for scholarships and exchange programs. In the absence of this provision, exiles would be excluded from eligibility for such programs, and the selection process would necessarily be conducted in cooperation with the regimes that rule Burma and Tibet.

SEC. 1611, REPORTS TO CONGRESS ON BOSNIA AND HERZEGOVINA

This section requires periodic reports on human rights protection under the Dayton agreement, the status of refugees, and the treatment of the Albanian ethnic majority in Serb-held Kosova.

Mr. Speaker, we have heard about how this bill is pro-fiscal responsibility. It is also pro-human rights. I urge a "yes" vote on the conference report.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Florida [Mr. JOHNSTON].

Mr. JOHNSTON of Florida. Mr. Speaker, I address this bill on two levels: No. 1, my interest in Africa; and, No. 2, just general foreign policy.

□ 1845

First, the bill cuts back the development funds for Africa. There is $800 million for 600 million people, and now that is gone.

Next, the bill does not want to send peacekeeping forces to Africa, and we saw 400,000 people die in Rwanda because of that. Next, in spite of what the gentleman said, and I am sure the gentleman from Wisconsin [Mr. ROTH] will address this, too, the housing development funds are not there for future operations in South Africa.

Now, by not addressing the problems created in the foreign ops appropriations bill, we are going to cut back population assistance funds, family planning. As the gentleman from Maryland [Mr. WYNN] said, 7 million couples in the world in developing countries will not have any access to family planning information. People will starve in Africa because of this, and unwanted babies will be born.

Now, let us talk about foreign policy. I almost feel that I am in a time warp going back to 1919 when they were voting to get out of the League of Nations here. Mr. Speaker, we are slipping into isolationism, if there ever was one. There are more provisions in this bill that will stymie the President from having and operating foreign policy, and we cannot operate with 435 Secretaries of State here.

We cannot micromanage foreign policy. This was not done by this body during the Bush administration. It was not done by this body in the Reagan administration. It is wrong, and we should kill this bill.

Mr. GILMAN. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I would like to point out that we do allow the housing program in South Africa. We have not eliminated it. Apparently, the gentleman has some misinformation.

Mr. JOHNSTON of Florida. Mr. Speaker, if the gentleman would yield so that I may respond, the gentleman's bill has not eliminated what is in progress right now; but has eliminated any future allocations to the housing project.

Mr. GILMAN. Mr. Speaker, reclaiming my time, no, that is not correct. ''The provisions of this subsection shall not apply to guarantees which have been issued for the benefit of the Republic of South Africa,'' and I am quoting from the bill itself.

Mr. Speaker, I yield 2½ minutes to the gentleman from Wisconsin [Mr. ROTH], the distinguished chairman of our Subcommittee on Economic Policy and Trade.

Mr. ROTH. Mr. Speaker, I compliment the chairman of our Committee on International Relations and all the conferees for the excellent work on this bill. I think what has been lost sight of here today is that this bill is really a reform bill. We have included in this legislation, for example, two provisions that every Member of this House should support and can support.

The first of these provisions will at long last curtail the foreign aid pipeline. When I bring up these issues, this is not something that we have taken out of the paper. This is our GAO accounting office which has made a recommendation to us, and this is where we are getting the initiatives for this particular legislation.

For example, how many of our colleagues know that AID has a huge backlog of funds, some $8.5 billion at last count? These funds are left over from previous years going all the way back to 1987. Here we do not know where the next nickel is coming from, and we have a foreign aid pipeline that has money in it since 1987. That is nearly a decade.

These funds are sitting there waiting for some foreign aid bureaucrat to dream up some way of spending the money. In 1991 the General Accounting Office did an investigation of the foreign aid pipeline, and here it is. This is what we are talking about. They concluded that these funds remaining should not be remaining for more than 2 years. They ought to be deauthorized after 2 years because it is an open invitation to waste, fraud, and abuse if we do not do that.

For 5 years I have sponsored legislation to cut off the pipeline. This House passed that pipeline twice. Today it is incorporated into this bill, and I thank the conferees and the chairman of the Committee on International Relations for having the foresight and the intestinal fortitude to move forward with this plan.

This provision alone will save nearly a half a billion dollars to our taxpayers. That has been sitting around in the pipeline, in this slush fund, for almost 10 years. This reform is long overdue, and today the House has a chance to do something about it. I say thank God. Let us put a halt to this foreign aid pipeline.

Second is the termination to some degree of the AID Housing Guarantee Program, and we are quoting from the GAO report on the housing guarantee program. Now, the gentleman from Florida [Mr. JOHNSTON], my good friend, was talking about this in the well of the House. I think the reason that he got it wrong, Mr. Speaker, and that is not his fault, is that the White House the other day said that they were going to veto some bill because it cut out all the money for South Africa. The truth of it is that South Africa has been exempted, as the chairman of the committee has quoted from the bill itself.

This is a loan guarantee program now where the American taxpayer cosigns for loans around the world. One hundred percent guarantees. Listen to this: 100 percent guarantees. We do not do that for our own people, but we are doing it all over the world.

But what really aggravates a number of us is that when a borrower defaults anywhere in the world, the American taxpayer pays off the loan without question. We do not do that for our own home buyers here in the United States, yet we are doing it all over the world.

In my subcommittee we conducted a 2-year bipartisan investigation of this plan, and here is what we found. The GAO also found this, and right here it is. They found unbelievable losses caused by incompetence, waste, and fraud.

Here is the bottom line. We have some $2.7 billion in guarantees. The United States has already lost $542 million to cover the bad loans in 23 other

countries, foreign countries. What is worse, GAO estimates right here in this report to our Congress that we are going to be losing another $500 million, half a billion dollars, just on these existing loans.

What does that mean? It means we are losing about a billion dollars. What this means is that we have a billion-dollar loss here on $2.7 billion in guarantees. That is a 40-percent loss that the American taxpayer is picking up for home loans around the world.

This bill ends the program and imposes tough penalties on foreign governments which would default on these loans. This is a provision which my subcommittee originated. It will stop the losses and collect the money that is owed to us.

I cannot see why this Congress would want to continue to spend hundreds of billions of dollars that we know will go into waste, fraud, and abuse. We should not, and therefore we should vote for this conference report.

Mr. HAMILTON. Mr. Speaker, I yield 3 minutes to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Speaker, when this bill came before the House last spring, it was titled then ''The American Overseas Interest Act.'' At the time I voted against the bill, and I will have to vote against this conference report. A better title then, as now, would have been ''The American Leadership Reduction and Avoidance Act.''

The House-passed bill sought to force a reduction in American leadership in the world. It cut funding below levels needed to conduct foreign policy effectively. It placed severe limitations on population assistance programs and was riddled with policy directives designed to restrict the President's ability to conduct foreign policy.

Just as bad, the bill included provisions to eliminate the U.S. Information Agency, the Agency for International Development, and the Arms Control and Disarmament Agency.

I had hoped the conferees might fix the bill's defects enough so I could support the conference report. Unfortunately, that has not happened. The conference agreements funding provisions are no better than those in the original House version. It still contains devastating restrictions on population assistance, and there remain a variety of attempts to micromanage foreign policy at the expense of necessary Presidential prerogative.

And with respect to the elimination of the three agencies, the only difference is that it contains a waiver now which gives the President the right to pick the victim and to protect any two agencies he chooses from elimination. Some may argue that this is an acceptable compromise because the President will be able to save USIA and AID, agencies that have the broadest mandates and constituencies.

The assumption is that only the Arms Control and Disarmament Agency will be sacrificed to the forces of isolation and retrenchment. I do not believe that that is a compromise in any case that we can or should accept.

Effective foreign policy should represent the pursuit of enlightened self-interest. And certainly one of the most pressing interests in American foreign policy right now is controlling the spread of weapons of mass destruction. This becomes all the more important as regional and ethnic conflicts continue to explode across the planet.

Today more than ever before it is in our critical self-interest to maintain an independent agency that advocates, negotiates, implements, and verifies effective arms control agreements and those connected with nonproliferation disarmament policies generally. That agency is the Arms Control and Disarmament Agency. We will do this country a great disservice if we sacrifice it under the wrong-headed choices that are required under this bill.

Mr. Speaker, because of its independent status, ACDA brings to the policy table an expert and undiluted arms control viewpoint. Often, this viewpoint differs from the State Department's perspective, which cannot focus solely or primarily on arms control issues. This is why ACDA was created and that is why ACDA has continued to prove its worth to U.S. national security over the years.

This bill would probably eliminate ACDA's independent voice on arms control. By presumably submerging some vestige of ACDA in the State Department, direct access to the President, the National Security Adviser, and the Secretary of State on arms control issues, now authorized to the Director of ACDA, would be gone, along with direct ACDA participation in the interagency policymaking process where significant arms control and nonproliferation decisions are made.

The supporters of the bill claim that ACDA is a cold-war relic that's no longer relevant. This claim shows them to be out of touch with the realities of the foreign policy environment we face. Given the threat of a revival of Russian nationalism and military expansion, and the new dangers of the post-cold-war world, ACDA is a relic today only if weapons of mass destruction are a rumor and the threats of proliferation are a myth.

The authors of H.R. 1561 claim that it would save money by eliminating an independent ACDA. In fact, according to the Congressional Research Service, it will cost $10 million to eliminate ACDA.

ACDA's basic annual budget is $50 million. According to the U.S. Strategic Command, existing strategic arms treaties save about $100 billion a year. Since these treaties took about a decade to negotiate, you could argue that there's a payoff of 200 to 1 from ACDA. That argument may be a bit of a reach, but I suspect that the impact of this ill-conceived legislation may well be the reverse—one bill and 200 new problems caused by the disruption, dislocation, and crippling reductions contained in this bill.

The compromise in this conference agreement to sacrifice ACDA alone comes at exactly the wrong moment—as the U.S. Government is pursuing the biggest and broadest arms control and nonproliferation agenda in history. Now is not the time to be dismantling the one agency whose sole mandate is to formulate, negotiate, and verify arms control, and nonproliferation policies and agreements.

Now is the time to retain ACDA and to let it build on its past successes. I urge a vote against this conference report.

Mr. GILMAN. Mr. Speaker, I yield 4 minutes to the gentleman from Nebraska [Mr. BEREUTER], a senior member of our Committee on International Relations and the distinguished chairman of our Subcommittee on Asia and the Pacific.

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

Mr. BEREUTER. Mr. Speaker, this Member rises in support for the conference report on H.R. 1561. As vice chairman of the Committee on International Relations, this Member has worked over a period of some months with his colleagues to craft this conference report; however, no one has worked harder than the distinguished gentleman from New York, Chairman GILMAN, who has skillfully navigated a difficult process to produce this legislation.

There are many important provisions in this conference report, many of which my colleagues will discuss. This Member will discuss only a few key provisions.

First, it should be remembered that many of the Members elected to the 104th Congress came to this body with a strong commitment to reduce government and eliminate unnecessary agencies. Attempt have been made, and overall spending has been reduced somewhat, but all sizable Federal agencies thus far have seemed impervious to elimination.

But with this conference report, Mr. Speaker, the Congress will be consolidating and eliminating agencies. It is true that the President is given the discretion to decide which of three agencies—AID, USIA, or ACDA—would be folded into the State Department, but the net effect would be to eliminate at least one unnecessary and duplicative agency. Each Member of this body who votes for this legislation will be able to return to their district and point to the elimination of at least one agency while preserving those important functions now performed by ACDA, USIA, or AID.

And, this Member would tell his colleagues on the other side of the aisle that the conference report's plan to reduce agencies is wholly in keeping with Secretary of State Christopher's initial proposals to overhaul the U.S. foreign policy apparatus—a plan that regrettably fell by the wayside early in this administration.

Another major accomplishment of H.R. 1561 is the elimination of the Housing Guarantee Program as it operates in most countries. This program, which was created to guarantee loans made by U.S. investors to support shelter-related projects in developing countries, has evolved into a terribly inefficient and badly mismanaged fiasco that is losing tens of millions of dollars

annually. Indeed, a recent study by the General Accounting Office estimates that the Housing Guarantee Program may end up costing the United States $1 billion in loan default and other costs. It is a program that deserves to die, Mr. Speaker, and enactment of this conference report would terminate it in most areas.

Yet another major foreign policy concern drafted by this Member and by the H.R. 1561 conference report is aimed at ensuring that the Congress retains some measure of responsibility for our relations with North Korea. Mr. Speaker, in its haste to ensure that North Korea receives assistance in the construction of lightwater nuclear reactors, this administration has effectively bypassed the normal congressional review of foreign assistance. This legislation ensures that future funds for North Korea for this particularly effort receive proper congressional scrutiny. This legislation also ensures that further progress in United States-North Korean relations are also dependent upon progress in the North-South dialog, progress on the final accounting for American MIA's in the Korean war, and cessation of North Korea's proliferation of ballistic missiles and support for international terrorism. This is an important policy message that this body needs to deliver.

Last, Mr. Speaker, this Member would point to the resolution of longstanding claims, against frozen Iraqi assets. The H.R. 1561 conference report ensures that American exporters and financial institutions with legitimate claims against the Government of Iraq for commercial activities initiated before the conflict will receive compensation out of Iraqi assets held since the Persian Gulf war. The result is that, after almost 6 years of arbitrary decisions, arrogance, and intransigence by the State Department's Office of Foreign Assets Control, these outstanding claims will be resolved. This is a matter of basic fairness, Mr. Speaker, but these are also important pro-growth, pro-trade provisions. It also should be noted that these provisions are not mentioned as one of the President's listed objections to this legislation.

Finally, Mr. Speaker, this Member would urge his colleagues to support the conference report on H.R. 1561. There are certainly some provisions in this legislation, like some of the southeast Asia refugee provisions and the Tibet Envoy, which this Member cannot support. However, legislation is subject to necessary compromises and it is important that the Congress attempt to pass this authorization legislation.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from New York [Mrs. LOWEY].

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

□ 1900

Mrs. LOWEY. Mr. Speaker, I rise in strong support of the MacBride Principles and the provision in H.R. 1561 that embodies the MacBride Principles. Regrettably, the provision dealing with the MacBride Principles is one of the only positive portions of this terribly flawed bill. As a result, I will not be able to cast my vote in support of H.R. 1561.

The MacBride Principles consist of nine fair employment principles. They are a code of conduct for United States companies doing business in Northern Ireland, and they call for nondiscriminatory United States investment in Northern Ireland.

I strongly support greater accountability of organizations receiving United States assistance in Ireland, and I have demanded that these organizations comply with the MacBride Principles. During consideration of the Foreign Operations Appropriations Act for fiscal year 1996, I offered an amendment that urged all organizations receiving funding from the International Fund for Ireland to comply with the MacBride Principles. My amendment was included in the final version of the bill that was signed into law by President Clinton earlier this year.

Recipients of United States aid must not be allowed to violate the human rights—including religious freedoms—of Catholics living in Northern Ireland. I offered my language on the MacBride Principles in the Foreign Operations bill out of deep concern for continued religious discrimination in Northern Ireland. But now, the MacBride Principles provision in this bill is being held hostage by the other unacceptable provisions of H.R. 1561.

The administration has said it will veto this bill, and I will vote against it. H.R. 1561 does not eliminate all of the restrictions placed on international family planning assistance in the Foreign Operations Appropriations Act. These harmful provisions will severely impact women and children in developing nations. In fact, a study released last week by several populations assistance groups estimates that the decrease in international family planning funds will result in an increase of more than 1.5 million abortions worldwide.

The bill also forces the administration to consolidate or eliminate several critically important foreign affairs agencies: it undercuts the United States ability to maintain its interests overseas, and it negatively impacts the U.S. leadership role in the United Nations by providing inadequate levels of funding and requiring unworkable notification requirements.

Mr. Speaker, the MacBride Principles should be a cornerstone of United States foreign policy in Northern Ireland. That is why I strongly support efforts to tie U.S. assistance to these Principles. However, H.R. 1561 is a bad bill. I would hope that when President Clinton vetoes H.R. 1561—as he has promised to do—we can pass the MacBride Principles as an independent piece of legislation.

Mr. HAMILTON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Speaker, I thank the gentleman from Indiana for yielding this time to me. I thank him for his consistent leadership in opposition to this bill.

Mr. Speaker, as my colleagues know, we are at a crossroads in world history, really, and we find ourselves with tremendous responsibility on our shoulders. The whole rest of the world looks to us as the single superpower to lead them to a safer, to a fairer, a more prosperous world, and a world that reflects our principles of democracy, of freedom of expression, of freedom of religion, of respect for human rights, and three principal instruments that we have available to use to achieve these objectives are the Agency for International Development, U.S. Information Agency, and the Arms Control and Disarmament Agency.

The Agency for International Development has, in fact, developed quite a pool of unspent money, as was cited earlier, but they have done that because they also want to use that agency for leverage, to get recipients to respect human rights, to respect the democratic process, to develop economically without exploiting the people. They Agency for International Development, in fact, generates far more profit revenue for American firms than we would ever invest in AID. What they are doing is developing the purchasing capability, particularly in Third World countries, that present market opportunities for American firms. They are streamlined, they are focused, they are a good agency.

The U.S. Information Agency represents the opportunity to spread truth, which oftentimes is that it makes the difference between genocide and peaceful resolution of problems. We need more truth, unbiased truth. If we had more of it in Bosnia or in Rwanda, we might well not have had the genocide that happened. We need to be putting more investment in the U.S. Information Agency because it deserves credibility, and at a time when we see the proliferation of nuclear weapons and chemicals, biological weapons of mass destruction, why would we ever think of cutting back on the Arms Control and Disarmament Agency?

So if we want a safer, a more productive, a fairer world that reflects our principles of democracy and freedom of expression, then we want to vote against this bill, and, if anything, we want to strengthen these three agencies.

This is not a good bill; this is an isolationist bill. We ought to be moving forward and accepting the mantle of leadership that is thrust upon us now. It is a great opportunity. Let us not miss it.

Mr. GILCHREST. Mr. Speaker, I yield 1½ minutes to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I just hope my colleagues, particularly those who may be listening to this debate back in their offices, are very clear that there is nothing in

this bill that authorizes population control funding. There is no policy guidance either way. The Mexico City policy is not in here. I wish it had been, but it is not, and I would like to ask my friends on the Democratic side, perhaps the gentleman from Indiana [Mr. HAMILTON], if he can just clarify so that everyone knows, when the Democratic substitute was offered in the conference committee, did it have language in it dealing with the population issue, did it authorize population or not?

My understanding was it simply did not have section C, which is exactly what the conference report of the gentleman from New York [Mr. GILMAN] does not have, so that there is no authorization, population is not advanced, it is not pushed backwards. It is simply not in this bill.

Mr. BERMAN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentleman from California.

Mr. BERMAN. The gentleman is correct in that this bill does not deal with a number of the foreign aid issues.

But where the gentleman is wrong is this was an opportunity to get rid of the harsh and unfair restrictions on the existing program.

Mr. SMITH of New Jersey. Let me make it very clear, Mr. Speaker. I offered during the time that we were in the conference committee, and this really fleshed out where some people, particularly on the proabortion side, is on family planning. We would be more than happy to life any percentage restriction on population provided it has the very principled Mexico City policy that says no organization that performs abortions except for rape, incest or life of the mother gets money.

Mr. HAMILTON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Speaker, I rise in opposition to this bill. I might say that the bill is better than the original bill that came before the House, and I know that the gentleman from New York [Mr. GILMAN] has worked very hard to make the bill better, but it still is not good enough.

I believe that American diplomacy is essential. I believe, as the world power that we are, we need to remain engaged in the world. This bill, in my opinion, goes in the opposite direction. It slashes money for foreign affairs agencies, it slashes money for foreign aid, it slashes money for arms control, it slashes money for peacekeeping. The people that serve our country in the Embassies around the world are very demoralized, and rightfully so. The bill has a serious isolationism bent.

We cannot have it both ways, my colleagues. We cannot be the leader of the free world, indeed the leader of the world, and tell other countries that we want them to emulate us in terms of being more open, more democratic, a free society, and at the same time we are pulling back, putting our heads in the sand and being isolationist. We cannot have it both ways, and this clearly, in reducing the level of aid, in reducing the importance of foreign affairs and foreign involvement, we are truly going back to the days when the United States was an isolationist country. I do not think that is the direction in which we ought to go.

Family planning; it pulls back in family planning as well. The country programs; it pulls back as well there.

It seems to me that we spent so much money in the era of the cold war. We won that cold war. We beat the Soviet Union. The Soviet Union and the Eastern bloc countries crumbled. Did we spend billions and billions and billions of dollars on an arms race only to throw it all away? Now that we have won? To say that we do not want to stay engaged in the world? To say that we want to retrench and pull back?

The American public believes that foreign aid is about 15 percent of our budget when in reality it is less than 1 percent of our budget, and in my opinion that is certainly not enough if we want to say that we are the leaders of the world, and we are. Nobody anointed us and said that we were the leaders. We choose to be the leaders, as well we should.

I believe with leadership comes responsibility. I believe that, if we want to ensure that the fledgling democracies in this world continue to prosper and grow, then we have got to provide the help, we have got to provide the aid, especially with the developing countries. A little bit of aid goes such a long, long way.

But what are we telling the world with this? We are saying that we want to step backwards into the era of isolationism.

Now we have problems with the U.N. The U.N. has not always been an ideal or done what we like it to do, but I would think that the world would be a lot worse if we did not have a U.N., and here we are retrenching even there.

So let me just say, if I may conclude to my colleagues, I think this bill goes in the wrong direction and it ought to be defeated.

Mr. GILMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas [Mr. BROWNBACK], a member of our Committee on International Relations.

Mr. BROWNBACK. Mr. Speaker, I congratulate our chairman on a fine bill, and I also want to congratulate the ranking member for his leadership for many years in this field.

I rise in strong support of the conference report. The American people clearly want us to balance the budget, they want us to cut foreign aid bureaucracy, and this bill does that.

This is not an isolationist bill. The United States cannot and should not engage in isolationism. But the world has changed. The cold war is over, and we need to reduce the apparatuses that are associated with that cold war in this time of tight budgets.

And I have to disagree with some of my colleagues on the Democrat side of the aisle, that they would suggest that we are pulling back and being isolationist by some of the reforms of the cold war institutions and suggesting that the United States' leadership in the world is dependent upon having the United States Information Agency, and AID and ACDA when our real tools for leadership in the world and the reason the United States is the leading country of the world is a strong, vibrant, growing economy, a strong military apparatus and standing for principles, principles of freedom, and justice, and liberty, and those are the things that give the United States leadership. It is not bureaucracies, and there are fine people that are in these agencies, and they work hard, and they do a good job.

But the truth of the matter is we are broke. We are $5 trillion in the hole, and the American people are far more concerned about health care for our children than they are about a foreign aid bureaucracy, and we should be far more concerned about Medicare than about foreign aid, and that is what this is about. This is about making tough decisions during times of tight budgets.

I think this is a good bill in doing that, in changing the apparatuses. I think it should have eliminated the three international affairs agencies that were involved. But they compromised and went to one of the three and told the executive branch, ''You decide in working with this of what you think works best in your foreign policy decisions that you have.'' That seems prudent to me. They cut the operating budget of the State Department and related agencies by $1.3 billion, and in a time of tight budgets, when we are trying to increase health care for our children in this country, when we are trying to balance our own budget so we can have a strong economy, a strong military and stand for principle, those seem to me to be prudent and wise things to do. It reduces the program budgets of the State Department and related agencies by $500 million below the fiscal year 1995 funding levels. These are all things that are going to be necessary, that are necessary, to balance the budgets so the United States can continue to have the global leadership by virtue of having a strong economy, a strong military and standing for the principles that we always have.

That is why I think this is a good bill. I congratulate the chairman on it.

□ 1915

Mr. HAMILTON. Mr. Speaker, I yield 4½ minutes to the distinguished gentleman from California [Mr. BERMAN].

Mr. BERMAN. Mr. Speaker, I rise in opposition to the bill and urge the House to defeat this measure.

I would like to just put this in the context of the history that I am aware of since I was elected to this House back in 1982. In every single Congress, with the Democrats controlling half of that in the House the entire period of time, the Republicans controlling the

Senate for the first 4 years that I was here, a Republican President for the first 12 of those 14 years, every single time the chairman of then the Committee on Foreign Affairs, working with the ranking member, and on a bipartisan basis, put together a State Department authorization bill that was bipartisan in nature, that had the support of the administration. Each and every time the State Department authorization bill was passed by a Congress, in some cases split, in some cases Democrat, and signed by a Republican President.

Every effort was made to provide more executive branch flexibility in the operations of our foreign affairs, not less. At the same time, in the area of foreign aid, with the exception of one Congress, each and every Congress that I served in in this House, and again, that is since 1983, the House passed a bipartisan foreign aid authorization bill that frequently got waylaid over in the Senate. One year we got a bill. In one of those Congresses on the issue of family planning and the abortion controversy, we failed here, but again, the fundamental approach was to do it on a bipartisan basis.

When this bill came through this Congress last year, there was not one whit of effort to try and do a bipartisan bill. Everyone but 12 Democrats voted against this bill. Now we come forward and we hear foreign aid has been dropped, but that is not quite an accurate statement. Foreign aid has been dropped except where a Member of the majority on the committee had a particular priority, so foreign aid was dropped, except we eliminated housing guarantees. Foreign aid authorization was dropped, except where we wanted to write something in on North Korea, or on humanitarian corridors, or on MacBride principles. We cherry-picked a few issues, the majority did, put them into a bill that was supposed to be just a State Department authorization bill, and then shoved it to the administration without one moment of time to talk about the pros and cons of forced consolidation against executive branch wishes.

Should ACDA be consolidated and folded into the State Department or should it be separate? There is an argument, maybe it is not persuasive, but at least it takes a second to pause and think, that we want an independent arms control proliferation agency that is not going to be run by the State Department with a direct voice to the National Security Council to raise issues of arms control and nonproliferation when economic pressures that might exist otherwise cause the State Department to be less clear on those kind of issues.

Should USIA be consolidated? There is at least an argument that having an independent agency involved in articulating the American point of view and a voice of truth and freedom to the world should not be under the direct control of our diplomatic services. Maybe it is not a compelling argument, but it is an argument.

Should AID, the agency primarily focused with development assistance, be subordinated into the diplomatic service? Maybe, maybe not, but there are some good arguments against doing that, but the majority refused to spend time discussing the debate. They wanted to take home a trophy.

They decided, as one Member of the majority just said on this floor.

> If this bill passes, all of you can go home and say you collapsed one of our international relations agencies. It is a trophy. No substantive arguments underlying the reason, just let us do it to do it, to hell with the executive branch, who cares what they want; forget the tradition of bipartisan approaches to this issue.

I think that is wrong. I think we ought to be providing sufficient resources, sufficient flexibility, and an underlying bipartisan approach to these critical issues around the world and the critical issues that are funded by the 150 accounts. This bill does not do it, so I urge a ''no'' vote.

Mr. GILLMAN. Mr. Speaker, I am pleased to yield 30 seconds to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, very briefly, we have tried to make this bipartisan. I have had markups in my subcommittee, because much of this is from my subcommittee. We had no-shows at the subcommittee markups. At full committee we had lack of participation, and the same thing happened in the House-Senate conference committee.

The substitute offered by the gentleman from Indiana [Mr. HAMILTON], the Democratic alternative, said exactly what this bill says on the issue of population control, nothing. His bill said it, our bill says it, nothing, so it is not an issue here.

The issue of isolationist is absurd. When you have groups backing provisions of this bill like the United Israel Appeal, the American Jewish Committee, the American Legion, Disabled American Veterans, and a whole host of other groups, this is not an isolationist bill at all.

Mr. HAMILTON. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore (Mr. CAMP). The gentleman from Indiana [Mr. HAMILTON] has 7 minutes remaining, and the gentleman from New York [Mr. GILMAN] has 2 minutes remaining.

Mr. HAMILTON. Mr. Speaker, I rise in opposition to the conference report. I do so because I think it fundamentally constrains the President's ability to conduct American foreign policy. It is an improvement over the previously passed House bill, but I think it has a long way to go before it becomes law.

First, I think the conference report mandates a very far-reaching reorganization of the U.S. foreign policy apparatus. That, as far as I have been able to discern, has no real connection to the problems of American foreign policy. Second, I think the conference report does not give the President the flexibility he needs to conduct U.S. foreign policy and protect and promote U.S. interests.

Third, I think it cuts too deeply into spending across the board for foreign policy, making it much more difficult to promote and protect U.S. interests.

The President, of course, has promised to veto this conference report in its present form. I urge my colleagues to support the President and to defeat the conference report.

With respect to reorganization, the conference report, as others have said, dictates to the President how he should organize the foreign policy agencies. –It dictates that at least one agency be eliminated. My view on this is that in the absence of any compelling evidence of the advantages of reorganization, which I really do not find here, I think the President should have the discretion to determine how to structure the foreign policy agencies.

The Administration has already instituted several significant streamlining and reorganization proposals for the foreign policy agencies. For example, the State Department alone has cut 1,300 jobs.

On the second point, the reduced funding for U.S. foreign policy I think damages our ability to carry out that policy. This conference report damages U.S. interests overseas by continuing to reduce funds available to operate overseas by about a half a billion dollars from 1995 levels. That would force the United States to retreat from its presence overseas and reduce U.S. influence. Areas that would be hurt include diplomatic posts, payments for international organizations and peacekeeping, sustainable development, and public diplomacy.

I think the point I would like to make on the funding dollars is that the cuts required by this conference report do not occur in a vacuum. For more than a decade now, the Congress has slashed spending for all categories of international affairs. Funding for economic and security assistance has been cut 10 percent in the last year alone, and that follows a 40 percent cut over the last decade. Spending for all international affairs accounts has been cut 45 percent in real terms in the last decade.

Our ability to use the United Nations to further our interests has been hurt by our unwillingness to pay our share of the budget or to pay over $1 billion in arrears, and the United Nations, therefore, is on the brink of a financial crisis.

I think all of us agree that we are in tight budgetary times. I have supported many of the cuts that I have indicated, but my sense now is that we have cut these accounts enough. We should draw the line before we take away too many resources and impair the President's ability to conduct foreign policy.

Finally, the conference report damages U.S. foreign policy by imposing

too many restrictions on the President. This is not the time to be amending the Taiwan Relations Act. This is not the time to be tying the President's hands on relations with Vietnam. This is not the time to undercut U.S. efforts to reform the United Nations.

The conference report does all of those things. It does undermine the ability of the President to conduct policy. We have many different views in this body on the policy restrictions. I am certain that there are provisions that many of my colleagues support, but when we add it all up, when I examine the impact of all of these policy restrictions provisions, I conclude that they constitute a serious infringement on the President's power to conduct foreign policy.

So as we vote on this conference report, Mr. Speaker, I think Members should ask themselves this question: Does this bill help or does it hinder the President's ability to confront the many challenges we face in the world? I think the answer is that it hinders the President's ability to do that.

Members of Congress expect the President to provide leadership in foreign policy, but at the same time, we should not deny the President the resources to provide that leadership. This conference report weakens the President's ability to lead at a time when the world badly needs U.S. leadership. That is not the way for the Congress to play a responsible role in the conduct of American foreign policy, and I urge my colleagues to defeat of the conference report.

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

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

In closing, Mr. Speaker, my colleagues have heard many important reasons in support of this conference report. This measure delivers on the President's pledge that the era of big government is over, and at the same time, this measure improves the State Department and the management of the United Nations, and at the same time supports our vital U.S. diplomatic missions.

With regard to the MacBride principles included in the report, President Clinton, while Governor and candidate, stated

I like this principle. I believe in it. I would encourage my successor to embrace it. As President, I would encourage all Governors to look at it and embrace it. I think it is a good idea. I like them very much. I think it is a way to encourage investment, because it is a way to stabilize the political and economic climate in the work force by being free of discrimination. The argument is made against the principles in a country in which there is discrimination. I just do not buy that.

Accordingly, Mr. Speaker, I urge my colleagues to support this conference report. It enhances our Government abroad.

Mr. ACKERMAN. Mr. Speaker, I rise today in opposition to the conference report to accompany H.R. 1561. This bill is veto bait and ought to be sent back to committee.

H.R. 1561 requires the elimination of three foreign policy agencies, the Arms Control and Disarmament Agency [ACDA], the United States Information Agency [USIA], and the Agency for International Development [AID], merging their functions into the Department of State. Under the bill the President must submit a plan to accomplish this reorganization by October 1 of this year in order to abolish these agencies by March 1, 1997. The President's plan must save $1.7 billion over the next 4 years.

Mr. Speaker, the problems with this bill are many. H.R. 1561 forces the President to consolidate agencies, even though he is provided with waiver authority for two of the three, the funding levels are low enough that he will be forced to consolidate other functions in order to adhere to the authorization levels in future years. In addition, the bill requires an unrealistic timetable for presenting a plan and then actually closing agencies within a year from now. The transition provisions are so inadequate that they do not even provide for useful methods of downsizing such as employee buy-outs, which have proven popular at other agencies.

H.R. 1561 also contains a variety of provisions which will harm our ability to participate in a number of international organizations ranging from the United Nations to the Inter-American Indian Institute. By either terminating our membership outright or requiring that we withhold a significant portion of our assessment, the bill ties the President's hands and hinders our ability to play an effective role in the international arena. There are many Members who agree that the United Nations is in need of reform. Many will agree that our assessment should be lower and most will agree that an independent U.N. Inspector General would be a valuable step. But to withhold our contributions and in effect bully the United Nations to go along will likely jeopardize progress already made in the areas of U.N. budgetary and management reform.

Mr. Speaker, the President has said that he will veto the conference report. I say let's save him the trouble by defeating a bad bill and bringing back a genuine bipartisan State Department authorization bill that we can all support and the President can sign.

Mr. GILMAN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 226, nays 172, not voting 33, as follows:

[Roll No. 59]

YEAS—226

Allard	Gilman	Norwood
Andrews	Goodlatte	Nussle
Archer	Goodling	Oxley
Armey	Goss	Packard
Bachus	Graham	Parker
Baker (CA)	Greenwood	Paxon
Baker (LA)	Gunderson	Peterson (MN)
Ballenger	Gutknecht	Petri
Barr	Hancock	Pombo
Barrett (NE)	Hansen	Porter
Bartlett	Hastert	Portman
Bass	Hastings (WA)	Poshard
Bateman	Hayes	Pryce
Bereuter	Hayworth	Quillen
Bilbray	Hefley	Quinn
Bilirakis	Heineman	Radanovich
Bliley	Herger	Ramstad
Blute	Hilleary	Regula
Boehlert	Hobson	Riggs
Boehner	Hoekstra	Roberts
Bonilla	Hoke	Rogers
Bono	Horn	Rohrabacher
Brownback	Hostettler	Ros-Lehtinen
Bryant (TN)	Houghton	Roth
Bunn	Hunter	Roukema
Bunning	Hutchinson	Royce
Burr	Hyde	Salmon
Burton	Inglis	Sanford
Buyer	Istook	Saxton
Callahan	Jones	Scarborough
Calvert	Kasich	Schaefer
Camp	Kelly	Schiff
Campbell	Kennedy (RI)	Seastrand
Canady	Kennelly	Sensenbrenner
Castle	Kim	Shadegg
Chabot	King	Shaw
Chambliss	Kingston	Shays
Chrysler	Klug	Shuster
Clinger	Knollenberg	Skeen
Coble	Kolbe	Smith (MI)
Coburn	LaHood	Smith (NJ)
Collins (GA)	Largent	Smith (TX)
Cooley	Latham	Smith (WA)
Cox	LaTourette	Solomon
Crane	Lazio	Souder
Crapo	Leach	Spence
Cremeans	Lewis (CA)	Stearns
Cunningham	Lewis (KY)	Stump
Davis	Lightfoot	Talent
Deal	Linder	Tate
Diaz-Balart	Livingston	Tauzin
Dickey	LoBiondo	Thomas
Doolittle	Lofgren	Thornberry
Dornan	Longley	Tiahrt
Dreier	Lucas	Torkildsen
Dunn	Maloney	Torricelli
Ehlers	Manton	Upton
Ehrlich	Manzullo	Vucanovich
Emerson	Martini	Waldholtz
English	McCollum	Walker
Everett	McCrery	Walsh
Ewing	McHugh	Wamp
Fawell	McInnis	Watts (OK)
Flanagan	McIntosh	Weldon (FL)
Foley	McKeon	Weldon (PA)
Forbes	Metcalf	Weller
Fowler	Meyers	White
Fox	Mica	Whitfield
Franks (CT)	Miller (FL)	Wicker
Franks (NJ)	Molinari	Wolf
Frelinghuysen	Moorhead	Young (AK)
Frisa	Myers	Young (FL)
Funderburk	Myrick	Zeliff
Ganske	Nethercutt	Zimmer
Gekas	Neumann	
Gilchrest	Ney	

NAYS—172

Abercrombie	Brown (OH)	Dicks
Ackerman	Cardin	Dingell
Baesler	Clay	Dixon
Baldacci	Clayton	Doggett
Barcia	Clement	Dooley
Barrett (WI)	Clyburn	Doyle
Becerra	Collins (MI)	Duncan
Beilenson	Combest	Edwards
Bentsen	Condit	Engel
Berman	Conyers	Ensign
Bevill	Costello	Eshoo
Bishop	Coyne	Evans
Bonior	Cramer	Farr
Borski	Danner	Fattah
Boucher	DeFazio	Fazio
Browder	DeLauro	Fields (LA)
Brown (CA)	Dellums	Filner
Brown (FL)	Deutsch	Foglietta

Ford	Lipinski	Reed
Frank (MA)	Lowey	Richardson
Frost	Luther	Rivers
Furse	Markey	Roemer
Gejdenson	Martinez	Roybal-Allard
Geren	Mascara	Sabo
Gillmor	Matsui	Sanders
Gonzalez	McCarthy	Sawyer
Gordon	McDermott	Schroeder
Gutierrez	McHale	Schumer
Hall (OH)	McKinney	Scott
Hall (TX)	McNulty	Serrano
Hamilton	Meehan	Sisisky
Harman	Meek	Skaggs
Hastings (FL)	Menendez	Skelton
Hefner	Miller (CA)	Slaughter
Hilliard	Minge	Spratt
Hinchey	Mink	Stenholm
Holden	Mollohan	Stupak
Hoyer	Montgomery	Tanner
Jackson (IL)	Moran	Taylor (MS)
Jackson-Lee (TX)	Morella	Thompson
	Murtha	Thornton
Jacobs	Nadler	Thurman
Jefferson	Neal	Torres
Johnson (CT)	Oberstar	Towns
Johnson (SD)	Obey	Traficant
Johnson, E. B.	Olver	Velazquez
Johnston	Orton	Vento
Kanjorski	Owens	Visclosky
Kaptur	Pallone	Volkmer
Kennedy (MA)	Pastor	Ward
Kildee	Payne (NJ)	Waters
Kleczka	Payne (VA)	Watt (NC)
Klink	Pelosi	Williams
LaFalce	Peterson (FL)	Wise
Lantos	Pickett	Woolsey
Levin	Pomeroy	Wynn
Lewis (GA)	Rahall	Yates
Lincoln	Rangel	

NOT VOTING—33

Barton	Durbin	Ortiz
Brewster	Fields (TX)	Rose
Bryant (TX)	Flake	Rush
Chapman	Gallegly	Stark
Chenoweth	Gephardt	Stockman
Christensen	Gibbons	Stokes
Coleman	Green	Studds
Collins (IL)	Johnson, Sam	Taylor (NC)
Cubin	Laughlin	Tejeda
de la Garza	McDade	Waxman
DeLay	Moakley	Wilson

□ 1947

The Clerk announced the following pair:

On this vote:

Mr. DeLay for, with Mr. Ortiz against.

Ms. JACKSON-LEE of Texas changed her vote from ''yea'' to ''nay.''

Ms. LOFGREN and Mr. DICKEY changed their vote from ''nay'' to ''yea.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report on H.R. 1561.

The SPEAKER pro tempore (Mr. CAMP). Is there objection to the request of the gentleman from New York?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2703, EFFECTIVE DEATH PENALTY AND PUBLIC SAFETY ACT OF 1996

Ms. PRYCE, from the Committee on Rules, submitted a privileged report (Rept. No. 104–480) on the resolution (H. Res. 380) providing for consideration of the bill (H.R. 2703) to combat terrorism, which was referred to the House Calendar and ordered to be printed.

PROVIDING AMOUNTS FOR FURTHER EXPENSES OF THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that the Committee on House Oversight be discharged from further consideration of the resolution (H. Res. 377), providing amounts for further expenses of the Committee on Standards of Official Conduct in the second session of the 104th Congress, and ask for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. FAZIO of California. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from California [Mr. THOMAS], the chairman of the Committee on Oversight, if he would explain the purpose of this resolution to the membership.

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

Mr. FAZIO of California. I yield to the gentleman from California.

Mr. THOMAS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, House Resolution 377 is to provide an additional $580,000 for expenses associated with the investigations and studies by the Committee on Standards of Official Conduct. $400,000 of the $580,000 is for the procurement of consultants in cases pending.

This resolution is obviously with some precedent. The Committee on Standards of Official Conduct is really the only committee in the House that cannot determine its own agenda ahead of time. It is, by its very nature, a reactive committee.

We have in the past supported resolutions of this nature. As a matter of fact since 1982, seven resolutions have come to the floor. This resolution is necessary so that the committee can carry out the investigations, the studies, and the responses to Members' requests for explanations that are part and parcel the nature of the Committee on Standards of Official Conduct.

Mr. Speaker, I would urge my colleagues support House Resolution 377. It is simply affording the Committee on Standards of Official Conduct the resources necessary to do its job.

Mr. FAZIO of California. Mr. Speaker, further reserving the right to object, I would concur in the gentleman's characterization of the resolution, and simply indicate that I hope the committee would return here expeditiously if there is any further need for funding for any purpose that comes before the committee. We are all anxious to see them proceed with all of their work as quickly as possible.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The clerk read the resolution, as follows:

H. RES. 377

Resolved,

SECTION 1. FURTHER EXPENSES OF THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT.

For further expenses of the Committee on Standards of Official Conduct (hereinafter in this resolution referred to as the ''committee''), there shall be paid out of the applicable accounts of the House of Representatives not more than $580,000, of which not more than $400,000 may be used for procurement of consultant services under section 202(i) of the Legislative Reorganization Act of 1946.

SEC. 2. VOUCHERS.

Payments under this resolution shall be made on vouchers authorized by the committee, signed by the chairman of the committee, and approved in the manner directed by the Committee on House Oversight.

SEC. 3. LIMITATION.

Amounts shall be available under this resolution for expenses incurred during the period beginning at noon on January 3, 1996, and ending immediately before noon on January 3, 1997.

SEC. 4. REGULATIONS.

Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Oversight.

SEC. 5. ADJUSTMENT AUTHORITY.

The Committee on House Oversight shall have authority to make adjustments in amounts under section 1, if necessary to comply with an order of the President issued under section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 or to conform to any reduction in appropriations for the purposes of such section 1.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

[Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

UNEMPLOYMENT AND UNDEREMPLOYMENT IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, shortly before Christmas, all in the same week, we received the news that three separate plants in my district were closing.

The two largest employers in Tellico Plains, in Monroe County, TN, announced that they were moving, one to Honduras, one to Mexico.

The largest employer in Etowah, in McMinn County, TN, Morgan Manufacturing Co., a blue jeans manufacturer, announced that it was going into bankruptcy, due primarily to NAFTA.

Tellico Plains is a town of about 1,000 people. Etowah is a town of about 4,000. These are beautiful, wonderful places to live, but jobs are not easy to come by.

These three companies meant a loss of about 1,000 jobs within roughly a 25-mile radius, and these were devastating blows to both these communities.

I got Gov. Don Sundquist and his economic development commissioner to go to both places with me, and we are trying to get some help for these people.

But, I wonder how much we can do when there seem to be more companies moving out than moving in, and downsizing seems to be the trend of the day.

Then shortly after the first of the year, I discovered that two small textile companies in my hometown of Knoxville were closing due to NAFTA.

In this same period I read that Hershey has moved most of its production from Pennsylvania to Mexico, that Fruit of the Loom closed a United States plant and opened a new one in Mexico, and on and on.

And of course, AT&T announced that they were downsizing, getting rid of 40,000 employees. Yesterday, Ford announced a cut of 6,000. Altogether, at least 1 to 5 million jobs lost in just the last 3 years to corporate downsizing, and on and on.

You have to wonder, Mr. Speaker, where we are headed. Already, most college graduates cannot find good jobs—so they are headed to law school and medical school, both fields with huge surpluses, just to postpone the inevitable.

Our unemployment rate, while too high, is not bad, but our underemployment rate is terrible. And yet, we seem to be giving our own country away, through NAFTA, GAAT, the World Bank, foreign aid, our mega-billion dollar military adventures in Haiti, Rwanda, Somalia, and now Bosnia. Billions and billions and billions to other countries while our own people head for the unemployment office or have to settle for jobs in fast food restaurants.

In the last few weeks, we have been told that last year was the worst ever for the United States from a balance of payments standpoint.

We ran a record $111 billion trade deficit. Economists conservatively estimate that we lose 20,000 jobs for each 1 billion, so this means that we lost at least 2,200,000 jobs due to foreign imports this past year.

People say don't start a trade war, Mr. Speaker, I certainly don't want one, but it looks like we are already in one and that we are losing.

Senator DOLE said in South Carolina a few days ago that he would not vote for NAFTA now without some changes in it.

This is why many of us are cosponsoring the NAFTA Accountability Act, which says that we need to take another look at NAFTA.

Many people now believe that the Congress was given misleading or incorrect information about the Mexican economy, in part at least possibly because the Treasury Secretary had made millions getting his clients to invest in Mexican bonds.

At any rate, facts and conditions change, and we need to take another look at NAFTA. We should have free trade, but we shouldn't enter into bad trade deals in order to get trade, especially when all these other nations need our markets far more than we need theirs.

I would like to place in the RECORD an article from the February issue of Chronicles Magazine by E. Christian Kopff, a professor at the University of Colorado.

He said an article in Foreign Affairs Magazine in 1994 by Alan Tonelson ''proved that the prosperity of the American automobile, machine-tool, and computer-chip industries in the 1980's, while our television and VCR industries were disappearing, was due to protectionist treaties negotiated under President Reagan. The phenomenal prosperity of the Reagan years rested on protectionism. The Bush-Clinton years undermined that prosperity.''

Then, Professor Kopff wrote: ''In 1993, Goldsmith predicted that multilateral free trade treaties yoking together such unequal partners as the United States and Mexico would cause unemployment in the United States while devastating the Mexican economy. Of prophets and treaties it is true that by their fruits ye shall know them. The December 10, 1994, Economist loudly mocked Ross Perot's prediction of a ''giant sucking sound'' of jobs being drawn into Mexico an quoted outgoing U.S. Secretary of the Treasury, Lloyd Bentsen, that NAFTA was ''a win-win situation.'' On December 20, 1994, the Mexican peso collapsed. From the United States perspective, this magnified the advantage of Mexican labor costs. In 1992, excluding transshipments, the United States had a $5.7 billion trade surplus with Mexico. The U.S. Department of Commerce estimated that by the end of 1995 that will have turned into a $20 billion trade deficit. Add to that $25 billion deterioration in our balance of trade the $50 billion bailout loan engineered by Secretary Rubin and Federal Reserve Chairman Alan Greenspan.

In Mexico, inflation is estimated at 50 percent, the peso has lost half of its value, but salaries have risen only 20 percent. Unemployment for the poor and bankruptcies for the middle class are at record highs. The Mayans are in open revolt, and the average Mexican is close to despair. ''NAFTA is a typical case of mutual poisoning,'' writes Goldsmith. Michel Camdessus of the International Monetary Fund warned of a world catastrophe. Goldsmith notes, ''Submarines are built with watertight compartments, so that a leak in one area will not spread and sink the whole vessel. Now that we have globalized the world's economy, the protective compartments no longer exist.''

The demoralization of First World nations and the ravaging of the Third World are accomplished for the benefit of international corporations. Goldsmith's summary is as clear as it is chilling: ''Some can still remember the old adage: 'What is good for General Motors is good for America.' But that was in the days when the corporate economy and the national economy had the same purpose. Now there are two distinct economies. Not only do they have different interests, but those interests are conflicting. As corporations switch production to the areas with the cheapest labor and then import the products made abroad, they destroy jobs at home and increase the Nation's trade deficit.''

☐ 2000

CHANGES TO EPA BY THE REPUBLICAN MAJORITY

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Minnesota [Mr. GUTKNECHT] is recognized for 60 minutes as the designee of the majority leader.

Mr. GUTKNECHT. Mr. Speaker, Winston Churchill, who was one of my favorite speakers, said that truth is incontrovertible. Malice may deride it. Ignorance may attack it. But in the end, there it is.

John Adams, who I think was a Member of this body at one time, said essentially the same thing, far more simply. He said, facts are stubborn things. We can ignore the facts. We can deny the facts. But in the end, facts are facts.

So tonight, for at least a few minutes if not the full hour, and I think we are going to be joined by some of my colleagues, we are going to talk about some of the facts, not only about the budget and some numbers and some facts about what we are really talking about and the consequences it brings for the American people, but also talk about some of those environmental issues.

I want to first of all turn it over for a few minutes to the gentleman from Florida [Mr. MICA], who would like to share a little information and a few facts about what the President has been saying and what the truth of the matter really is.

Mr. MICA. I would like to thank my colleague for yielding, and also spend a few moments tonight talking about what is going on as far as the environment, what is being said as far as the environment, what is being said as far as the Republican policy and some of the changes proposed relating to the environment by the new majority.

I can tell you, I am a member of the new majority. I am a Republican, but I

consider myself a strong advocate of the environment, of protecting our air, our land, or water, and making certain that it is safe for this and future generations.

But I am also concerned that there has been a great deal of misinformation spread about what we are trying to do and want is being done by our chief environmental enforcement agency, and that is the Environmental Protection Agency. Just in the last day or two, President Clinton has visited New Jersey and he has made some comments relating to the EPA and also the Republican agenda for the environment, and I think that it is important that we respond to those.

He stated in New Jersey that lobbyists for special interests were dictating the environmental policies by the new majority. I am here to tell my colleagues and the Speaker tonight and the American public that that is just not correct, that in fact the agenda that has been dictated on making changes to EPA and to regulations that deal with the environment has not been dictated by lobbyists or corporate interests, but in fact by the mayors, by the Governors, by the legislators, by the county commissioners across this great Nation.

In fact, I have a story dated March 24, 1993 from the New York Times, and it says that in January mayors from 114 cities in 49 States opened the campaign by sending President Clinton a letter urging the White House to focus on how environmental policymaking had in their view gone awry. So the genesis of the changes proposed by the new majority are in fact by our local government officials. They have seen that the regulation and some of the other edicts out of Washington have in fact cost the taxpayers, their local taxpayers, enormous amounts of dollars, and not gotten very good results for it.

Let me just cite, if I may, how some of the money is being spent. In fact, it really concerns me that the moneys are being spend in Washington on administration and on employees in a huge bureaucracy that in fact has been built up over the past few years. In Washington, DC, for example, out of 18,000 EPA employees, there are a total of almost 6,000, nearly 6,000 just within 50 miles of Washington, DC. Part of the argument with the changes that we are trying to make is to stop the command and control and the bureaucracy and administration from Washington.

What is interesting is EPA in fact is a Republican idea. It was founded in 1972 under President Nixon to provide some better regulations, some better national standards in cleaning up the air, the water and the land. What has happened is, over the years we have created a huge bureaucracy, now with 6,000 employees in Washington, and that number, I might say, is about the total figure of EPA employees that was in the entire Agency about a dozen years ago.

Since 1972, I might add, almost every State in the Nation has created their own department of environmental protection. Each State has created an agency which can deal with enforcement, which can deal with some of the problems, which can take into consideration some of the local issues and factors relating to the land and the water and the air in that particular area.

So we have built a huge bureaucracy centered in Washington that wants to keep command and control. Republicans in fact have proposed that we dismantle some of that administration, we dismantle some of the overhead.

Not only do we have the administration in Washington to deal with, you take, for example, the State of Georgia where 1 of the 10 regional offices is located, and that is Atlanta, GA, there are 1,300 EPA employees located in that regional office, 1 of, again, 10 highly bureaucratized and highly staffed offices that are not out there, again, with the cities and the counties and the special districts and the States tackling the tough environmental problems.

So the money and the bureaucracy is in Washington and these regional offices, and the real problems are not being tackled out there. Let me give you just a statistic. More than 90 percent of the environmental enforcement is conducted by the States today, not in fact by Federal EPA. However, the majority of environmental funding goes to EPA, if we look at the statistics. Furthermore, the EPA has doubled its size during the past 20 years, as I have pointed out, now employing these 18,000 employees and maintaining a budget of $3.6 billion.

So the question before the Congress and before this new majority is not just how much money we spend but how we spend it.

Let me say that even Carol Browner, who is now the Administrator of EPA, admits there is a problem with environmental problems. She said to the New York Times on November 29, 1993, let me quote, and she was our State administrator in Florida. Let me quote her. Carol Browner said, ''When I worked at the State level, I was consistently faced with rigid rules that made doing something 110 times more difficult and expensive than it needed to be.'' It makes no sense to have a program that raises costs while doing nothing to reduce environmental threats.

What Carol Browner said in 1993 is what we are talking about today in 1996. Even President Clinton proposed a request for a reduction of 400 full-time employees in environmental enforcement for fiscal year 1996. So we have even the President saying we need a reduction in this massive bureaucracy in the proposal he made to Congress. We have Carol Browner in 1993, fresh from Florida and her role there as the State director of our environmental program.

What has happened, again, is we have threatened these 6,000 bureaucrats in Washington. They have a role and they view their role as pumping out rules and regulations. What would they do if they had some reduction in force? No one wants to see, again, any lessening of regulations, of protections, of standards. What we are saying is let us get the work force where it should be and the dollars where they should be, and that is in our States and local governments, and let the Federal Government set some national standards and also work on international standards.

One of the first bills I introduced in the last Congress was the Global Environmental Cleanup Act, and that dealt with the problem that we have and where some of our focus should be. Countries around the world are polluting the Earth and destroying the planet, in fact, and some of our financing of this Congress and the American people is going to promote that destruction of the planet.

I can tell you, I have been on international business across this hemisphere, across the Southern Hemisphere. You can go through Brazil and see the destruction of the Amazon. You can go to Guatemala, see the destruction, clearcutting of forests on the Mexican border.

You can go to Mexico and see the raw pollution going into the streams and river and land. You can go to China and see the destruction of the planet, raw sewage and raw fluid going into the rivers, and no consideration of protection of the air or water where the largest population of the world is. Then you can go to Europe. I traveled the Tatra Mountains, and you can see the destruction from the former Soviet bloc of the beautiful forests, and again the raw pollution going into the land.

Some of our taxpayer money is going into international financing of projects in these countries without a consideration of environmental cleanup. So we have a role for EPA on the international level, we have a role on the national level with pollution between our States, and we are concerned about that. But we do not need 18,000 full-time employees, the bulk of which is in Washington, not to mention thousands and thousands of employees who are on a contract basis, ruling and dictating from Washington.

We need to get the money where the problem is and to those that are cleaning up the environment. They are State and local officials and our State legislatures. That is the emphasis this new majority is interested in.

Then if we look, and the President talked yesterday in New Jersey about cleanup and Superfund. Superfund must, in fact, be one of the worst government programs ever devised. Its original intent, now, was good. It was designed to clean up hazardous waste sites and have polluters pay for polluting, and in fact it has not done that. In fact, polluters do not pay. We find that and I have evidence of, in fact, polluters not paying, and also EPA letting the statutes of limitation expire, according to one of the reports from a

subcommittee on which I served during my first term.

□ 2015

So polluters get off the hook. They do not pay under the current system. The President says this is a successful program.

Then would you think that in fact we are cleaning up sites that pose the most risk to human health and safety and our children's safety? The fact is a GAO study in 1994 said no, that is not the truth, that in fact we do not clean up sites on the basis of risk to human health and safety and welfare, that they are chosen basically on the basis of political pressure.

So we are not cleaning up these sites, we are not cleaning up the sites that have the most risk.

These are just a few of the studies about EPA, the failures of EPA on the subcommittee on which I sat for my first 2 years in Congress. This first study talks about EPA's pesticide program, and food safety reform and the disaster in that agency. This particular report talks about the impact on safe drinking water regulation and small systems, drinking systems, how the regulations have forced our local governments to the point where it is almost cheaper to deliver bottled water than it is to comply with some of these regulations. We had testify the mayor of the city of Orlando at a field hearing, and she said that EPA requires in the treatment of water, and water comes in, to take out certain natural occurring substances, one part of the process at the beginning, and then put them back at the other end, and she said this makes no sense and it costs hundreds of thousands of dollars to comply with these ridiculous regulations.

So another report that details Superfund and the liability provisions, how now under Superfund, and again the President talked about the success of Superfund and the need for Superfund, and we agreed that there should be a Superfund. But when 80 percent plus of the money in Superfund, a program that was supposed to start out at 1.6 billion and has grown to $75 billion, when 80 percent of the money, in fact, goes to attorney fees and studies, there is something wrong with what we are doing with Superfund.

So we do not want to let polluters off the hook. We think that they should pay. But you find, in fact, that EPA gives them a free ride under current law. They do not enforce the current law; they let the statute of limitations expire. They are letting it happen now, that polluters not pay, and we think there should be a change there. And then also spending all of the money for a cleanup program again on attorney fees and studies and ignoring the real risks makes no sense.

So all this is documented in hours and hours and days and days of hearings.

Then you look at the management problems in contracting activities at EPA. The American people would be appalled to see the waste. We held one hearing on this particular matter, and they said that this particular activity with EPA laboratories is out of control, mismanaged, examples of abuse.

Then we held another hearing on information management systems, so the right hand of EPA would know what the left hand of EPA is doing, to better communicate. I could not believe the hearing, and it is detailed also in these reports, that, in fact, they had spent almost a half a billion dollars and had no clue as to what they were going to do as far as a real management information system.

So one problem after another at an agency again that is out of control.

I spoke just a moment ago of the contract employees. I spoke about 18,000, nearly 18,000 full-time employees that have mushroomed this agency to a huge bureaucracy in Washington.

We found in one of the hearings, and this is interesting to note, that of the thousand of contract employees and the hundreds of contracts that are let out there that nearly all of the contracts that are let by EPA go to former EPA employees. So they have a revolving door, an incestuous relationship, that really would not be permitted under any other circumstances.

So almost every program we look at as far as the management of this agency is again out of control.

Here is another report on clean air protection problems at national parks and wilderness, and this details how EPA cannot even get its act together at it relates to Federal operations.

So each and every one of these reports, and these are just a few tonight that I detail, tell about a story of failure, and that is the Federal EPA program.

And let me say that between the House of Representatives and the other body there are many disagreements. You rarely find the two houses agree on anything. But there was unanimous consent on both this side and the other side, in fact both sides of the aisle, the majority and the minority, that we needed to make some changes in the administration and management of EPA. The House recommended a cut in their funding of somewhere in the neighborhood of 30 percent. The Senate was somewhere in the neighborhood of 20 percent. And rarely do you find that unanimous agreement that an agency should be cut in that fashion.

But these are the reasons, in fact, that I presented tonight that there is unanimous consent on both sides of the aisle, Republican and Democrat, and both of the Houses of Congress, that there needs to be change there. So we have presented changes, we have said that we should look at the way the money is being spent, not just throw money at problems, but in fact try to get a better result so that taxpayer hard-earned dollars are expended in appropriate fashion, that we clean up the environment, that we clean up the real risk areas for our children, that in fact the money does not go just to attorney fees and to studies, that we work with local governments, with State governments, with local authorities, with business and industry, trying to resolve some of the environmental problems, that we renew our emphasis on international problems, that we look at problems that do, in fact, transcend the State and local boundaries, and concentrate on where EPA can do a better job.

So these are some of the issues that we wanted to bring up tonight, and then you think you have got it all together, and you think that EPA has been criticized by Members of Congress, again from both sides of the aisle, and you think that we are trying to get our message across, and maybe it has gotten across. You read articles like the article that I found last week in EPA Watch, which says that in fact EPA's office of enforcement and compliance has circulated a memo of January 19 that notes that staff from no fewer than 11 EPA offices are working with PTA on a project to protest budget cuts in the department. And I think that that is rather sad, that an agency that has been criticized also for misusing its resources and not cleaning up the environment, protecting the environment, but in lobbying Congress and coming after Members of Congress, is now using its limited funds from the office of compliance and enforcement in a lobbying campaign that brings in the children and the PTA with the misinformation campaign. So I think that is the wrong way to spend these limited resources.

When I found this article, I asked the appropriate chairman of the House committees and subcommittees to investigate now their activities. Even after being criticized, even after being asked not to conduct this type of activity, today you find EPA spending again limited resources, taxpayer dollars, on lobbying the Congress and on misleading the parents, and teachers, and schoolchildren of our country in their campaigns.

So it is disturbing, and I think that that should be thoroughly investigated by the appropriate subcommittees of the House of Representatives and the Congress.

So those are some of the points that I wanted to bring out tonight. Again, when the President makes these statements, I think that someone should address that in fact the new majority is interested in protecting the environment, that we have children, that we care about the environment, we care about the future of the environment of this great country, we would do nothing to lower the standards. But in fact when you see the misuse and abuse of power, and authority, and an important charge given by the Congress, you become concerned, every American

must be concerned, and every American should also have the correct information, that in fact what the President is saying is political rhetoric, in fact political rhetoric. It is not based on fact or the action of this agency. What Carol Browner is trying to do with the resources of that agency are, in fact, not a proper expenditure of those resources. If she would concentrate in remembering what she said, and I quoted it to you 3 years ago about how she is forced to spend 110 times the energies on things that do not make sense, then we could all be better off.

So this is a debate about command and control in Washington. It is a debate of how our limited resources, your taxpayer dollars, the American taxpayer dollars, are expended, and how we really go about facing the problems of pollution and cleanup across, again, our great lands.

So tonight I wanted to bring some of those facts to the House, and to my colleagues, and to the Speaker's attention. We can do a better job, we must do a better job, we do not need a huge bureaucracy to do it, and that is a part of what we have proposed here, and again I think I share the concern of everyone on this side of the aisle that the environment, clean air, clean land, clean water are our priorities and part of our agenda, and we can do a better job, again with limited resources.

I thank the gentleman for yielding and wanted to make those points tonight.

Mr. GUTKNECHT. I would like to thank the gentleman from Florida because I think he makes some very good points.

My grandma always said if you always do what you have always done, you will always get what you have always got, and unfortunately one team is saying that the real way to clean up the environment is to spend even more money on the failed programs we have had in the past, and I want to thank the gentleman from Florida for bringing those studies. Those are not Republican studies, those are not Democrat studies. Those are independent studies done by the General Accounting Office which, I think, demonstrate that what we have done in the past has not really helped solve the problem.

And I served with you on the Committee on Government Reform. I also serve on a separate subcommittee that looks at regulatory reform, the McIntosh subcommittee, and we have had some of those field hearings as well. And I remember just a few weeks ago we had some hearings in Iowa, and the mayor of Manson, IA, came to that meeting, Mr. Speaker, and talked about what they had had to do. The EPA came in, and they have had no problems with their water for 75 years. The EPA came in and tested, and they found 1 milligram more than the allowable EPA standard of one chemical, and they forced this relatively small town in Iowa to install over half a million dollars' worth of reverse osmosis filtering equipment to remove that 1 milligram.

Now that dangerous chemical that they were required to remove at substantial expense was fluoride. Now fluoride is a chemical, as most of us know, that many cities, in fact virtually every city in the United States, now puts into the water. They were required to take out that 1 milligram.

And frankly, we also at one of our other field hearings, we had a gentleman who helped develop the spectrometer. Now I am not a scientist, but a spectrometer is that thing that allows us to measure parts per million and parts per billion.

□ 2030

He said, ''Sometimes I rue the day that we developed that technology, because just because we can now measure parts per billion does not necessarily mean they are statistically significant, or that they are dangerous.''

Again, we see that $50 solutions imposed on $25 or $5 problems.

Mr. MICA. If the gentleman will yield, Mr. Speaker, I am glad the gentleman mentioned one case. I would like to mention another.

In Hastings, NE, that community began a review of its environmental costs and concluded that the single biggest drain on the Treasury was the $65 million it would take to build a treatment plant to meet a proposed EPA rule for removing radon from the city's water. Now, radon is a radioactive gas that occurs naturally.

Before the EPA proposal, almost no public health specialist had considered radon in drinking water to be any sort of a threat. Independent radiation health experts said that in virtually every area of the United States, the amount of radon that evaporates from water is only one-thirtieth to one-one hundredth of what is really naturally in the air. So here is another example of a small community that had imposed on it a burden from EPA that made no sense. This is what we are talking about. This is not some fancy lobbyist coming in here asking for changes. These are our cities, our counties, our States, our legislatures asking us to look at what we are doing.

Again, even Carol Browner said before she got into the empire and bureaucracy-building business in Washington that what the Federal Government was doing to her as a State director of the EPA in Florida made no sense. That is what this argument is about. The rest is just not the truth.

Mr. GUTKNECHT. Mr. Speaker, I want to thank the gentleman. President Kennedy once observed, ''We all inhabit this same small planet. We all breathe the same air. We all cherish our children's future.'' One of the things that is most frustrating to me as a parent and one who cherishes my children's future and one who enjoys the out-of-doors, I enjoy the environment, I like to hunt and fish, one of the things that disturbs me so much is when we start talking about finally using cost-benefit analysis and good science to determine whether or not these solutions that are being imposed from Washington really makes good economic sense. When we start talking about real reform, the other side seems to always question our motives; that we somehow want the world to live with dirty water, that we want to put raw sewage into Americans' drinking water.

Nothing could be further from the truth. But they measure success by how many dollars go into the programs. We are trying to measure success by what we really, ultimately get out of it.

I want to give one more example. We have the director of the waterworks of the city of Des Moines, IA, who came and testified at one of the field hearings. He said, ''The EPA requires us to test for 53 different chemicals and organisms in the water. I have worked for the waterworks here in Des Moines for over 20 years, and nobody knows more about the water that goes in and out of these pipes than I do.''

As a matter of fact, he said, as far as he could tell, only about 16 of those chemicals or microbes could ever be found in the water surrounding Des Moines, IA, and yet they are required to spend over half a million dollars a year in testing for chemicals and testing for microorganisms which will never be found in the water around Des Moines. He said it is just nuts.

He said, ''The other thing that is important is if somebody should get sick from drinking the water in Des Moines, IA, they are not going to call the bureaucracy out in Washington; they are going to come to me, because ultimately I am responsible for the quality to the water in this city.'' Really, that is also what we are talking about. We are talking about more responsibility down at the area where the people actually can have that responsibility, can exercise responsibility, and ultimately get the job done.

Mr. Speaker, having a large bureaucracy, I think that the gentleman mentioned 6,000 people here in Washington——

Mr. MICA. Just in Washington.

Mr. GUTKNECHT. It does very little to ultimately guarantee we have clean water. As a matter of fact, one of my first trips to Washington a few years ago, and I had been to Washington maybe one or two times before that, maybe you remember this, there was a scare that came through in the water system here in Washington, DC. They thought it was somehow infected with Cryptosporidium. This is just blocks away from the EPA offices. They have their own water system. But the EPA did not take responsibility for that. Ultimately, the city of Washington, DC. took responsibility.

Mr. MICA. Mr. Speaker, I am glad the gentleman mentioned Cryptosporidium and contaminated water supplies. I sat on the subcommittee, of course, that oversaw some of

these issues in the 103d Congress. One of the things we have heard folks talk about here on the floor was Milwaukee and how their water supply became contaminated. We questioned, in fact, some of the people who were involved in the problem. I think there were some deaths there, and many people were sick.

In fact, it turned out, and the gentleman spoke about the 53 or 54 water contaminants that are mandated by Congress and the EPA for each area to look at. And the folks from Milwaukee told us in fact that they were busy checking on some of these mandated contaminants that actually had no opportunity to occur in that area, and had to use their resources on these edicts that were sent out from Washington, when in fact Cryptosporidium, which is caused by deer or animal feces, I think, is the root of it, was ignored by the community.

So we are requiring, with these edicts and mandates from Washington, them to spend their limited resources not looking at where the real risks are, and that is part of what we are trying to change.

I had another example of an area, and it is good to cite these, engineers in Columbus, OH, were Attempting—the city was attempting to build a parking lot behind a city garage. They discovered traces of chemical in the dirt. Federal hazardous waste required a $2 million cleanup. This is over a parking lot.

The city was required to dig up 2.4 million pounds of dirt containing no more than a few pounds of toxic chemical from a patch of ground no larger than a baseball diamond. They shipped that dirt 1,500 miles to the south of Texas to be burned in an incinerator. They had to install detection equipment to monitor the air for up to 25 years for traces of any contaminants that might be remaining. All this is to build a parking lot.

These are the examples of an agency and regulation out of control. The cost is being passed to the cities, the counties, the special districts, the States who have asked us to make these changes. These are the interests we are talking about.

This kind of regulation accounts for the largest percentage of increase over the last 10 years in local taxes. All of these regulations are passed on to cities and counties for compliance, and then in fact we make them spend this money, whether it is for water treatment, whether it is for building this garage in some expensive, not cost-effective fashion, and it results in higher taxes for the local property owner. So this is another example of an agency and regulation out of control.

Mr. GUTKNECHT. We do cherish our children's future, and we all breathe the same air and we all want a clean environment, but we want results. We do not want 70 percent of the Superfund cleanup money being spent on lawyers and consultants, we want results. That is what this Congress is really all about.

I think particularly those of us in the freshman class came here to change the way Washington does business. We want to talk a little bit tonight, too, about the budget. We are being joined by the gentleman from South Carolina, Mr. LINDSEY GRAHAM, and perhaps the gentleman from Connecticut, Mr. CHRIS SHAYS, is going to join us as well. I am not sure.

We want to talk a little about some of the budget numbers, where we have come from, what it is going to take, the kind of discipline. Again, I restate, if you always do what you have always done, you will always get what you have always got. Unfortunately, where we are today is at least some of the people in this Capital City want to continue to do what we have always done. That is, ''Well, we will continue to spend normally; but manana, or next year, or 5 years down the road, then we are going to start to really get serious.''

As somebody said the other day, it is a little like saying you are going to lose 20 pounds by the end of the month, but you are going to gain 5 pounds during the first 2 weeks, and you really will not get started on it until the last 3 days. That is sort of the way Washington sort of looks at balancing the budget. We have said that is not acceptable.

Mr. Speaker, I yield to my good friend, the gentleman from South Carolina [Mr. GRAHAM].

Mr. GRAHAM. Mr. Speaker, along those lines, President Clinton had a good quote. A good definition of insanity was doing everything the same and expecting different results. That would be crazy. If you do everything the same, it will probably turn out the same.

The budget debate is often talked about in my district, ''Why can you not come to an agreement on the budget? What is wrong with all you guys and ladies up there?''

I ask this to the audience that comes to my town meetings: ''Have you ever had a disagreement in your family about how to spend and how much to spend?'' And everybody laughs and everybody raises their hands. It is probably not uncommon for American families to have arguments at times over how to construct the family budget and how much to spend and where to spend it.

That is exactly what is going on in this Congress right now. We are having an overdue, long overdue debate about how much money to spend at the national level and where should it be spent. Let us kind of give people at home an update of where we are right now in the process.

Here we are in March 1996. We have had a couple of budgets vetoed. One budget that would have balanced in the year 2002 was offered by the Republicans that spent $12 trillion, $12.004 trillion, to run the Federal Government over the next 7 years. When you compare that $12 trillion expenditure to the last 7 years, it was a 26-percent increase in Federal spending. This harsh budget that you hear about that the Republicans have offered increased Federal spending 26 percent, it increased Medicare spending 63 percent, it increased Medicaid, welfare, by over 50 percent, it increased spending on student loans by 50 percent.

Instead of being accused of being harsh, I ought to be apologizing to people for spending that much money to run the Federal Government over the next 7 years. Again, it is a 26-percent increase for the next 7 years compared to the last 7 years. Most people are not going to get that much increase in pay.

So the first thing you have to come to grips with is, is $12 trillion enough. I guarantee you, it is enough for LINDSEY GRAHAM. If you spend 63 percent more on Medicare over the next 67 years than you did in the last 7 years and that is not enough, there is something wrong with Medicare; and there are two things wrong with Medicare. It is very inefficient, and it is going broke.

Our budget addresses the Medicare problem. It addresses the entitlement problem, because when we look at the budget and we look at the national debt, which is $5 trillion, under the Republican budget, it goes up to $6 trillion. The budget we came up with is not one bit harsh. As a matter of fact, we should apologize for taking 7 years. The freshmen put a budgets together that balanced in 5 years. You can do it in 5 years and not hurt anyone if you just have a little discipline, you work together, and you work smart.

But one thing you have to understand about $1 trillion, most people do not know what it is. I certainly still cannot imagine $1 trillion. But if you spent $1 million a day, do you know how long it would take you to spend $1 trillion. Two thousand seven hundred years. It you started at the time of Christ spending $1 million a day, you still would not have spent the first trillion.

We have appropriated $12 trillion, not $1 trillion. To get $1 trillion in taxes from the American public is the equivalent of $3,814 from every man, woman and child in America. The truth is, every man, woman and child in America is not paying taxes. Those of us that are paying a lot. So $12 trillion is enough. You need to say no somewhere, and $12 trillion is where I am saying no.

But when you look at the budget and figure out why you are $5 trillion in debt, one thing jumps out at you, I believe: 50 percent of the Federal budget is entitlement spending, 16 percent of the budget is interest payment. The interest payment on the national debt this year will be over $400 billion. We will pay more in interest this year than the entire Defense Department budget. That is a fact that astonishes me, that we have to really do something about this debt situation. Fifty percent of the budget is on auto-pilot.

Entitlement means the following: There is a computer somewhere in this town that takes Medicare and Medicaid and welfare spending, looks at the growth of these programs, builds into the computer their growth rate, and in Medicaid it has been 19 percent growth rate since 1990, adds inflation to the growth rate, anticipates the number of people who are going to be on the program, sends us a bill in Congress, and we cannot say no. No matter how out of control Medicare is, no matter how inefficient Medicaid is, no matter how unwise welfare is, we cannot say no to the bill. And when the bill comes to Congress, 50 percent of the budget is on autopilot and we cannot say no. We do not have enough cash on hand to pay that bill, and we have to go borrow money. That is why we are $5 trillion in debt.

We are going to talk about the President's budget, but let me tell you the difference between the President's budget. He is over four in balancing the budget, and on the fifth try he got to a balanced budget in the year 2002, but here is what he did not do. That 50 percent of the Federal budget that is on autopilot that led us to a $5 trillion national debt, Medicare alone went up 2,200 percent since 1980. All the President has done is for a 7-year period he has slowed the growth of spending on Medicare, Medicaid, and welfare, but he has not changed the reason we got in debt.

In other words, he spends less on welfare, but he does not change the reason people stay on it a decade. He has spent less on Medicare, but he has not changed the reason that the program has grown 2,200 percent. He has spent less on Medicaid, but he does not change the reason it is growing at 19 percent. He has suppressed the growth, but he has not changed the reason we got in debt.

I will not vote for a budget that does not address the reason we got in $5 trillion worth of debt. If that is harsh, mean, cruel, so be it. I think it is wise. I think it is smart. I think it is long overdue.

Mr. GUTKNECKT. I thank the gentleman, Mr. Speaker. I want to also restate a couple of important points. One that I think gets lost in all this debate that the gentleman has made that I did not completely understand, and I dare say most Americans do not understand, is that half of the Federal budget right now is effectively on autopilot. These things we call entitlements, Social Security, Medicare, Medicaid, welfare, those are on autopilot, and Congress really has very little control over it. That is one of the reasons it is so difficult.

The other point, if you add in the 16 percent we are paying in interest, which really is an entitlement, you are really talking about two-thirds of the Federal budget which is essentially an entitlement program.

□ 2045

We are trying to balance the budget here in the Congress and really only have direct control over that one-third of the budget.

I want to point out something else that has been lost in all this debate. This is in the Constitution of the United States. A little over 2 months ago we were sworn in, and we were sworn to uphold the Constitution of the United States.

It is pretty clear, reading article 1, section 8 of this Constitution, that the power of the purse is vested with the Congress. It really is ultimately the responsibility of the Congress to balance the books of this Government.

Something happened in 1974, that the Congress began to turn over the power of these entitlements, in other words, divorce them from the congressional oversight that I think they should have. That is one of the other issues I think we ultimately have to deal with if we are going to balance the budget.

I want to welcome to our little discussion tonight the gentleman from Connecticut, CHRIS SHAYS, author of the Shays Act—I always try to work that in for the gentleman—one of the really powerful speakers on behalf of a balanced budget, who serves on the Budget Committee. I yield to the gentleman from Connecticut.

Mr. SHAYS. I thank the gentleman.

I remember the first day when we started this new Congress, and the gentleman basically introduced the Congressional Accountability Act, getting Congress under all the laws that we impose on the rest of the country, to the Congress. This was his first act on his first day as a freshman. The gentleman and his colleagues, other Members who had just joined us, did such a wonderful job of introducing that bill, the rule and so on, and getting that bill passed. I think we Republicans and Democrats alike can take great satisfaction that we now are looking to be under all the laws we impose on the rest of the country, something that we had not been for the last 30 years.

I have been wrestling with really what is concerning me most. I cannot really speak to what is in the President's budget or what is not. All I know is that when I was elected in 1987, the gentlemen all triggered that major point, that I voted on one-third of the budget. Gramm-Rudman, which dealt with what came out of the Appropriations Committee, the 13 budgets out of the Appropriations Committee, the defense budget which was equal to the other 12 appropriations bills, was what I voted on.

Yet we tried to control the growth of spending by basically squeezing the annual votes on the appropriations bill. While we were doing that, we had Medicare, Medicaid, food stamps, agricultural subsidies, and a whole host of what we call entitlements. You fit the title, you get the money. We do not vote on them, they are not sunsetted, they were growing at 10, 11, 12 percent. In fact Medicaid a few years grew at about 20 percent a year. They double every 5 to 6 years. Now they are 50 percent of the budget, and if we do not do anything by 2002, they will be about 65 percent of the budget. We really need to get a handle on it.

The thing that concerns me I think more than anything, and I do not think that history will be kind to Congress over the last few years or the President over the last few years. I am candidly bringing in Republican Presidents as well. Republicans did not want to control the growth of defense and Democrats did not want to control the growth of entitlements, and they both agreed to just let things happen and ignore that we were creating these large deficits.

But what I am most afraid of is, in the last 12 years since 1974, since the end of the Vietnam War, we have had our national debt grow from about $430 billion to $4,900 billion, a tenfold increase.

So what do I think history is going to say about Congress and the White House? I think they are going to say there was a time when they basically decided to let their children and their children's children pay for the bill.

Mr. Rabin, the former Prime Minister of Israel, pointed out on more than one occasion that the job of an elected official, they are elected by the adults but their job is to represent the children. That is really what this is all about: How do we save this country for future generations? How do we leave it better for future generations?

What we attempted to do was get a handle, slow the growth of Medicare, slow the growth of Medicaid, allow those programs to grow and to meet all the needs that they have to meet. But if I could just conclude, I am constantly hearing in this place that we are cutting, and we are cutting some programs but not the ones that are identified. We are consolidating certain departments and agencies. We are eliminating some programs and discretionary spending, but the earned income tax credit, a program to help the working poor, that is growing from $19 billion to $25 billion. The school lunch program, which we were told we were cutting, is growing from $5.2 billion to $6.8 billion.

The student loan program, that is the one that really gets me, it is growing from $24 billion to $36 billion, a 50 percent increase. Hardly a cut. Maybe in this place a cut, but anywhere else around the world it is known as a 50 percent increase.

Just to end, Medicaid growing from $89 billion to $127 billion in the seventh year of our program; Medicare, $178 billion to $289 billion. Only in Washington when you spend so much more do people call it a cut.

We are spending 60 percent more total amount on Medicare. Per beneficiary 49 percent more, from $4,800 to $7,100.

I just hope that we keep the course, I hope we do not let up, I hope we try

to get a handle on this budget for the future generations that ultimately would have to pay the bill if we do not.

Mr. GUTKNECHT. I thank the gentleman. I started this special order tonight quoting Winston Churchill and John Adams' famous quotation, ''Facts are stubborn things.'' I think that we have to continue to share with the American people those facts, because I have found, and we have had an awful lot of town meetings back in my district, when people are confronted with the truth about what is really in this budget, I think overwhelmingly what they are saying is, ''My goodness, you're being far too timid.''

In fact, in the Medicare numbers alone, when you tell people we are going from $161 billion to $244 billion, as a matter of fact, in one of my town meetings I had some school children, and I went through that fairly slowly with them. I said, ''Now, if you go from $161 billion to $244 billion, is that a cut or is that an increase?'' They all looked kind of funny and said, ''Well, that's an increase.'' And I said, ''You're right, but sometimes in Washington that's called a cut.''

Then I go through the numbers again with some of the seniors and I say that we are going from $4,800 average per recipient, because there are going to be more senior citizens in 7 years, we know that, but from $4,800 to $7,100. That is not a cut. That is a big increase.

I think again when you are talking to people who have common sense, whether it is in South Carolina or Connecticut or Minnesota or Florida, anywhere around the country, people recognize that these are significant increases, and if anything we are probably being far too timid in our budget changes.

I yield to the gentleman from South Carolina.

Mr. GRAHAM. I thank the gentleman very much. I have got to let the gentleman from Connecticut [Mr. SHAYS] come in on us in a minute.

We are talking about how much money we are spending over the next 7 years on Medicare, Medicaid, and welfare. But let us look at the reason why we have spent so much money in the past. Why is Medicare growing at 4 times the private sector?

We have increased spending over I think the next 7 years by 63 percent. A lot of money is going to be spent on senior citizen health care at the Federal level. But if you want to get the budget balanced and you want to keep it balanced, you better start now and you better start with entitlement reform. Senator KERREY, a Democrat, said in his commission report that if nothing changes in the next 17 years, the entire Federal revenue stream, all the money coming to Washington, will be consumed by entitlement spending and interest payment on the debt. That there will be no money for the Department of Defense. That is how quickly the interest element and entitlement spending is taking over the revenue stream.

Mr. SHAYS. There will be no money for any department, and any grant and any program for those departments according to Senator KERREY.

Mr. GRAHAM. Right. The good news may be that Congress will not get paid, too. They may like that part of it, but they will not like the other parts, the Government they have come to rely on in the discretionary side of the budget.

But let us talk a minute about what we have done. We have spent a lot of money in additional spending but we have done the most responsible thing you could do, if you have a chance to participate in this great democracy at this level, and that is change the reason we got in debt.

Let us talk a minute about not just how much we spend on Medicare but the improvements we have made to make sure that, one, it does not go broke, and two, that we will have a Medicare system for our generation.

What we have tried to do is we have looked at the private sector, which is a new and novel idea up here, instead of looking to another bureaucracy and to another agency and building more buildings in Washington, we have looked outside the institution itself, outside the Beltway, we have looked in the heartland of America and we have found out that there are some great ideas in health care. Let us create some of those ideas and give options to senior citizens, something new and novel in Washington also for people who rely on the Government to have a menu of things to choose from.

As a Congressman I think we have 3 or 4 health care plans to choose from.

Mr. SHAYS. We actually have 10 programs we can choose and then variations within those programs, so we have lots of choice and we want seniors to have that same choice.

Mr. GRAHAM. Let me give one option that would be put on the market if our bill passed. It is called a medical savings account and I am going to apply it to two people I know and love,my aunt and uncle. When my parents died, I was about 21, I had a sister who was 13, we were taken in by an aunt and uncle whom I am very close to. They worked in the textile industry all their lives in South Carolina. I doubt if they ever made over $8 an hour but they had a good job and proud to have the job. They are retired now, been retired about 3 years. They live off Social Security, they have Medicare as their primary health care, and they have a paper route. They are healthy seniors and God has been good to them. But under the current Medicare system, they have about $46.10 taken out of their Social Security check. That is their part B premium. That money is taken out of their check and it is taken out of Ross Perot's check if he happens to be Medicare eligible and it goes into a fund and it pays doctor bills for senior citizens, 30 percent of the doctor bills. All doctor bills paid under Medicare the funding comes from two sources, a senior citizen premium, like my aunt and uncle pay out of their Social Security check, and 70 percent of it comes out of the Treasury. Medicare has been growing at 12 and 13 percent a year. A huge bill is being sent to the taxpayer because of Medicare growth. They have $110 a month they pay for a Medicare supplement policy because under Medicare it does not pay everything and seniors know this very well. You have got deductibles, copayments. They are paying out of their pocket over $300 a month for the Medicare system that we have today. A medical savings account option, if available, would have saved my aunt and uncle $10,000 in the last 3 years and would save the government a great deal of money.

Here is how it would work. The average senior citizen gets about $5,000 a year from the Federal Government on Medicare. We are going to take a portion of that money, the vast portion of that money, and put it into a medical savings account and do something really extreme, we are going to let my aunt and uncle manage their own health care and take care of the money. They can take out of that account about $4,000 and buy a catastrophic health insurance plan that will be sanctioned by the Federal Government, that will take care of their health needs as Medicare would for any illness over $10,000. They will have a catastrophic health insurance plan bought by the Federal Government, not money out of their pocket. There will be $1,000 left over, and the game goes as follows. From zero to $10,000 is the game that they are going to be willing to play. In my aunt and uncle's case, in the last 3 years, they have never spent over $450 to go to the doctor or to the hospital. They have been lucky. They have taken care of themselves. Under the medical savings account plan, $1,000 would be left over in this account. They could use it to manage their health care needs. That $1,000 would have taken care of every medical bill they have had. They would have had no out-of-pocket expenses, they would have saved over $10,000 over the last 3 years and the Federal Government would have saved money. Why should that option not be available and if they did get sick, if they did have a catastrophic illness, they would have been able to opt into another plan.

Mr. GUTKNECHT. We are doing some remarkable things. What we are talking about with Medicare—let me jump in, and I want to yield to the gentleman from Florida [Mr. MICA]—we are talking about using market forces, personal responsibility, and competition to help control costs. It works everywhere except in Federal programs. That is what we want to experiment with.

I yield to the gentleman from Florida for a quick minute, as well.

Mr. MICA. I wanted to comment, and I thank the gentleman for yielding. I come from the State of Florida. We

have a very large elderly population that rely on Medicare and some who rely on Medicaid. In fact, if you just spend a minute and look at what has been going on in a State like Florida, for example, the Miami Herald did a story last year and identified in Medicare $1 billion worth of waste, fraud, and abuse.

I sat on one of the other subcommittees in what was Government Operations that oversaw Medicaid. We identified about $1 billion in Medicaid in Florida in fraud and abuse. One of the cornerstones of the Republican plan is to create some penalties, to root out waste, fraud, and abuse.

That is the main, major change we have proposed. People can still stay on Medicare. We do offer choices. But, again, we must address the problem of waste, fraud, and abuse.

Let me talk for a second, too, about nursing homes. The proposals that the Republicans have advocated, we provide some change there, also addressing fraud.

But the other major change we have that affects the folks in Florida is, we are not advocating lessening of regulations or wheeling people out on the street from nursing homes. What we have said is we should give people some more compassionate, some more cost-effective alternative. Right now people have to divest themselves of any savings. They must expend all their savings and basically go on this program for the poor or transfer their savings to their relatives.

☐ 2100

Once they have done that, they lie, cheat and steal in some cases to get on the programs or divest themselves of life savings. And then what do we do? We give them one choice. You go in a nursing home.

What we said is why not allow the elderly to live with their families, pay for some attendant care. It could cost one-third, it could cost 20 percent, and they could live with their families. Why not, in fact, give some alternatives they they could stay in their own home and not be forced into a nursing home, and we live longer and can live longer by ourselves with a little bit of help from our friends rather than this one forced option that we are forcing. So we can and we should make a difference for the elderly. And these are the choices we hold out for them.

I thank the gentleman.

Mr. SHAYS. If the gentleman would yield, just to close the loop on both programs, the bottom line to our Medicare plan is we do not increase copayments, we do not increase deductibles, we allow the premium to stay at 31.5 percent, we provide choice.

It is true, we ask the wealthiest of wealthy to pay a higher part for the premium for part B. I think sometimes Republicans do not like people to know we are asking the wealthy to pay more, and Democrats do not want people to know Republicans are asking the wealthier to pay more, but we are in that instance, and that makes sense.

Most importantly, we are allowing for choice in the program and providing for the kind of innovation you and others have talked about. In this way we are trying to work to save the program from bankruptcy and to make sure it can continue for future generations.

Mr. GUTKNECHT. I yield for one last minute to the gentleman from South Carolina. We are just about out of time. The clock is ticking.

Mr. GRAHAM. Welfare as you know it, we want to change it. One key difference, President Clinton's welfare bill says you cannot stay on welfare for more than 60 consecutive months. You can get off for 1 month or 1 day, and have 60 more months waiting on you. Our bill says 2 years, 5-year lifetime, big difference.

Mr. GUTKNECHT. I thank everyone for joining us tonight. As we started with Winston Churchill's quote, ''Truth is incontrovertible. Malice may deride it, ignorance may attack it, but in the end there it is.''

Mr. SHAYS. If we can end with Mr. Rabin's quote that, ''The politician is elected by the adults to represent the children.''

Mr. GUTKNECHT. We have a moral responsibility to make sure we preserve this last best hope. If we do not make some changes, whether in Medicare entitlements, the way the Federal Government spends money, we are going to leave our kids a legacy no one can be proud of. If we continue down the same path, continue to do the same things, we are only going to get the same kind of results.

I wish we had more time to talk about the President's budget. Recently he gave it to us. It is 20 pages, now, not a whole lot of detail, but it really, you know, back in January he said that the era of big government is over, but on the other hand, when you take a look at the budget and get the facts about this budget, you start to see that that obituary may have been written prematurely.

CUTTING ENVIRONMENTAL PROTECTION

The SPEAKER pro tempore (Mr. METCALF). Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I rise tonight because of my concern over some of the statements that were made by my colleagues on the Republican side during this last 1 hour where they talked about the Republican cuts, budget cuts on the environment and the changes that the Republican leadership have proposed with regard to environmental protection.

Particularly, reference was made to the fact that President Clinton was in my State, New Jersey, yesterday and was highlighting the fact that this Congress, this Republican Congress, under Speaker GINGRICH and the Republican leadership, has done everything possible to turn back the clock or try to turn back the clock on environmental protection. The President was in New Jersey because of this concern over the Superfund Program, which is used by the Federal Government to try to force polluters, those who caused hazardous waste sites, to clean up their pollution, to spend the money to do it, and where the polluter cannot be found or the polluter is bankrupted or the corporation has ceased to exist anymore, the Federal Government steps in to do the cleanup itself.

The President was highlighting the fact that under the Republican leadership's proposals and the vast cutbacks that they have made in appropriations or spending for the Environmental Protection Agency, a number of Superfund sites in the State of New Jersey will not be cleaned up this year. In fact, the many shutdowns of the Federal Government which affected the EPA at many Superfund sites, the cleanup has either not occurred or was slowed down completely, in many cases at a considerable cost to the Federal Government. And what he was saying is that this cannot be allowed to continue, that we cannot allow this Republican leadership to turn back the clock on the Superfund Program to make it so that our environmental laws are not even enforced for lack of money to hire people to do the enforcement, which is essentially what is happening.

Now today, our environmental task force on the Democratic side, we have a task force that is trying to address environmental concerns and point out how the Republican leadership is cutting back and turning the clock back on the environment. Well, our Democratic task force issued a report based on a hearing we had a few weeks ago. The report, which I have here, shows dramatically the impact of the budget cuts that the Republicans have put forward on the environment.

What it shows, essentially, is that the Republicans are trying to hide a very dismal record. Anti-environmental legislative riders have been attached to appropriation bills, disproportionate budget cuts have targeted environmental programs, and curbs on enforcement activities have been widespread, which let polluters off the hook and sends the cleanup bill to the taxpayers.

We talk about, in the report, how the Republicans have specifically targeted environmental programs for particularly deep budget cuts. In other words, we know that we have to spend less and we have to downsize the Federal Government, but the Environmental Protection Agency has received a disproportionate share of these overall cuts. Overall funding for the EPA was cut by 21 percent. Pollution enforcement, the cops on the beat, the environmental cops on the beat, have been

cut by 25 percent. What that means is that you have these environmental laws on the books but you do not have any way of enforcing them. The polluters know if no one is out there watching them and they continue to pollute, discharging materials, violating their water discharge permits, discharging into waters and harbors, they do what they think they can get away with.

I would venture one other thing we found in our report and found in the forum, the cuts in environmental enforcement do not save money. In other words, the Republican leadership argues if we cut back on this environmental enforcement, somehow we are going to save money.

Nothing could be further from the truth. I mean, essentially what happens is that the environmental cop on the beat, if you will, those who go out there to find the polluters, they do not find them, they do not issue them summonses and, as a result, no fine is incurred and the Treasury actually loses money because they are not penalizing the polluters.

In addition, a lot of times, when pollution takes effect, it costs even more money in the long run to clean it up, whether it is the water, whether hazardous waste, whatever it happens to be, so the bottom line is it costs the Federal Government more money in the long run.

Some of the previous speakers on the Republican side also made the argument we do not need the Federal Government involved in all of this enforcement activity because the States can do it. I think the gentleman from Florida mentioned that almost every State or every State now has an environmental protection agency or something like it. But the reality is that the Federal Government sets preliminary standards, whether it is clean water, clean air, hazardous waste cleanup, whatever it happens to be. Without those Federal standards in place, many States simply have not historically established standards similar to the Federal ones. So I just wanted to point out we could talk all night. Of course, my time is up now. I just wanted to point out this fact. This Republican leadership is turning the clock back on the environment. I am glad the President came to New Jersey to point that out today.

PREVENTING TEENAGE PREGNANCY

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 60 minutes as the designee of the minority leader.

Mrs. CLAYTON. I have several of my colleagues who will participate with me on this special order as we are talking about the special order on preventing teenage pregnancy.

Mr. Speaker, 30 percent of all out-of-wedlock births are to teenagers below the age of 20. That astonishing reality should be alarming to all Members of Congress and to all citizens of our country. More importantly, the current debate on welfare reform is accelerating the need to address the issue of out-of-wedlock teen births. We want to end welfare as we know it, all of us say, but we do not want to replace it with welfare as we do not want to know it. We do not want to enact legislation that leaves a policy of national abandonment.

As we consider solutions to this issue, we must keep in mind no other industrialized nations with the standard of living comparable to the United States has a problem of this dimension. On the problem of teenage pregnancy, we have the dubious distinction of leading the world.

In January, the national campaign to prevent teen pregnancy began. This campaign is a privately funded nonpartisan effort. The goal of the campaign is to reduce teenage pregnancy rate by one-third by the year 2005. The mission of the campaign is to reduce teenage pregnancy by supporting values and stimulating actions that are consistent with a pregnancy-free adolescence. In order to accomplish this mission and reach the goal, the campaign will first work to raise the awareness level concerning this crisis. The campaign will reach out to national media to help raise awareness and to attract the interest of national leaders and organizations. It is critical that our Nation take a clear stand against teenage pregnancy and that the position be widely publicized.

Enlisting the support of the State and local media will be a vital part of this outreach to strengthen the knowledge base and to educate the public on this issue. These actions will force a national discussion about how religious, cultural and public values influence both teenage pregnancy and the way our society responds to the dilemma.

The campaign's second focus is to encourage and to stimulate innovative solutions through local schools, churches, civic groups, as well as local and State officials. The campaign does not advocate any plan other than community involvement. Each community would determine what would be appropriate and acceptable based on a community's standards and values. Let me again emphasize the national campaign encourages community involvement, but it does not recommend any plan of action. Again, each community would determine the action appropriate for their community plan. The parents, families, churches, teachers, Scout leaders, community members who know these teenagers best would determine what kind of program their communities could use to help their young people avoid teenage pregnancy and becoming teenage parents too early.

I think you will agree these decisions should be made by the community and at the community level by individuals and families who care the most about the greatest need to influence these young people.

I am delighted to have several people to join me today, and Congresswoman MEEK of Florida is going to share some of her remarks with us.

Mrs. MEEK of Florida. Mr. Speaker, I am very pleased to bring the subject of teenage pregnancy to the consciousness of everyone in this Nation, and I think this special order you have tonight will take us a long way to doing that and having people aware of what is going on to some of our best and most valuable resources, and that is our teenagers.

We all know that statistics show us that the baby boomers now have produced a new crop of teenagers, much larger than the baby boomers' population itself, so we are beginning to have more and more of the problems which you have described here.

Tonight I am going to take a few minutes and just talk about what is happening in the State of Florida. Most people know about Florida as a beautiful tourist State. They know about it as the State where the Sun shines all the time. They know about it as being a very warm climate.

The one thing people do not talk about a lot in the State of Florida is that our rate of teenage pregnancy is growing. Our rate of AIDS is growing. As a matter of fact, we are in the top five in this country as far as AIDS and teenage pregnancies. It is something that many of us as policymakers have been afraid or maybe a little reluctant to address as being a problem. But until we change some of the policies, and I think that is where you are on your way to changing some of the policies which underwrite what we do with our wonderful teenage children, certainly we will keep going the helter-skelter way as we are doing now; that is, one State may have a very strong policy, another one may have very little, and another one may have sort of a lukeworm policy.

I guess what we would like to see is that this country would face this as a problem, not to sweep it under the rug. Policymakers would no longer be afraid or a little concerned about the political incorrectness of addressing this problem.

□ 2115

Just to look at the social significance of teenage pregnancies in Florida, and I am talking about births by teenagers who are 18 years or younger in the State of Florida, if you will notice, this particular, I call it an epidemic, is almost a pandemic. But it is an epidemic in that some groups of teenagers, who once did not even have this problem, are now beginning to show an advancement in their teens whether they are white or black or any other ethnic group.

However, because of the policy related circumstances with minorities, teenage pregnancy incidence is much

higher than it is among some other ethnic groups, particularly with nonwhite teenagers. The growth in Florida since 1991, there were 8,274 teenage pregnancies. But now it is reduced a little bit because of some of the many things we are trying to do in Florida to sort of alleviate this problem.

But I do not think we are doing enough teaching and education and teaching youngsters that abstinence is the best policy. I go to the age-old dictum that we were taught, that that was the only way to prevent teenage pregnancy. Now we say safe sex, we say a lot of things. But I think perhaps we may have to go back to some of the age-old policies of combating this, that being not forced, but supported by a State policy.

It costs a lot. Teenage pregnancies cost Florida a lot of money. In doing so, it takes away some other programs that need the same kind of financial assistance.

The regular prenatal care and delivery of teenage babies costs the State of Florida $15.3 million. Now, think in terms of the health care delivery system in Florida. If this money could be placed toward fighting some of the many other health problems in Florida, then certainly we would have had that money to put in that pot.

Also in Florida, teenagers who have babies usually are at-risk babies. The prenatal care is much higher than a regular adult having a baby. So these teenagers bring with them certain deficiencies. One is that, with many of them, the babies have to be treated through neonatal care. That has a very high price tag on it. No matter what you say, these things cost money, and we must do our best to prevent them.

Just take the at-risk prenatal care that Florida spent in 1994 for teenage pregnancies; $16.4 million was spent just for the prenatal care. This has nothing to do with those who repeat and have a second pregnancy after the first one.

The emergency room and hospitalization is $1.7 million, prenatal intensive care, $10.8 million. My hospital in Miami, the public hospital, has a very high cost of parental intensive care.

Also, there is neonatal intensive care. Per client it costs more than any other care. In addition to that, many of them during the first year of life must be rehospitalized, because you remember the teenager's body is not as strong and not built for pregnancy as the adult's body. So that is a problem.

Then what happens when a lot of teenagers have a lot of youngsters? Then there is the cost of special education. Up until the time they are 14 years of age, that carries with it a great cost. I do not think I am trying to say that this is cost prohibitive. I am saying the money the State of Florida spends with teenage pregnancies, which are usually low birth weight babies which need neonatal care, which need very strong prenatal care, that it costs a lot of money.

Then the developmental kinds of services that are needed for the babies which are already born with a strike against them, and that is like the special education, costs $939 million. That is a lot more money, because these children who were born into the bodies of young teenage mothers that are not physiologically prepared costs this special social significance.

Then there are the developmental services, $6.8 million. That is why it is so very important, when you look at AFDC, at least 8 percent of the 8 years of age spends 14 percent in food stamps. If you take 2.5 years, 14.9 percent, and 8 years for 14 percent, the food stamps for 10 years would cost $129.8 million. These figures are statistically correct, but many times a lot of these figures do not include all the youngsters that go through the teenage pregnancy syndrome.

Medicaid in Florida ran up $40.8 million because of the teenage pregnancy problem. The crime, not including the cost, that is $2.6 million.

So I think that education is a key to our problems with teenage pregnancies. I do not think that it can be done altogether in the school. It is a problem in the home, the school, and the community. There is a lot to be done, a lot can be done, because right now many of the teenagers do not understand what makes them pregnant as well as how to take care of a baby born to a teenage mother. There are a large percentage of them born in Florida to teenage mothers. In 1994 it is 13 percent of the babies were born to teenage mothers, and the teenage birth rate was very high as well. Repeat births was like 23 percent in Florida. I can go on and on.

I guess the point I am making here is that teenage pregnancies have a high cost attached to them, not only in the problems to the teenage mother herself, but to the baby.

Regarding the impact of the teenage mother's baby, as it brings forth many things which, I think, if properly educated soon enough and the intervention is made soon enough, something can be done.

Florida has a lot of good programs and is fighting this problem. But we have not come to the point yet that we are able to stop that first child. Usually through education and through programs, we are able to slow down the rate of the second baby. But we still have problems with the first.

I think it is important that you brought this to our attention tonight, and I think we have to really put more focus on it. We need to look at it because it is interlinked very closely with Medicaid, and it is going to cause a problem which many of my colleagues have talked about. I want to thank you for bringing this to our attention.

Mrs. CLAYTON. I want to thank the gentlewoman from Florida for bringing up the Florida experience. Just to emphasize, the gentlewoman shared that indeed there are a myriad of solutions, but basically she felt education was one of them.

In addition to the educational part of abstinence, other educational programs of conception are also needed in that area. They have been successful in maintaining or reducing the second birth, but not as successful in intervening early on.

So I think there is much we can learn from the Florida experience. I certainly want to express sincere appreciation for the gentlewoman sharing that with us this evening.

The gentlewoman from Texas [Ms. JACKSON-LEE] is with us, and I appreciate her joining us.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentlewoman for yielding. Let me thank the gentlewoman for her leadership on this issue and bringing to the focus of America the importance of supporting the National Campaign to Reduce Teenage Pregnancy. I join the gentlewoman in the support.

I support the National Campaign to Reduce Teenage Pregnancy, especially enlisting the aid or help of the media, because teen pregnancy and too early teen births impact the teenager's health, education, and long-term self-sufficiency.

Educational attainment and poverty are related to adolescent child bearing. One million teenagers become pregnant every year, and most of these pregnancies are unintended. A lot of it comes from the lack of information about one's body, a lack of sex education information, and the youngster is simply a child guided by the words of her peers, or maybe the individual that has enticed her into a sexual act that results in the pregnancy.

We have heard much about the social cost of teenage pregnancy in terms of welfare and Medicaid. One-quarter of teen mothers live below the poverty level. But there is also a psychological cost. There is a cost in the future of that young mother and the future of that child.

Advocates for Youth have estimated the annual public cost in 1992 for AFDC, Medicaid and food stamps attributable to families begun when the parents are teens are $34 billion. I imagine that also includes the cost of the prenatal care that they do not get really and the neonatal costs that they have when the babies are low birth rate babies.

However, if we want to address the issue of teen pregnancy, then we must assist teens with a multidimensional program that provides reproductive health information and access, as well as teaching teens to communicate with their partners and their parents. And, yes, I wholeheartedly support the teaching and communication of abstinence and the ability to build one's self-esteem around the ideas of waiting and looking forward to a future and the availability and ability to raise one's child with the best resources possible.

Prevention of at-risk teen behavior should include attention to educational

and employment opportunities. All of us should be concerned when intergenerational teen motherhood affects the long-term chances of teenagers and their families.

I believe that teenage pregnancy prevention must be targeted at both boys and girls. That is a very important point. I have found times when we have spent time with young men, it is very valuable time, to inform them that it is their responsibility too; that their manhood is not intertwined with the creating of a life, and that that life then becomes dependent on them, and their future opportunities may be shortchanged because of the responsibility to this wonderful new life.

Treating teen pregnancy as if it is an issue that affects only young girls is shortsighted and is unlikely to be effective. Adult men are frequently the fathers of children born to teenage mothers. I hope that the link between sexual abuse and teen child bearing are also examined by the National Campaign to Reduce Teen Pregnancy. That is certainly an issue that I am hoping to address in my district.

I urge the media, parents, educators, and all those who care about children to talk with our young people about abstinence and postponement of sexual activity. Teen mothers have approximately a 60-percent chance of graduating from high school by the age of 25. Remember now, a 60-percent chance of graduating, way beyond the normal graduation time, but maybe by the age of 25, and only 60 percent, compared to 90 percent of those who postpone child bearing.

African-American and Hispanic teens who delay child bearing to age 20 are 3 to 5 times more likely to attend college as their counterparts who do not delay childbirth. Again that goes back to the quality of life of that new life that this young parent would bring into the world, the ability of taking care of that child, and warding that child away from the ills of life, the social ills, the lack of getting an education, drugs, the lack of self-esteem because they have not had the nurturing and care that would come about from a more mature parent.

For an African-American family in which the mother began child bearing before the age of 16, the average income is only 96 percent of the poverty level, not even the poverty level, but only 96 percent. The average income rises to 236 percent of the poverty level if she is between 26 to 27 years of age when her first child is born, and 275 percent if she postpones child bearing past the age of 27.

I am concerned about teen pregnancy because too-early births impact the teens and families in my State. In Texas there were 52,859 births to those age 12, underlined, age 12 to 19, in 1994 alone. The combined cost of maternity care and newborn care for these teen births in Texas was $339,407,639.

I have visited the Lyndon Baines Johnson Public Hospital in my community and have seen the neonatal unit with these very low birth weight babies. Loving as they are, and your great desire to love them and care for them and cry for them, we also recognize that we are in some way diminishing their quality of life by their low birth rate. Because of the lack of prenatal care, many of them are born to our teen mothers.

This is something that, if for nothing else, for that child that we want to bring into this world, giving he or she the most that we can give them, that we should emphasize this effort with respect to teen pregnancy. The combined costs of maternity care and newborn care for these teen births in Texas, as I said, some $330 million-plus.

In my district in Harris County, TX, in 1994, there were 3,598 births to teen aged 11 to 17. The estimated cost of maternity and newborn care for these teen births in Harris County alone was $23,102,758. Just a couple of weeks ago we saw the emphasis on teen pregnancy in Texas take national status when it was thought that a 10 year old was on the run who was about to give birth to a child out of wedlock. We now find out it was a youngster of 14. But just the horror of it and the thoughts of youngsters having children, and that does occur in my community.

□ 2130

Let me applaud, however, the school districts, particularly HISD, who have several schools that deal with pregnant teens and teens that have had children, and in particular, they provide child care for those teens. But they also expressed to me the difficulty of keeping those teens in school and again ensuring that those children are getting the best protection and help that they possibly can, both the child that has had the newborn and the newborn, of course.

It is encouraging that the pregnancy rate among sexually experienced teens has declined 19 percent in the last two decades, but there remains much that we as parents and friends of teens must do if we truly care about our young people.

I would also like to applaud the teen clinic in the hospital district supported by Baylor College of Medicine. That has been an outstanding light, Congresswoman CLAYTON, in prevention measures, in encouraging young teens to look differently or in another direction, and certainly after the first child, to discourage them from a future birth until they get their education and secure a marriage partner and have the opportunity to provide for that young child or that newborn.

There is no one program, however, that will work for all teenagers. When we look at the teen programs which have been effective, the teen pregnancy prevention programs have approached this social and personal issue holistically and comprehensively. That is the key. Adolescent pregnancy prevention must include reproductive health, education and access to contraception, along with the emphasis of education and prevention and certainly abstention.

The media must take responsibility for the explicit images of sexual activity that our children see on a daily basis. Might I add, even the media that shows television programs during the hours that you think young children are safe, during the 6 to 8 hours, maybe 6 to 9, the media has to take responsibility without enforcement and without regulation to do that. I am very glad that we have at least passed legislation that will give parents the V-chip to ward off violence, but it will also allow them to ward off unnecessary sexual activities.

The Internet, we must be concerned about that, as we saw sexual connotations and messages coming across the Internet. We must be diligent as parents and guardians of our children to ensure that they are viewing the right messages, and the media must help us do that.

A discussion of the postponement of sexual activity should be coupled with developing teens' communication skills and partners and parents. Finally, teen pregnancy must focus beyond the sexual activity of adolescence. When we talk about at-risk teens, we need to confront the environment which our young people are growing up with. When we see how early teen pregnancy can impact our children's educational attainment and long-term self-sufficiency, we need to confront this national issue of adolescent pregnancy and help our children flourish and develop their full potential.

It is key that we support this national campaign. It has to be combined with schools and churches, religious institutions, parents and nonparents, volunteers and community-based groups and youth support groups, so that we can in fact make sure that this is an effective effort, Congresswoman CLAYTON, and it is one that I accept the challenge of your leadership, but as well as this national campaign, one that I know that we will be working with our community leadership in the 18th district in Texas and Harris County to make sure we continuously work to put our young people first, but to ensure that they provide a good quality of life for the newborn child.

Mrs. CLAYTON. Well, I want to thank the gentlewoman from Texas for that very substantial statement, and also for her sharing what she understands to be a very interrelated problem that is not purely one approach. It is a holistic approach. We have to be engaged from various sectors, and to recognize the value of having good programs in the high school and good programs to encourage people, the young people, not only in terms of sex education but their self-esteem.

You know as I know, young people who feel that they have a future are going to not risk being an early parent. So we have to give hope, we have to

give that, and I am delighted that you are going to do your part in raising the awareness and giving that positive message to young people in your district. I applaud you for what you have done already, hope that you will continue that effort. Thank you for participating.

Ms. JACKSON-LEE of Texas. Well, I thank you very much, and I think that as I close on one point, you raised a very valuable point. I will close on this. When that teen has that first child, we should not abandon them, because we can still work with them to stem the tide or stop any additional births.

Mrs. CLAYTON. Absolutely.

Ms. JACKSON-LEE of Texas. We should continue to keep them in the system, as well.

Mrs. CLAYTON. We should stop a national policy of abandoning children simply because of the mistakes of their parents, but we should not give up on that parent themselves.

Ms. JACKSON-LEE of Texas. That is right.

Mrs. CLAYTON. Because they made the first error. We can still have them turn their lives around.

Ms. JACKSON-LEE of Texas. I think we must do that. Thank you.

Mrs. CLAYTON. This is not just a debate with women and by women. It is a debate that all people are joining, and I am pleased to have the gentleman join this debate. We have the distinguished gentleman from Virginia [Mr. SCOTT].

Mr. SCOTT. Mr. Speaker, I would like to first thank Mrs. CLAYTON for organizing this special order in support of the goals of the national campaign to reduce teen pregnancy. Representative CLAYTON's efforts to highlight this issue of teen pregnancy prevention are certainly timely as Congress continues to debate welfare reform and children and youth issues.

Mr. Speaker, last month I sponsored a public policy forum on health care issues confronting adolescents in the 1990's. That forum was sponsored with the Advocates of Youth, a national organization committed to public outreach and education on adolescent health issues.

The four panelists that were involved in that forum covered issues ranging from the increase in HIV/AIDS in the youth population to the current battles surrounding family life education in school districts. Everyone who attended that policy forum agreed that today's youth face greater challenges than ever before.

The challenges presented by teen pregnancy can seem insurmountable in light of the correlation between adolescent childbearing and education and economic attainment. According to research compiled by the Advocates for Youth, the chance of graduation from high school increases by 30 percent for teenagers who postpone childbearing, and among dropouts, teen mothers are less likely to return to school than others.

The organization goes on to report that early childbearing has an impact on the economic status of teens by not only affecting job opportunities and marital options and family structure, but particularly because of the effect it has on education. In fact, across all ethnic groups, delaying childbirth by just 1 year leads to significant improvement in subsequent economic vitality.

Not only does teen pregnancy affect the teen, but it also affects the entire community. Teen pregnancy prevention has been a priority in my State of Virginia because we have long recognized the devastating effects that early childbearing has on teens and their children and also on the community.

Representative JACKSON-LEE and Representative MEEK both indicated that teenage pregnancy caused expenses in their States. The statement is true in Virginia. One study found that one-half of all of our AFDC case loads, one-half of the people receiving AFDC, began their families with a teen pregnancy. You not only have AFDC, you also have the related expenses like Medicaid and other social services, so we see that it is a very expensive proposition for the community.

As a result, in response to this we have developed several programs to educate adolescents on the issue of teen pregnancy prevention. These programs function at the local level and place their emphasis on mentoring, parental involvement, postponing sexual activity, and the promotion of abstinence.

In addition, Virginia has a mandatory family life education curriculum in its elementary and secondary schools. We have found that these programs have been very instrumental in reducing teen pregnancy, particularly the programs that focus on education, increasing opportunity for our young people, giving them something constructive to do with their time, and giving them adult guidance. As Representative JACKSON-LEE indicated, those who feel that they have a future are not the ones getting pregnant.

We have found that these programs have been instrumental in reducing teen pregnancy and, thus, we have provided Virginia's youth with an opportunity to grow into adulthood without the burdens of early childbearing. These programs share the goals of the National Campaign on Teen Pregnancy, and I enthusiastically support both efforts.

Mr. Speaker, I would be remiss if I did not mention that there are programs in place right now that have been integral in reducing teen pregnancy by offering teens the opportunity for success. These programs involve job training, summer jobs and other activities, other activities to help them stay in school.

Unfortunately, Mr. Speaker, the Summer Jobs Youth Program, job training, Head Start and other dropout prevention initiatives are now at risk because of the misguided priorities in some of our budget initiatives. The recently passed omnibus appropriations bill targeted the Summer Jobs Youth Program for elimination, and drastically reduced Head Start youth training and school-to-work activities. If our goal is to eliminate the obstacles that young people face and instead provide them with opportunity, these programs must be fully funded.

Again, I would like to thank Representative CLAYTON for inviting me to participate in this special order, and I look forward to working with the national campaign on the important issue of teenage pregnancy prevention.

Mrs. CLAYTON. I want to thank the gentleman from Virginia, to say apparently Virginia may be leading the way, and hopefully we can share some of your positive and effective programs that you have. We, too, in North Carolina are beginning that. There are many programs like the Coalition to Prevent Teenage Pregnancy, which indeed has helped that.

I also want to just reemphasize something the gentleman said, and I understood you to say that there are special developmental programs that we need to have in place, too, if we expect young people to be able to have positive opportunity, and those are afterschool programs. There is a summer training program, and these programs need to be in place because there indeed is evidence and research that when young people have idle time, and we feel for them because there is a lot of idle time is going to come in the summer, even when young people have idle time between 3 and 6, between the time they get out of school and when they go home, we know also that young people need supervision.

So we need to interject programs where young people can get engaged in that, and I think it is very helpful.

Mr. SCOTT. You mentioned the time between 3 and 6, between the time they leave school. It is also the time, 6 is the time the parents finally come home from work.

Mrs. CLAYTON. Right.

Mr. SCOTT. It is a time they are unsupervised.

Mrs. CLAYTON. Right.

Mr. SCOTT. Studies have shown that during that time, a significant number of pregnancies occur. We also found that those who think they have a future are less likely to get pregnant. Therefore, college scholarships and other activities designed to make sure those opportunities are available must be fully funded, and cutting back in that area will increase teen pregnancies.

Mrs. CLAYTON. My point is to suggest that young people, we want to instill responsibility in them and positive behavior, but also there is a reciprocal responsibility for society to make sure there are opportunities for work and career and positive development there, and we in Congress can play a part. Others also must play a part.

Again, I want to thank you for participating with that. I also know that this is not just one-sided, it is not a partisan view. Republicans and Democrats have an interest in this, to prevent teenage pregnancy, and I am delighted that my colleague CHRIS SHAYS, the gentleman from Connecticut, is joining me, and welcome your participation.

Mr. SHAYS. I am grateful to have this opportunity, Congresswoman CLAYTON, to participate in this very important dialog, and to salute you for your taking the leadership and making sure that we as a Congress begin to confront what is an extraordinarily serious problem for our country.

I am here to salute you, to participate in this issue, and also to compliment and to praise the President for establishing the National Campaign to Reduce Teen Pregnancy. I know that you circulated a letter, which I would like to read later in this special order. But first to tell you that as someone who is chairing the Committee on Human Resources and Intergovernmental Relations, we are going to be having a hearing on this issue and will obviously be inviting you to help lead that off.

It is incredible, the more I get into it, and candidly, I have not spent the kind of time that I should have, but to think that up to 1 million teenagers become pregnant in the United States, and that 85 percent of those pregnancies are unplanned and that the vast majority of mothers are simply unmarried, to think that teenage mothers are more likely to be impoverished, go on welfare and never finish school, to think what kind of future they have for themselves and the promise that they have for their children who they grow to love dearly.

I think probably more than anything else in my own childhood, what I value the most was that my parents taught me to dream, but my dreams were realistic. I mean, I really felt I could meet those dreams. It is hard for me to understand how a pregnant teenager, a young 15-year-old or 14-year-old who is giving birth is able to think of dreams that get that individual, get her out of the welfare cycle and get her the opportunity to think of being able to live what the American dream is, to think of what it must be like for her children.

□ 2145

I am stunned by the statistics that say that adult males are the fathers of approximately 66 percent of babies born to teenage girls. I am talking about adults impregnating young kids, the thought that, according to the U.S. New and World Report, that 65 percent of teenage mothers are unmarried, up from 48 percent in 1980 and that, most importantly, that 39 percent of 15-year-old mothers say the father of their babies are 20 years or older. Fifteen-year-old kids.

I have a 16-year-old daughter, and it is hard for me to comprehend a 15-year-old daughter, and it is hard for me to comprehend a 15-year-old young girl describing the fact that nearly 40 percent of these young girls are saying that they were impregnated by 20-year-olds or older, and for 17-year-old mothers, 55 percent of the fathers are adults, and for 19-year-olds, 78 percent are the fathers, are adults who have been involved in this relationship.

You sent a letter that you circulated, and hundreds of Members of Congress signed this letter, and I would love to read this letter for the RECORD. You drafted this letter to President Clinton. You said:

''Dear President Clinton, we write to applaud your efforts and those who have agreed to serve in the bipartisan National Campaign to Reduce Teenage Pregnancy. The mission of the National Campaign,'' quote, 'to reduce teenage pregnancy by supporting values and stimulating actions that are consistent with a pregnancy-free adolescence is,' end of quote, ''one that each of us supports, and the goal to,'' quote, 'reduce the teenage pregnancy rate by one-third by the year 2005' is one that each of us endorses.''

We are trying to reduce the pregnancy rate in the next 10 years by one-third. It seems to me obviously like a goal that all Americans could unite behind.

You go on in your letter to say: ''The increase in out-of-wedlock childbearing is alarming. Even more alarming is the vicious cycle into which pregnant teenagers are thrust. The young women, as well as the young men, who become teen parents have few expectations, few ties to community institutions, few adult mentors and role models, and little hope. Many live in communities where crime and drug use are common and where dropping out of school and chronic unemployment are even more common. This is a very costly human burden for our society.''

You then go on to say: ''In addition, teenage pregnancies cause a heavy burden on the federal budget, especially Medicaid funds, one of the elements of the budget that is spiraling. Food stamps and AFDC funds are also taxed by these young people is the dawn of their lives. Indeed, teen pregnancy is a strong predictor of a new generation of disadvantaged. As poverty is the most accurate predictor of teen pregnancy, teen pregnancy is a near certain predictor of poverty.''

Your letter then goes on in three more paragraphs:

''We believe the approach to this problem that will be undertaken by the National Campaign is correct. It is critical that this Nation first take a clear stand against teen pregnancy and, in doing so, attract the interest of more national leaders and organizations. Enlisting the support of the national media in supporting and stimulating State and local action are necessary steps in the effort to reduce teen pregnancy. These and other activities will help to foster a national discussion about how religion, culture, and public values influence both teen pregnancy and the responses to this dilemma. But most importantly we believe the intent of the National Campaign to strengthen the knowledge base, to educate, will be invaluable.''

And your last paragraph: ''The National Campaign to Reduce Teenage Pregnancy should not be bound by politics, party or philosophy. The situation is urgent. By our endorsement of this letter, please note that we stand behind you in the National Campaign. The goal is ambitious, but it is within our reach.''

And I would just salute the President for his establishment of this committee, the appointment of Dr. Henry W. Foster, Jr., as the senior adviser. He will be coming before our committee to begin that hearing, and we are grateful for his participation and for the nonpartisan approach which the President took in naming former Senator Warren Rudman, a Republican from New Hampshire, the former New Jersey Governor, Thomas Kean, a Republican from New Jersey, obviously, and the former Surgeon General, Everett Koop, actress Whoopi Goldberg, MTV President Judy McGrath, chairman of the executive committee of the Washington Post, Katherine Graham. I mean this is a distinguished committee and one which I salute the President for forming.

And again, I thank you for giving me the opportunity to, one, take a stand on this issue, to announce that our committee, because of your work and the work of others, will be holding hearings to alert the Nation of this nearly desperate problem and to hope that we, as American citizens, can do a better job of helping to have our young kids, our young kids, have dreams and hopes and to let them know that they can always be parents, they can always have a child. They just do not need to have a child when they are in school. They can grow to lead blessed lives, and they can grow to mature as individuals before they then try to help a young person grow as well.

Kids raising kids is kind of insane, and it is, I think, that history will look back on our generation, look back on Congress, look back on the White House, not just this White House and this Congress, but for the last few years and the last few presidencies, and say we were really asleep when we should have been awake. I thank you for this opportunity.

Mrs. CLAYTON. I want to thank the gentleman for his very important remarks, but also for his important announcement that his committee is going to have hearings on this subject which I think is going to be substantial, adding to the debate in that you will bring out a myriad of problems. One of the problems you identified indeed is adult males having some liability and responsibility for this whole problem, and we have not been focusing on that. So I am looking forward for the deliberation and thoughtfulness.

Mr. SHAYS. I look forward to working with you and other Members of Congress.

Mrs. CLAYTON. And we are joined by the gentlewoman from California. I am delighted to have Ms. MAXINE WATERS.

Ms. WATERS. Thank you very much, Congresswoman EVA CLAYTON, for your leadership on this issue. I join with you and others in congratulating the President for placing this very, very important issue high on his agenda. I think whether you are a Democrat or a Republican, you cannot help but be concerned about the rate of teenage pregnancy. I understand over 1 million teenagers are getting pregnant each year here in this country and that this rate of teenage pregnancy far outdistances what is happening in other advanced nations in this world.

Mr. Speaker, I have tried to pay some attention to this issue, and when I came to Congress a few years ago, I called Health and Human Services and asked them what could they do, using some discretionary money, to come into an area in my district where this is a problem and help us to create a program to deal with teenage pregnancy, at least find out what is going on. And so Health and Human Services, along with Family Planning, did come into one of the housing projects in my district known as Avalon Gardens Housing Project, and we were very fortunate that we were able to hire a young woman who is greatly interested in working with teen mothers, a young woman who has a background in working with troubled youngsters, and she has been doing an interesting job.

We worked with males and females between the ages of 12 and 25 years old, and in the first year, after the first year, we are very pleased to report that no pregnancies or repeat pregnancies have occurred. Some of the young ladies that we worked with had already borne a child, others had not, and we hoped to prevent them from doing so. And in the first year we have had no pregnancies or repeat pregnancies. But it is very, very work-intensive. We find that the young people in the program, both male and female, are looking for attention. Many have very low self-esteem. Many or all of them are poor. They have very few activities. They travel not far from their home in the housing project. They do not interact in programs and projects outside of the immediate community. They have very little information available to them. When we started to work with them, we found that very few knew much of anything about contraception.

And so the 15 to 20 people per day that she is working with are now involved in various kinds of activities. Some are athletic activities. We have formed a men's club, and we have been able to create opportunities to take them out of the community on some trips. I am pleased to say that some of them were with us last week when we took a group of boys and girls, young men and women, from Los Angeles, so-called south central Los Angeles, to Selma, AL, the commemorate the march from Selma to Montgomery. We did that because we found that most of them did not know very much about their history, surprisingly, not a lot about Martin Luther King, nothing about the marchers, the work that had been done. And in building this self-esteem, we think that that is very important, that they understand who they are, the kinds of sacrifices that have been made for them so that they could be successful in a democratic society, and we think unless there is self-esteem, people do not take responsibility, they do not feel comfortable, they do not have the confidence, and therefore many of their actions are irresponsible until you are able to build self-esteem.

So we are working very hard. This is but a drop in the bucket to what is needed in this Nation to deal with this problem.

Mrs. CLAYTON. It is a good example that you are sharing with us that others can do as well.

Ms. WATERS. It is, and we are very pleased because we really are hopeful. We are very, very optimistic about the possibilities for stemming the tide of teenage pregnancies. We believe that you can create real prevention. It does cost money, and some of the work that is being done that has helped in this area under the title XX is now threatened, and we believe that it is important for us to say to everybody that, if you really care about this issue, if you want to do something to stop babies from having babies, if you really want to get a hold of poverty in America, then we will invest some dollars to create opportunities for these young people and recognize that many of them are from so-called dysfunctional families, families where they, they come from one-parent families, where fathers are missing, and the cycle, this vicious cycle, continues because we have done nothing really to break the cycle.

We know everything we need to know about poverty, and one thing we know for sure is that when poor children bear children, that those children are going to be poor, and most likely those children are going to be the school dropouts. These are going to be the children with health problems. These will be the children who will be caught up in poverty and will not be successful. They will drop out of school because they are being born into the same conditions that their parents were born into when we do not break this cycle.

And so, EVA, I thank you for creating this opportunity for more discussion on this issue. I think we must urge our colleagues to get involved in this in a real way. This cannot be just a political issue used during the campaign. We have got to commit ourselves to embracing our young people, to providing for them opportunities that have not been available, to provide resources to get them out of these situations. And if we do this, I think we can do something about this problem.

Mrs. CLAYTON. I want to thank the gentlewoman from California in not only participating, but also sharing examples of her initiatives and what they do in Los Angeles to bring so much hope.

But she demonstrates one point. As we try to counsel young people, we should not think that this is easy, or not intensive, and is costly because we are dealing with troubled young people. We are not dealing with adults. So you cannot use the same formula that you have in counseling adults in family planning. You have to raise the esteem, you have to do development, you have to have a myriad of opportunity.

And I think she raised another point, is that as we are beginning to use the whole teenage pregnancy issue in pursuing the debate of welfare reform, we should not just do it as a political scapegoating of finding opportunity to hit at vulnerable children, we should not have a national policy of abandoning our children.

□ 2200

Certainly as we move toward welfare reform, both sides say we want to reform welfare as we know it, but we should not move to welfare reform as we do not want it. We do not want a welfare system that, whether by accident or on purpose, we have a national abandonment of children by saying we will not support children if they are born while the parent is on welfare.

This is not to suggest we are condoning it. We do not want it any more than anyone else. But we understand that you cannot punish young people by punishing their parents to make them do the behavior you want them to do. You have to give them a reason, counsel them, and discipline them, and that discipline has to be with having them be responsible.

I again thank all those who have participated. I look forward to continuing this debate, that our colleagues would understand that everybody here has something at stake. If we do not think we do, I think we are missing the opportunity to be responsible as Members of Congress, and we are missing the responsibility of being adults if we do not raise this issue to see our role or our way of participating in bringing the awareness out.

This is not an issue that Congress can do alone. This is an issue, obviously, where we can make a difference. But this is an issue where we have to encourage, as many of you have indicated in your community, where we get many sectors of our community, whether it is the church, the home, Boy Scouts, PTA, a variety.

Also, we have to understand that abstinence is one of those things we teach, but we also have to understand we have to teach contraceptives and family planning. The reality of where our young people are is that. When I was growing up, it was implicit that it

was abstinence. Now we have to make it explicit, to make sure that is one of the things young people know that they have that option.

But we reinforce that when we have opportunity that expands their future, expands their horizon of dreaming. You can dream dreams when people make that opportunity, the connection between work, the connection between education as a future for them.

As Members of Congress, we ought to consider in the whole budget debate, what things are we doing that are disincentives for young people to stay in school. I would submit that our education budget is not one that encourages, that we are investing in education. Certainly taking away the summer program is the wrong way to go if we are talking about making sure that young people are fully engaged during the time of the summer, but there are other programs that we can also do.

Mr. Speaker, I thank all my colleagues who have participated in this special order.

As we consider how and where to reduce spending, we must also not forget that teenage pregnancies cause a heavy burden on the Federal budget.

Medicaid funds, food stamps, and AFDC funds are especially hard hit by the teenage pregnancy problem.

If we want to balance the budget, let us begin by working to bring some balance to the lives of thousands and thousands of our teenagers, involved in premature childbearing.

A recent report to Congress on out-of-wedlock childbearing indicates that 35 percent of all out-of-wedlock births are to women over age 25; 35 percent are to women 20 to 24 years of age, and 30 percent are to teenagers.

One objective of welfare reform, shared by both political parties, is to reduce teenage childbearing. Pending legislation on welfare reform, however, embraces an unreasoned approach to reduce the number of out-or-wedlock births, by denying cash benefits to unwed teenage mothers.

This unreasoned approach is based on the perception that the system has failed and contends that any proposed change, no matter how austere, must be a good change.

Thus, those who propose eliminating welfare benefits to young unwed mothers argue that their approach can't make matters any worse than they already are.

Such proposals appear premised on the belief that if Government ignores teen parents, they will go away or get married. There is little or no research to support such contentions.

Reason, on the other hand, suggests that even if the belief held true for some, there would be many young children and mothers left destitute.

To have true welfare reform we must eliminate the need to pay these monetary benefits rather than just eliminating the funding.

As I stated earlier, we want to ''end welfare as we know it.'' But we do not want to replace it with welfare as we do not want to know it. We do not want to enact legislation that leads to a policy of national child abandonment.

An effort to reduce teenage childbearing is likely to require more than eliminating or manipulating welfare programs.

In fact 76 of the top researchers in this field signed a statement saying, ''welfare programs are not among the primary reasons for the rising number of out-of-wedlock births.''

My opinion on the issue revolves around three unanswered questions. First, if welfare is fueling the growth in out-of-wedlock births, they why do many of the States with the lowest AFDC payment levels have some of the highest out-of-wedlock birth rates? Second, why have out-of-wedlock births increased as the relative value of welfare benefits have gone down over the last 20 years? And third, why do other nations with more generous welfare benefits have lower teenage birth rates?

Teenage pregnancy is just one marker of disadvantaged—one result of growing up poor and poorly nurtured.

But, teen pregnancy is also a strong predictor of a new generation of disadvantaged.

The equation is as simple as this: As poverty is the most accurate predictor of teen pregnancy, teen pregnancy is a near-certain predictor of poverty.

While one in four American children now live in poverty, a 1991 report from the Casey Foundation compares the children of two groups of Americans: those who finished high school, got married, and reached age 20 before having a child and those who did not.

Of children in the first group, the poverty rate was 8 percent; in the second group the poverty rate was 79 percent.

Among teens, more births occur out-of-wedlock today than occurred 35 years ago.

This increase in out-of-wedlock births can be attributed to the certain changes in marriage patterns, sexual behavior, contraceptive practices, abortion, and the composition of the teenage population.

Young men and women are increasingly delaying marriage but not sexual activity. Teens make three sets of choices about sexual behavior and its consequences.

The first is whether and when to start having sex.

The second is whether to use contraceptives.

According to studies, in making the third choice—whether to become pregnant—the distinctions by income are dramatic.

In 1994, of all women age 15 to 19, 38 percent are defined as ''poor'' or ''low-income''; of these same women, 73 percent were projected to become pregnant. Of the 1 million teens who become pregnant each year, about half give birth, about 40 percent choose abortion, and the remaining 10 percent miscarry.

Once a teenager becomes pregnant there is no good solution. There is pain in adoption, there is pain in abortion, there is pain and suffering in giving birth and parenting a child. The best solution is to prevent the pregnancy.

Young people who believe that they have real futures to risk have real incentives to delay parenting. That is why when we demand responsible behavior, we have a reciprocal obligation to offer a real future beyond early parenting and poverty.

Reducing teenage childbearing is likely to require more than eliminating or manipulating welfare programs. Experience tells us that threats and punishment are not the best way to get teens to behave in a way that is good for them.

The most successful approach to reducing teenage childbearing is to design policies and procedures that are targeted to encourage positive developmental behavior through beneficial adult role models and job connections.

We must implement pregnancy prevention programs that educate and support school-age youths—10 to 21—in high-risk situations and their family members through comprehensive social and health services, with an emphasis or pregnancy prevention.

On average, it takes teens 1 year after becoming sexually active to receive family planning services.

The pregnancy rate among sexually experienced teens actually fell 19 percent from 1972–90, suggesting that teenagers who have access to birth control and are motivated have been successful at preventing pregnancies.

A recent study conducted by the Johns Hopkins School of Hygiene and Public Health analyzed the value reproductive clinics and other health care providers had when given an opportunity to intervene and provide contraceptive counseling to a group of sexually active teenage girls before they became pregnant.

The study shows that spending money on counseling these teenagers could help reduce future pregnancies.

Teenage girls seeking pregnancy tests are already sexually active, so even the most determined fundamentalist cannot claim that the clinics are telling these teens to have sex.

Unfortunately, clinics struggling for funds have a disincentive to serve teenagers who, by and large, cannot pay.

In addition, counseling teenagers is quite expensive because they need more attention than older women.

In the study, most girls who came for a test had reason to believe they might be pregnant: a late or a missed period.

But, a significant number—almost 14 percent—believed there was little chance they were pregnant.

One has to wonder why they came to the clinic. Perhaps it was a way to get someone that they could trust to talk to them.

Devoting more resources to preventing teen pregnancy will not only save us money in the long run, but it will improve the health, education, economic opportunities, and well-being of these young women and their families.

Supporting the National Campaign to Prevent Teen Pregnancy is an ideal way to acknowledge the problem of out-of-wedlock teen births. I urge all of my colleagues, Democrats, Republicans, and Independents to join in the campaign's effort.

THE 100TH ANNIVERSARY OF SPARROW HOSPITAL, LANSING, MI

The SPEAKER pro tempore (Mr. METCALF). Under a previous order of the House, the gentleman from Michigan [Mr. CHRYSLER] is recognized for 5 minutes.

Mr. CHRYSLER. Mr. Speaker, I rise today to recognize the proud history and accomplishments of Sparrow Hospital of Lansing, MI, which celebrates its 100th anniversary on March 18, 1996.

In the spring of 1896, a group of young women met at Lansing's Downey Hotel to discuss the growing need for a community hospital in the developing capital city. Armed with sheer determination, the 114 charter members of the Women's Hospital Association set about to raise funds to buy the local DeViney House, located on West Ottawa Street. Having just $400, they were forced to rent instead.

Not easily discouraged, these women opened and operated an 11-bed hospital, hired a doctor and a nurse, and donated their own linens.

As the needs of the community continued to expand, so did the needs of the facility. Expanding the operation several times, the hospital was finally located on a plot of land donated by Edward W. Sparrow—one of Lansing's pioneer developers.

Edward Sparrow donated the land at 1215 East Michigan Avenue and $100,000 to build the new hospital. Two years later on November 6, 1912, the 44-bed Edward W. Sparrow Hospital opened its doors. At the dedication ceremonies, it was avowed that the purpose of the new hospital was for ''receiving, caring for and healing the sick and injured, without regard to race, creed, or color.''

Sparrow Hospital in the years after has lived up to this purpose. Sparrow is a nonprofit organization, guided by volunteer boards, comprised of people representing a wide spectrum of community interests.

Through the efforts of its founders, and legions of others in the community, Lansing's first health service has grown to become today's Sparrow Hospital and the Sparrow Health System—a place where highly trained professionals work together to perform daily miracles.

Sparrow blends the knowledge and expertise of over 600 physicians, nearly 3,000 associates, and 1,400 volunteers with the most advanced technology, serving as a comprehensive health system for an eight-county population of nearly 1 million residents.

Sparrow is the regional center for pediatrics,burn treatment, cancer care, radiation therapy, neurological care, high-risk obstetrics, dialysis, and neonatal intensive care. Each year Sparrow treats over 120,000 residents, and Sparrow Health System services improve the health of thousands more.

The volunteers who first founded Sparrow and the continued community interest have made Sparrow Hospital and the Sparrow Health System the special place it is today. This spirit of volunteerism and community development will serve as a lasting legacy to the mid-Michigan community.

I would like to congratulate and commend all the individuals involved with the successful first 100 years of Sparrow Hospital, including the community itself, in celebrating this historic accomplishment.

OBJECTIVES OF NEW REPUBLICAN MAJORITY IN 104TH CONGRESS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Connecticut [Mr. SHAYS] is recognized for 60 minutes.

Mr. SHAYS. Mr. Speaker, it is not my intention to use the full hour, but I would like to address the Chamber in regards to a number of issues dealing with what we are seeking to do in this new 104th Congress, this new Republican majority.

Mr. Speaker, I said earlier in part of a special order that former Prime Minister Rabin, the Prime Minister of Israel, had said that politicians are elected by adults to represent the children. I am struck by the power of that statement, because really what our task is as Americans, certainly in government, is to leave this country better for the generation that will follow. That is what our forefathers did for us. They founded a country and left it better for us, and we have to leave it better for our children.

Mr. Speaker, we have three main objectives in this Republican Congress: This is to seek to get our financial house in order and finally to balance our Federal budget, we are looking to save our trust funds, particularly Medicare, from insolvency, bankruptcy, and we are looking to transform our caretaking, social, corporate, even farming, welfare state into what I would refer to as a caring opportunity society.

We are not looking to throw our hands into the air and say, ''Listen, this is not a problem with the government, you're on your own.'' We are looking to help people grow the seeds. We just do not want to keep handing them the food.

We as Members of Congress have a solemn pledge to do a number of things, but obviously one of them is to vote on a Federal budget each year.

What some of the listening audience may not know and something I did not fully grasp, even after I was elected a Member of Congress in 1987, was that whereas on the State level I voted on one budget, here in Washington we vote on 13 separate appropriations bills, but they only constitute one-third of all the spending that we do in Washington.

When we vote out a budget, we are voting on one-third. When we vote, we vote on one-third. We think of how we spend one-third of the budget. Fifty percent of the budget is literally on automatic pilot. It is what we call our entitlements, it is food stamps, Medicare, Medicaid, welfare for mothers and children. It is agricultural subsidies. You fit the title, you get the money. We in Congress do not vote on it each year. It is on automatic pilot.

I can remember early on in my career as a Member of Congress, I would go back in a community meeting and I would say ''I voted to cut spending,'' and they said, ''I know you did, but how come it keeps going up?'' It is a good question. I went back to my office and I said, ''How come if we keep voting to cut spending and they actually pass, the budget keeps going up?''

I realized that in Washington, unlike any place I have ever been before, they use what they call a baseline budget. They say this is what it cost this year, and to run the same level of service, if it cost $100 million this year, and it is going to run to the same level of service, we spend $105 million to run the same level of service. So then if you only appropriate and spend $103 million, Washington calls it a $2 million cut.

If it costs $100 million and you spend $103 million, how can you call it a cut? It is a $3 million increase. The argument is you have more people and you have inflation, and so that is the baseline. Therefore, anything cut from the baseline is cut. I guess that is how you get these outrageous predictions that when we have voted on the budget that we have cut things like the earned income tax credit. This is a payment that goes to a working person who pays no taxes because they do not make enough to pay taxes, so they actually get money from the Federal Government.

The earned income tax credit was a program that was really inaugurated by Republicans but then expanded by Democrats, and the program is simply at a point where it will become the largest entitlement if we do not slow its growth. So we are allowing the program to grow from $19.9 billion in the last year to, in 2002, 6 years from now, $25.4 billion. That is referred to as a cut, and yet it is going from $19.9 billion to $25.4 billion. Only in Washington when you spend that much more money do people call it a cut.

The school lunch program, remembering the President and legislative leaders on the other side of the aisle literally going to schools, telling kids that they are going to lose their school lunch program because of what this new majority was doing in Congress. Yet when I look at that program, it is growing from $5.2 to $6.8 billion in the seventh year. Only in Washington when you go from $5.2 billion to $6.8 billion do people call it a cut. It is not a cut, it is a significant increase in spending. Admittedly it is not growing at 5.2 percent, it is growing at 4.5 percent. Then we are allowing States to reallocate 20 percent of that money for other programs dealing with food for Kids.

The student loan program, I was outraged when I heard Republicans were going to cut the student loan program, because, I mean, that is what the President said and the President would be, it seems to me, wanting to be accurate in his statement. When I questioned my own colleagues, I wrestled with the fact that the student loan program last year was $24.5 billion. In the seventh year, in 2002, the year we balance our budget, it grows to $36.4 billion. That is a $12 billion increase, $12 billion on top of the $24 billion spent last year, a 50-percent increase in the student loan program We are still allowing students to borrow up to $49,000. The average loan will still be $17,000.

What did we originally attempt to do? When a student graduates, they are given a grace period of 6 months before they have to start paying back the loan. The Federal Government, the taxpayers, men and women who work who pay money into this general fund of the Federal Government, were paying and are paying the interest from

graduation to that first 6 months. Our proposal was that you simply take that period of 6 months and you say that student pays the interest, and we amortize it during the 10 years that the student is allowed to pay back the loan. In some cases they are given more than 10 years, but 10 years tends to be the average.

□ 2215

So we are saying that a student will have to pay the interest from graduation to the first 6 months, and no longer it will be the taxpayers. Believe it or not, we save in the 7 years about $4 billion doing that, close to it.

Now, what did it amount to in terms of the student costs? Because we amortized it during that 10-year period, it amounts to about $9 more for the average $17,000 loan. Nine dollars more is the cost of a pizza. It is also the cost of a move and the most inexpensive soda.

I have no trouble whatsoever telling the student who has borrowed money from the Federal Government at lower interest rates that they are going to pay $9 more a month in order to save $4 billion for the taxpayers of this country.

So we are increasing the student loan 50 percent, not cutting it; increasing it.

The Medicaid program, which is health care for the poor and nursing care for the elderly poor, it is growing under our plan this last year $89 billion to $127 billion. Only in Washington when you go from $89 billion to $127 billion do people call it a cut. It is not a cut. It is a significant, almost a gigantic increase in spending funded by the taxpayers.

Medicare is going to grow from $178 billion, which it was this last year, to $289 billion, over $100 billion more spent in the seventh year than spent today. We will be spending 60 percent more in the course of the seventh year to what it was last year, and people say, well, that is 60 percent more. But you have all of these elderly people who are growing into the system. It is accurate we do have more elderly, but on a per elderly, it is going to grow 49 percent, going to grow from $4,800 to $7,100 per beneficiary.

What we are doing with Medicare? We are going to save $270 billion, that number, by the Congressional Budget Office, was moved to $240 billion. The President called it a cut. We viewed it as a savings, particularly since we knew we were going to spend more each and every year. I mean $4,800 per beneficiary. Per senior, the $7,100 is a significant increase, not a cut, a significant increase, a 50 percent of 49 percent increase per beneficiary in the seventh year. But referred to as a cut.

I was trying to wrestle with this idea how the President and others and my colleagues on the other side of the aisle could call it a cut, and it would be like if my daughter was able, if we were able to afford it, we told our daughter that she could buy a new automobile, she could buy a Taurus automobile for $20,000 retail price and the dealership A sold it for $20,000 and dealership B sold it for $17,000 for the same automobile instead of 20.

I would hardly tell her that the $20,000 we gave her to spend that she was foolish and irresponsible because she saved $3,000 buying the same automobile. Now like in the argument that she could buy this automobile for $20,000 in one dealer and buy a better automobile, one that had a sunroof and had a few extra points, a better engine, other features to it, and if she bought it for 17, I would hardly say that she cut the program, that she was foolishly saving but not saving, cutting, when she was doing what I would hope any rational person would do, get a better program and spend less to do it.

Now, how could we possibly say that by saving $270 billion we are or $240 billion later, scored by the Congressional Budget Office, we are getting a better program? That on the face of it seemed like it looked too good to be true.

I think most seniors could answer why it is true. There is not a senior, not a senior who cannot describe the extraordinary fraud in some cases, and the outrageous abuses we see in this program. It is a great program, but it is a very, very wasteful program. We look to save money. We save $240 billion in Medicare by not increasing the copayments on seniors. Maybe we should have, but we did not. Not increasing the deductible, maybe we should have. We did not. Not increasing the premium on seniors, we kept it at 31.5 percent. Now, 31.5 percent of the premium, that is on Medicare part B, is going to cost more each year because 31.5 percent, as health care costs go up, that premium will cost more the taxpayer, though, is still going to pay 68.5 percent. That tax revenue is coming out of general funds. We have Medicare part A, which is the hospital program, and we have Medicare Part B, the health care services, all the equipment, all the doctors costs, all the other costs associated with serving health care, non-hospital costs.

Now, what we learned last year and actually in the years before, we were being told, not listening, this Congress is the first Congress that said we are going to do something about it, we learned that Medicare was going to go bankrupt, insolvent, starting this year, according to the trustees, five of whom are the President's appointees, and we learned that, in fact, this was going to happen.

So what we looked to do is to save money in the Medicare part A trust fund and save money in the Medicare part B trust fund. We looked to do that so the program would not go bankrupt. What we then found out is last year, instead of $4 billion more going into the fund than going out, in Medicare part A, did not happen. In fact, $36 million more went out than went in; $36 million in this program is not gigantic, but we were supposed to have $4 billion more coming into the program, which did not. I mean that sets off alarm bells to any rational person. That says, my gosh, this fund is going insolvent 1 year sooner than we were told and by $4 billion more than we expected that it would happen.

What did we do then? We did not increase the copayment. We did not increase the deductible. We did not increase the premium. We left it at 31.5 percent. What did we do? We said the wealthier, if you made more than $125,000, would have to pay all of Medicare part B, not just 31.5 percent, all of it. It is still the best deal in the world for seniors. But if you make $125,000, that is not well known, Republicans do not like the wealthy to know we want them to pay more, I guess it is not the Republican thing. I am hard-pressed to know why Democrats clearly do not want people to know Republicans are asking the wealthier to pay more, because Democrats like to tell people the Republicans just want to help the wealthy and hurt the poor. That is simply not true. But that is what they like to say. So Democrats are not sharing that the wealthier are paying more and Republicans are not making that point either.

The fact is if you make over $125,000 of taxable income, you will pay all of Medicare part B. That gives us $9 billion more of our $244 billion savings. Where do we find the biggest savings? The biggest savings is not we slow the growth of payments to doctors and hospitals, which we do, not as much as the President, but we do, the biggest savings is that we allow seniors for the first time to have choice in Medicare.

Why would that save money? Because the Federal Government does such a pathetic job of controlling the growth of these programs that there is just simply a lot of opportunity to save. Now, we are allowing private sector, the private sector to get involved. When the private sector gets involved, they cannot say you are going to get less than you are going to under Medicare part B, they cannot say that because they are not allowed to have that happen. They have to provide the same level of service or better.

The fact remains, if they cannot offer anything less and charge less, they have to attract seniors. The way they attract seniors is they say we will give you eye care, dental care, we will give you prescription care, costs of helping pay prescription drugs. They will also in some cases say we will rebate the copay or deductible, maybe we will pay the Medigap. That is the difference between what Medicare pays and what the beneficiary has to pay. Quite often they want to shield themselves from any costs, so they simply buy a Medigap program.

There will be some private sector groups that will come in and do all of the above or part of the above, but they will make it less expensive than it is for a senior today.

Now, seniors can stay in the old system. They can stay in the fee-for-service. They can get Medicare just as they

have gotten it. They do not have to leave. If they leave and they do not like the program, they do not like the program, what they do, they leave, they have the opportunity to go right back into the private care model. They have the opportunity to go right back every 30 days for the next 24 months.

A senior who moves into private care who does not like it, maybe does not like the doctors, does not like the program, does not feel they are getting the kind of care they want, does not think the Medigap coverage or the dental care, prescription care, warrants their leaving their fee-for-service, they can go right back into the traditional fee-for-service system.

It is amazing, but the plan saves an extraordinary amount of money because the private sector simply is going to police the system better than the Government sector does.

Now, I chair the Medicare task force and Medicaid task force for the Committee on the Budget. I am also chairing the Human Resource Committee that oversees the Department of HHS. We oversee HUD, Labor, Education, and Veterans Affairs, but we also oversee HHS, Health and Human Services. That means we oversee FDA, HCFA, which is the Health Care Administration, that basically handles Medicare programs. We oversee the Centers for Disease Control. We have looked into the Medicaid program, the Medicare program. It is astounding to know that we have contracted out to private carriers simply to police the system, but we do not give them any incentives to do it right.

Basically, the carriers do not have the bottom line kind of ability in a bill that is presented on Medicare, if a doctor takes care of someone's broken or sprained ankle, and they do a chest x-ray, which is clearly not related to the sprained ankle, they can submit the bill and know it is likely it will be paid, even though it should not be paid, because HCFA does not require any more than 5 percent of the bills to be checked and only less than 1 percent, less than 1 percent of all the dollar amounts of bills to be checked.

So what has the GAO told us, the Government Accounting Office, what have the inspectors general told us? They said, if there was a basic auto-adjudicated system, with software to kick out these inappropriate bills, the Federal Government would save about a half a billion dollars.

Well, that is your government at work. The Government, your government at work chooses not to save a half a billion dollars. The Government has set up a Byzantine system of changing the purchase of health care products. We know that the Veterans' Administration is able to buy a particular product that Medicare pays, and for the last 4 years has paid $4 billion more than the Veterans' Administration pays for that same product. In other words, if we paid the same price for what the Veterans' Administration pays for that particular product, the Federal Government, the taxpayers, would have saved over $4 billion.

I can go on. I mean, why is it that men under Medicaid are sometimes, and Medicare, Medicare particularly, why would they have been charged for giving birth. It is humanly impossible, but it happens. And we go on and on.

I mean I had in one of my community meetings, I always have people come up and tell me the outrageous bills that they get. One of them was a nurse, and she said she knew health care services, she knew that this bill was incorrect. She had looked at it, knew it was incorrect, and went to the hospital. The hospital said, well, we are not properly paid by Medicare, so we have to find other bills in order to get what we think we are properly due.

It is why doctors sometimes go into nursing homes, poke their head in a window, Emily, how are you doing, John, how are you doing? They see 15 people in 15 minutes, and they are able to make out like bandits. I mean I can go on and on.

One of the ways we save in our Medicare plan is that we make health care a Federal offense, finally we prevent people from going State to State. We are going to save billions of dollars by finally getting tough, finally in a Federal way against abuse in Medicare.

Now, there is lots I could deal with and talk about as I yield the floor. I do not want to just make mention of a few more issues. I know this looks like a food fight to a lot of people. Republicans and Democrats on the floor yell at each other. I am not proud of that. We look like Little League deciding who is safe at second. In fact, we probably are doing a disservice to Little League to say we look like Little League. They might take issue at that. We are pretty childish at times.

I guess my point to this Chamber, to put it on the record, is that this is not a food fight. It is an epic battle about what kind of country we are going to become. I look and think of what we have done, allowing the Federal debt since the Vietnam War to go from $430 billion to now $4,900 billion. In 22 years, in 22 years, we have allowed the Federal debt to increase ten-fold. That is during the time of peace. It is not during a time of war when you just spend whatever you have to spend and then you pray that you will succeed in your battle against, in this case, Hitler's Germany. We just spent what we had to and we ended up with a sizable debt.

But since the Vietnam war we have allowed the debt to increase ten-fold, ten-fold in 22 years. I think of what I like to think of myself, as a historian, I certainly would appreciate it, that was my college degree in American history. I think of how historians graded the Congress after the death of Lincoln, the Reconstruction Congresses.

□ 2230

It is not a proud time in our history, the time after the Civil War. I think that historians will look at the Congresses over the last 22 years, and even the White House of both parties, and say this was not our proudest moment. I think I am being kind. I think they will say it was one of the darkest times in our history, when we have literally been willing to mortgage our children's future for present-day expenses.

I do not think that when historians will look at what we have done in Congress, in the White House, and, candidly, I think historians will be not complementary even of the American people, because the American people, as much as they may feel they are not part of this process, they are very much a part of it.

I would have liked to have shut down the Government after Thanksgiving break and not open it up. I was on the losing side in my own conference. I think it was a mistake to open the Government until we balanced the budget. I regret dearly that we did.

I think it is a mistake to vote out increasing the national debt until we come to grips with the balancing the budget. I prayed that Congresses of earlier years and the White House of earlier years would have, at least one of them, would say no more, we are not going to allow these deficits to continue. We are not going to mortgage our children's future. We care to leave this country better than we found it. If only 10 years ago a Congress or White House, one of them had said no more, we are not going to allow this to continue.

So I say well, you know, it did not happen. We are not going to shut down the Government I do not suspect. We crossed that line, and I guess we will just continue working day by day until the White House and Congress come to grips. We need to have an agreement, but it cannot be a superficial one. It has got to be a substantive agreement.

How did I start this special order? I started this special order by pointing out that 50 percent of our budget are entitlements. Fifty percent of our budget. We do not vote on them, they are on automatic pilot. Only one-third of the budget is what we vote on, the 13 different budget items.

Congress has the upper hand in the negotiations with the President on appropriations. He vetoes a budget, the Government shuts down. That is not good necessarily for us or the President, but it calls the question. And it is certainly not something Federal employees wanted. They are caught in the middle.

But it is much bigger than Federal employees. It is whether we are going to finally come to grips with the budget. When the President vetoes entitlements like he did, when he vetoed our balanced budget bill, when we wanted to reform Medicare and Medicaid and welfare, what did we end up with? Not nothing. We ended up with what exists, the automatic pilot, what is existing law.

So for Congress to simply cave in and allow the President to allow and force

us to spend more on appropriations without a corresponding change in entitlements would be very foolish and irresponsible, in my judgment.

I learned a great term when I was in graduate school when I was getting my MBA and MPA and majoring in economics, a concept I wish I had learned earlier. It is called opportunity costs. If you spend money here, you give up the money to spend it here. If you spend money here, you give up the opportunity to spend it here. If you spend some money here, you can maybe spend some money here. But you give up opportunities, depending on how much you spend.

Our entitlements are growing at 10, 11, 12 percent. If we do not get a handle on the growth of Medicare and Medicaid, if we cannot slow Medicare and Medicaid to about 7 percent a year, and prevent them from growing at 9, 10, 11 percent, if they go up at 9, 10, 11 percent, then the appropriations part of our budget is going to be continuing to be squeezed and squeezed and squeezed. Our need to help our young children dealing with teenage pregnancies, a whole host of things I think are necessary, are simply not going to be able to be funded, if we just allow entitlements to grow and grow and grow.

I know a number of good Members in both the House and Senate are quitting. They say this is not a fun place anymore. I am hard pressed. I have been here 7 years and I love this job, and I have never felt I have been critical of serving in Washington. I love Washington. I love this opportunity. I mean, this Congress was formed by our Founding Fathers in the Constitution of the United States. I mean, I look at this flag with great reverence. I look at the Constitution with great reverence, and I look at what the Constitution did. It established a Congress, it established a Senate, it established a White House, and they knew there would be times we have disagreements.

Our Founding Fathers knew that sometimes it might even look like kids, but they knew that ultimately we would have a system to resolve our differences.

So I just ask the American people to see beyond just this debate that seems to not be as substantive as they want, and look for the fact that this truly is an epic battle. I would encourage some of my colleagues who are quitting and not running again because they say this is not a fun place to level with the American people and acknowledge this really has never been a fun place. It has been an important place, but not a fun place.

Candidly, I am not so sure it matters whether it is a fun place anymore. I am not even certain that the issue of whether we are always civil to each other is an overriding issue. It is not pretty to look at, and I regret it and like to think I am not a part of that kind of dialog. But when I see some of the people I have admired over the years quitting, and I admit I do not walk in their shoes, their moccasins, I do not know what their life experiences are, but it seems to me on the outside looking in on what they are doing, that they really were part of a Congress over the years that allowed us to get in the mess we are in.

We are in this mess, and it is very serious, and it requires a lot of heavy lifting. We have got to confront the seniors, we have got to confront the young, we have got to confront the rich and poor, and we have got to come to solutions to our problems.

It is a very contentious time. My take on their leaving, not to be unkind, is that simply that now that the difficulties are here, now that we are clawing to get out of the deep hole we find ourselves in, they are quitting. They are quitting when it is tough. They helped get us in this mess, and, frankly, I think they should stay to help get us out of this mess.

When I hear a colleague say, ''Well, now that I am not running again, I can really be honest with the American people,'' I am thinking to myself, why were you not honest when you were running? Tell the American people the truth. They are going to have you do the right thing. Tell the American people things that just simply do not add up, and they are going to give you confused messages. So I think it is a shame they just did not tell them the truth while they were candidates. If they told the American people the truth, I do not think we would be in the mess we are in today.

Mr. Speaker, with that, I have a sense you were not sure that this was going to be as long a time as it has turned out to be, and I notice a colleague on the other side of the aisle, so you will probably be here a little longer than you wanted, but I thank you for giving me this opportunity.

SUMMER YOUTH EMPLOYMENT PROGRAM

The SPEAKER pro tempore (Mr. METCALF). Under the Speaker's announced policy of May 12, 1995, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, the hour is late, and I will try to compress my remarks into about 30 minutes.

Mr. Speaker, I think it is very important that we realize also that the hour is late for the funding of the Summer Youth Employment Program, and that is the subject which I feel compelled to talk about tonight. We are going to be talking about it more this week. The members of the Congressional Black Caucus at a meeting on Friday decided we would make this item a priority item this week and try to rally our colleagues, both Democrat and Republican, to come to the aid of the young people in our country.

Most of those young people reside in big cities, and that is where most of the money for the Summer Youth Employment Program has traditionally gone, to big cities. That is where the population is, in big cities. It has gone to big cities because that is where the poor young people are.

There are requirements for the program. It is a means-tested program. You have to be poor. You have to meet certain standards in terms of poverty before you can participate in the program.

So it has gone to the big cities, where the poor youth are. It has gone to a large number of minority youth, Hispanic and African-American. It has gone to a large number of young people who come from poor neighborhoods that do not have people voting as they should vote, so they do not have much political power.

For all these reasons, the program seems to have become very unpopular, certainly become a cast-off by the leadership perhaps in both parties. But certainly the Republican majority in this Congress seems to delight in going after the Summer Youth Employment Program.

The Republican majority in the rescission process more than a year ago zeroed out the program. It was zeroed out for 1995, the past summer, and zeroed out for 1996 and forevermore.

Why does this Summer Youth Employment Program merit being targeted for the hostility of the Republican majority in this Congress? I do not know. I cannot understand. There are protestations from both sides of the aisle about being concerned about young people, about being concerned about youth. We have heard some eloquent speeches tonight about being concerned about pregnant teenagers.

Well, I think one of the speakers said if you are concerned about pregnant teenagers, that means you have to be concerned about programs that impact on both males and females. So we are talking about male and female youth and being concerned about them.

Here is a program that is targeted to young people in a very direct way. Here is a program that does not have a lot of red tape. Here is a program that does not have a great deal of bureaucracy. The money goes to young people to pay them to do jobs in the summer. The money goes to young people to pay them for about 2 months, I think it is an 8-week program. They work at minimum wage. They work for a limited number, 6 hours a day for 4 or 5 days a week. It is a very short program, about 30 hours, I think, a week.

For a small amount of money, it reaps a great dividend. There are many young people who have never been employed before who are employed for the first time. They learn good work habits. They get a sense of worth, self-worth.

I was surprised the other night as we were talking about the dilemma of the Summer Youth Employment Program that one of my assistants who is a college graduate already, she does a lot of my case work and who voluntarily works with young people, was talking

about how upset the young people are about the fact that the summer youth program appears to be lost. Normally at this time of the year, there is notification that there is a program and there are dates already offered as to when you can file your application and the process has already started. But they were told it is a hazy situation at best, and, at worse, we have to recognize the fact that there is zero in the budget for the Summer Youth Employment Program.

Yes, the President did ask, I think, for $900 million for this year's program. I think the budget for the previous was $1 billion. He asked for $900 million-some in his budget. But the Republican majority zeroed that out. They asked for zero. The Senate, the other body, has not made any effort to put the Summer Youth Employment Program back in either.

The Republican majority zeroed it out for 1995, but it was saved by the Senate before. The other body put it back in in the conference process. We regained a program that was of a smaller size, but it was nevertheless a program. I think you had more than 600,000, about 700,000 young people serviced in the 1995 program.

I might add that is a long way from the original Summer Youth Employment Program. They used to serve in New York City, for example, 90,000 young people in the summer. New York City is a big place, with 8 million people and a lot of young people. Our school system has 1 million young people in school. Of that number, teenagers are about 400,000. So of that 400,000, 90,000 received jobs at the height of the program in the late 1960's and the early 1970's. I know, because I was the commissioner of the Community Development Agency, which was the agency responsible for community action programs. Those community action programs were primarily the employers of the summer youth program youngsters.

Community action programs operate all year round. They did various things for the community in the area of housing, education, and cleaning streets and doing all kinds of things. They employed those 90,000 young people. In 1995, the number had dropped from 90,000 to 32,000. So, all we could do is give 32,000 young people jobs.

□ 2245

They are upset. They have good reason to be upset. So my assistant, Necole Brown, was explaining to me about how upset the young people are about the fact, the prospect that there will be absolutely no jobs this summer, and she said, you know, the first job I ever had was in the Summer Youth Employment Program, the very first job I ever had. The first job my brother ever had was in the Summer Youth Employment Program. The first job my sister ever had was in the Summer Youth Employment Program. For the first time, I felt like I was somebody, that I belonged to the mainstream as a result of having that job during the summer.

The story can be told by numerous others. The numbers are very large. I meet lots of young people, because I started my career in the community action program in a local community action agency in Brownsville, which was a front-line employer. So I saw the faces of the young people who were employed by the hundreds summer after summer, and I still meet them on the street 20 years later. I meet them and they remind me that they were employed. They think it was my Summer Youth Employment Program, and they tell me about what they are doing. Not all of them have made good in life, and I have not done a case study to tell you exactly what the longitudinal effect of it has been, but most of them have been greatly helped by that program. And if you do a longitudinal study, careful study of youth who went through the Summer Youth Employment Program, I am sure you will find a great positive benefit between the difference of among poor youths who when through the program and those poor youths who never had the opportunity.

We have had longitudinal studies done of Head Start. Head Start is a program for poor youngsters starting in preschool, and they followed youngsters who went into the program 20 and 25 years ago, and those longitudinal studies always show great benefits when you compare the youngsters in the Head Start Program with a control group that they used of youngsters who did not go into the Head Start Program who came from the same kind of backgrounds.

These programs do benefit young people. We do not know a lot about how to handle our present crisis with youth, but we do know that some things work, some things work and they work very well. We cannot solve all the problems. Nobody is going to stand here, I am certainly not going to stand here and pretend I can tell you what the prescription is for handling teenagers in 1996.

There are some teenagers, I just wrote a letter for one recently, who have all the benefits in the world, came from a very good family, you know, good income in the family, they took good care of him and put him through the best schools, and still he is in trouble with the law, facing 3 or 4 years in jail because of drugs. Not only did he have drugs, but when the police approached the car, he tried to drive off, so the situation is worse. Here is a good youngster from a good family, and I am writing a letter to try to get some kind of leniency and get the judge to look at the situation in total. He has a good opportunity to be rehabilitated because he has the support of a family.

I do not know why he went wrong, though. I cannot explain the phenomenon of young people who have all the advantages in the world going wrong, but there are many of them. They come from all neighborhoods, and Members of Congress certainly know some of them. They have relatives and they have friends who are confronted with this situation. But there are situations where youngsters in poverty, when you apply some kind of assistance, you get a result. There are some things that we know do work, that large numbers, the greatest, overwhelming majority will rise to the occasion if they get some help.

One of the things that Necole Brown told me about the young people she is working with. My office is not equipped to work with young people. I do not have a grant for that.

I have what you call a youth advisory committee where I wanted to get involved a little bit, have youngsters tell me what is going on, but we get more and more involved, because once you show them attention, teenagers want more attention, and they respond in such a way that it inspires you to get more involved, you want to do more for them. So we found ourselves trying to do more and more all the time. But right now the rock bottom thing is to get them access to summer youth employment, those minimum wage jobs, about 30 hours a week can mean all the difference in the world.

We say we care. We say we care as a nation. We say we care as a Congress. But we do things which are quite the opposite. In fact, it is kind of an evil situation that we confront when we have people who are knowledgeable about exactly what is going on and they stand here and tell us that we do not have the money to fund a Summer Youth Employment Program where youngsters all across the country can get same jobs this summer. It will bust the budget. We do not have the money in the budget. What are we talking about? We are talking about probably $600 or $700 million out of a trillion-dollar budget, $600 or $700 million. The same people who stand here and tell us that we do not have the money to fund a program for youth, which will employ more than 600,000 young in the cities, give them hope and help us to deal with some of these problems that cost so much more money. It costs $20,000 to keep a young person in jail for a year, and yet here is a Summer Youth Employment Program, we are going to pay minimum wage for 2 months, 10 weeks, 8 weeks, I am sorry. That tiny amount of money we cannot invest. It is some kind of distorted, evil kind of thinking that comes out with a conclusion that we cannot afford it.

The same people who say we cannot afford it will do nothing about the fact that the CIA just discovered the fact that it has $2 billion in its petty cash fund that it did not know it had. Two billion dollars, the auditors have discovered $2 billion. That is what has been made public. When the CIA makes something public, we always have to sort of look at it and add something to

it because we know they do not tell the truth. They are in the business of not telling the truth, so it is probably more than $2 billion, $2 billion.

So we have written a letter to the President saying that, you know, you can solve the problem of the Summer Youth Employment Program. It is the same letter we intend to distribute to the whole Congress and certainly the Republican leadership of this House, which started the problem. The Republican majority instituted this attack on the Summer Youth Employment Program, this irrational attack, this evil attack, this attack which runs counter to the purposes of any sane group of people who want to help young people. We hope that they will also read the letter and respond.

We wrote to Bill Clinton, the members of the House Committee on Economic and Educational Opportunities. The gentleman from Michigan [Mr. KILDEE] and I initiated the letter. We will be asking other people to join us:

DEAR MR. PRESIDENT: We respectfully and urgently request that the $2 billion in unspent funds recently discovered by auditors of the CIA be reprogrammed to eliminate the cuts in title I Head Start and the Summer Youth Employment Program. We have noted with great shock and indignation the revelation that the CIA has $2 billion in unspent funds that no one in the government was aware of, $2 billion that no one in the government was aware of. It is our understanding that these funds are not on any budget schedule and therefore are available to be utilized for more positive purposes. More specifically, Mr. President, we propose that the following budget actions be initiated by your administration:

Transfer $1.1 billion to title I, the education programs that go to the elementary and secondary schools, title one. Transfer $300 million to Head Start; $300 million is that amount that Head Start has been cut in the budget initiated by the Republican majority in the House of Representatives. And transfer $600 million to summer youth employment programs, $600 million.

It all adds up to $2 billion; $2 billion is a lot of money but look at the great good you can do if you put it to positive purposes. We are certain the Democratic Members of both the House and the Senate would enthusiastically support these actions. We are also certain that the Republican opposition would find it very difficult to show cause why these recently discovered funds that are free and available cannot be used to guarantee the same level of funding for these vital education programs.

Mr. President, we look forward to working closely with you and to achieve this very practical goals.

I would like for the Republican majority of this House to show cause, tell us why you have attacked the Summer Youth Employment Program and, if your reason is that there is no money in the budget and it is impossible to make room for the program now, then tell us why you cannot join with us in reprogramming $2 million that the Central Intelligence Agency has that it did not know it had, that nobody knew it had. So it certainly is not on anybody's budget schedule. Tell us.

This is a challenge and this is a moral challenge. If you care about morality, if you care about family values, if you care about pregnant teenagers, we have heard some eloquent speeches about pregnant teenagers and people who want to take steps to deal with the problem of pregnant teenagers in any way possible, and I applaud every suggestion that was made. I applaud those speeches on both sides of the aisle. We need to come to grips with the problem. But you certainly do not care about the problem of pregnant teenagers if you are going to wipe out a program like the Summer Youth Employment Program which is quite simply, a direct way of giving hope to young people. It gives hope.

I heard the people who talked before me about teenage pregnancy use the phrase over and over again about hope, hope for young people. I heard the gentleman from Connecticut [Mr. SHAYS] on the other side of the aisle talk about dreams and the fact that as a young person his parents guaranteed he had the opportunity to dream and how you wreck the dreams of young people when their dysfunctional lives lead to pregnancy and you throw them into a quagmire that they can never get out of. I heard this with great sympathy.

I hope that we as intelligent people, we as intelligent people also act as honest people, because we are not honest, it is not honest to look at the situation and see the $600 million will solve the problem, $600 million will take us a long way toward giving some of those teenagers hope, the males and the females because they are both part of the problem; $600 million will save us a great deal of money by keeping young people out of trouble, out of jail.

Jail always costs $20,000 or more per year for young people. All of these are so obvious, so self-evident until only some kinds of evil force can be at work to not make decisionmakers in Washington see it and act on it. What is going on? I really do not know what is going on.

Mr. Speaker, I think the gentleman from New Jersey wants to join me here. And before I go any further, I want to give him an opportunity to join us. I think we will take our entire hour at this point. The gentleman from New Jersey [Mr. PAYNE] is welcome to join this discussion. Mr. PAYNE is the chairman of the Congressional Black Caucus, which had a retreat last week on Friday. On Friday, we looked at all the priorities and all the problems. We concluded that the problem facing us more right now, the problem that has a deadline on it, the problem that has a time clock, a time bomb ticking away is the problem of summer youth employment. Summer youth employment, the program, decisions need to be made now. They need to be made soon. The process needs to be engaged.

We have a lot of talk about AmeriCorps, and we are all for AmeriCorps. Both of us serve on the committee, the Committee on Economic and Educational Opportunities, which is responsible for AmeriCorps. It used to be called the Education and Labor Committee when we passed the bill that created AmeriCorps. Nobody ever said to us, when you create AmeriCorps you have to get rid of the Summer Youth Employment Program.

I want everybody to hear me carefully. If you bring AmeriCorps into our neighborhoods this summer and there is no Summer Youth Employment Program, I fear for the safety of the AmeriCorps youth. It would not be just to wipe out the Summer Youth Employment Program and then send in middle-class youngsters from the AmeriCorps program and expect there not to be a reaction. It is wrong. It is unjust. And I hope you understand how explosive that could be.

Mr. Speaker, I yield to the gentleman from New Jersey [Mr. PAYNE].

Mr. PAYNE of New Jersey. Mr. Speaker, let me first of all commend my friend and colleague, the gentleman from New York [Mr. OWENS], for calling this special order tonight. I appreciate having the opportunity to participate in this with him. Through our service together on the House Committee on Economic and Educational Opportunities, we have worked together many years on issues and projects, on educational issues, on issues of jobs, and I have always admired the gentleman's strong stand and his conviction and his willingness to stand up for what he believes in.

So it is with that pleasure that I participate in this special order tonight and also to reiterate, as he said, that the Congressional Black Caucus held a retreat where we talked about the state of black America where we discussed issues that confront us as a people and this Nation as a country. One of the issues that continually came up and the issue that we overridingly talk about was the fact that the summer youth employment is an extremely important, critical and key issue to us in our communities.

Tonight I am proud to join with him in standing up for young people in our communities.

☐ 2300

There is one concept now which all Members of Congress from both sides of the aisle can agree. It is the importance of instilling in our young people a strong work ethic. That is what made this country great; that is what made America what it is today. And a sense of personal responsibility. We hear so much about personal responsibility in the new majority's rhetoric. Personal responsibility also includes the opportunity to feel that personal responsibility by virtue of being able to have concrete, tangible goals that people can see and do, and that is where employment comes in.

That is what the summer youth employment program is all about.

More of us can remember what it was like when we got our first summer job. We can all remember that; my colleague mentioned that, too. Many

times it was during elementary school or high school, and no matter how menial the job was, how unimportant it seemed to other people, we felt a sense of accomplishment, we felt a sense of pride, and we worked to live up to our employer's expectation as we collected our first paycheck. Many of us began saving for college. Some of us dreamed of one day owning our own businesses. My brother was very successful in having a business for 20 years that he ran, where he was involved with high technology in manufacturing computer forms. And so it was a dream that started when we had an opportunity to have a summer job.

Today in too many of our economically deprived communities there is a serious shortage of summer jobs, despite the eagerness of thousands and thousands and thousands of young people who want to become gainfully employed. In the past, the summer job program has enjoyed strong bipartisan support for all the years. There has been a wide recognition of the value of providing low-income youngsters with valuable work experience at a critical time in their life were they learn these work ethics, work experience, the whole value of work.

Young people need an alternative to hanging out on the streets, for drifting out in the community, and they will see this opportunity to be productive, to hold a job, if we will extend it to them, if we would reach out and say there is a job, because many times as I walked down my boulevards and my streets in my districts, sometimes late a night just to encounter the young people, they say, ''Mr. Congressman, won't you come on over here,'' and I will go over, and we will talk, and they will say, ''I'll stop hanging on this corner doing things that I'm doing that is not right if I could find a job..'' And they challenge: ''Mr. Congressman, can I come down to your office tomorrow and get a job?''

And it is a very shallow feeling when you say, ''Well, come down, and we'll work at it,'' but knowing that there are very few jobs available.

I have been working with young people most of my adult life as a school teacher, as president of the YMCA of the USA before coming to Congress, and I have seen how positively young men and women respond when they are given an opportunity to hold a job, to earn a paycheck, that pride.

I believe the new majority in Congress have made a big mistake in targeting summer youth employment programs for elimination, a big mistake. It would be abundantly unfair to pull the rug out from under so many deserving young men and woman.

There is much emphasis today on dealing with the crime problem in our Nation, especially in our urban centers where crime is rampant. Congress sees to have no problem with spending billions of taxpayer dollars on new prisons to warehouse offenders. The majority of Congress voted to increase the expenditures for prisons from $7.9 billion to $10.5 billion, an increase, money taken away from prevention and put into more prison construction. When they talk about the costs per inmate, the costs of construction is not even built in. Any other kind of business, you build in the cost of construction, and it is $20,000 plus just for correction officers, food, health, and all of the things that go along with having 24-hour, 7 days a week, 360 days a year custodial care over a person. And so it certainly would be a much better investment in an employment program if we took the money and put young people back on the right track.

So I hope my colleagues will join with us in restoring the $635 million for this summer program. In keeping with our efforts to compromise on the budget, it actually will bring down the figure from last year. It is only 75 percent of the 800 million that was appropriated last year, and so it is in keeping with gradual decrease.

Let me just say once again that years ago, when I was employed in the downtown business community, there were jobs available at the utilities firm, at the insurance companies, at the transit company, and young people would come and get summer jobs, and so the necessity for government to be the employer of last resort was not even necessary at that time.

Today in my community those companies no longer have summer jobs available. Those companies no longer have the work force they had in my city of northern New Jersey. At one time 500,000 people lived there, just about 1 million people were there during the day. Today we have a city of 275,000 where during the day the numbers do not swell much because the employment opportunities are not there. So if the full-time employment opportunities are not there, then the summer job opportunities are not there.

And so I just appeal to the President, when he sends back his veto message, and I personally mentioned this to him on yesterday when he was in New Jersey, that young people must not, must not, be sacrificed, that when this CR comes back, it must have in it the money to restore summer youth employment, which was not in either bill, and it must be in the bill when it comes back.

I had the opportunity to work as a waiter, a truck driver, a lumber handler, a warehouse man. I worked as a longshoreman. I did just about—postal employee. I was a teacher. I did it all, and it gave me the whole sense of feeling empowered because of earning my way.

As a matter of fact, as I conclude, I was a newspaper boy. I remember at the young age of 9 starting my job. I think you were supposed to be 12, but I just told them I was old enough. But I started a job, and at that time it was just delivering of 3-cent newspapers. This was back in the forties, and I made three-eighths of a cent a paper, and I only had 30 customers, so I had to build my route up. I built it up to over 125 customers because then in order to make a dime, I had to deliver 30 papers. And so that was slow. And so it just gave me the opportunity to have my own business, to move, to earn, and actually made about maybe $3 a week, and had 50 cents taken out on a payroll deduction at that time to put down when I decided that I was going to go to Seton Hall and that it was not enough of a scholarship money in order for me to go.

And so I can remember very clearly those days, and it instilled a pride.

We do a disservice to young people today when we take away the opportunity for them to achieve. It is unfair that they do not have the opportunity to be successful. It is just like in some school districts that the young people do not have the opportunity to learn, and then they fail standardized tests. It is unfair. We have to stop being unfair to young people. We have to start treating them with dignity, self-respect, the total person, the mind, the body and the spirit, the triangle which makes the full person.

This Nation is taking away from our future a major ingredient and the opportunity to earn a living, an opportunity to learn, and we need to talk about that at some other time. But the gentleman was kind enough to yield, and so I will conclude by urging my colleagues on both sides of the aisle to join with us in restoring these very, very crucial and important funds.

Mr. OWENS. Mr. Speaker, I thank my colleague from New Jersey. He is from the great city of Newark, and he mentioned the fact that Newark used to have a bustling downtown area filled with people, you know, not too many years ago, and that has declined greatly now.

I am going to talk a little bit about that. That is part of the problem. And we have had a situation develop where our cities have been drained of resources. Money has flowed from our cities to the rest of the country, and we have lost a great deal of the resources that we need to keep our own cities going. And it is not through mismanagement, it is not that our cities are not still, our cities and our States, are not still very wealthy States.

New York State is a State in the Nation which provides the greatest amount of surplus over in terms of the Treasury, and when you compare what New York State receives from the Federal Government, what it receives from the Federal Government in terms of aid is much less than it pays in, and that has been true for the last 20 years. In 1994, the last year that they have figures available, New York State paid into the Federal Treasury $18.9 billion more than it got back from the Federal Treasury in terms, in Federal aid. New York State was the, you know, most generous of the States, but New Jersey also paid far more into the Treasury than it got back from the Federal Government.

And this has been a pattern. Michigan, many of the Northeastern States, have consistently paid more into the Treasury. The States with the large cities like Chicago and Detroit, Philadelphia, those States are being discriminated against in many ways by the Federal Government policies.

One way we would get our money back in terms of Federal aid would be through programs like the summer youth employment program. New York City, for example, over the last 20 years has lost $10 billion in Federal aid, and we hear on this floor a lot of criticism about New York State and New York City spending too much money on Medicare and Medicaid. Medicare and Medicaid, we have the highest expenditures in the country. But even with the highest expenditures in the country in Medicare and Medicaid, New York State is still putting in, paying out to the Federal Government, $18.9 billion more than it is getting back. We do not have any big defense plants, we do not have any disasters like hurricanes or earthquakes or floods. There are a number of ways that we do not receive money back from the Federal Government that other areas do. Highway funding; we have a great need for mass transit funds, and they are being cut.

Now I want to focus on the summer youth employment program. But you cannot tell the whole story and you cannot show how vicious, how vicious the process is here in Washington, unless you look at the total picture.

And at this point I want to pause and make certain that everybody understands that for the next few days we are going to be talking about this problem. The summer youth employment program will be on our agenda, and a lot of people say, well, the situation is not so bad because the continuing resolution says that all programs will be funded at 75 percent of their last year's funding level. Well, you know that is not true of the summer youth employment program. The last year was zeroed out. There is no authorization, there is no—the rescission process killed the program. So it would be 75 percent of zero that you are talking about.

Let me read from the latest statement on it that appeared just a few days ago in the House action reports. The Congressional Quarterly's House action report reads that the bill that the House has put forth, H.R. 1944, has no funds for the summer youth employment program. Yes, the President had requested $958 million for this program, but since the fiscal year 1995 rescissions and disaster supplement appropriations bill—I am sorry that was H.R. 1944. The bill that we are talking about is the appropriations bill for the Labor, Education and Health. That is the bill we are talking about, H.R. 2127. H.R. 2127 for this year is the bill that has this language in it—I mean that has no funds for the summer youth employment program.

Since the fiscal year 1995 rescissions and disaster supplemental appropriations bill, which was H.R. 1944, rescinds all funds that were appropriated in advance for the summer of 1996, the summer of 1995 will be the last year for the operation of this program. The last year, gone; 1995 is the last year that there are funds available.

So they have been clear that let every member of Congress understand when you talk to your constituency, understand that there is no amount in the budget for which we can take 75 percent of. It is zero at this point.

Now the Senate, I do not know why the Senate has abandoned the program also, because it did take the initiative last year, and in the conference process put back the money for the 1995 summer youth employment program. This year the Senate majority has done nothing, and the Senate Democrats have an amendment that they are using to try to get back the funds for the summer youth employment program. They have an amendment which includes a number of things, Senate Democratic education—this is as of March 12. I am reading from the day's national journal, Congress Daily. Senate democratic education amendment would provide $1.28 billion for the title I compensatory education program, $208 million for school improvement programs, $91 million for school-to-work programs, and $60 million for the Goals 2000 program.

□ 2315

In addition, the Democratic amendment would provide $136 million for Head Start, as well as $635 million for the Labor Department's Summer Jobs Program and $333 million for aid to dislocated workers. The Democratic amendment is being proposed but there is no guarantee that that is going to be passed. We are in a situation where the summer youth employment program has zero in the budget for it at this point, and a lot of work has to be done to save the situation.

Why the hostility toward the summer youth employment program? Why are we in a situation in a Congress where family values are touted by everybody on both sides of the aisle, in a Congress where young people are said to be of great concern by both sides of the aisle, and I have heard the Republican majority speak again and again about being concerned about the future. Children are the future, should not be made to pay for the debts that we make today. They are very concerned about drastic budget cuts, draconian cuts in order to guarantee that our children will not have to pay for the debts we make today.

I am glad they are so concerned about children. I am, also. There is a lot of concern about unborn children, children in the womb. I am concerned about them, too. I think every mother who has a child has to think twice about it, because of this cruel backward world we live in where we will propose to pay $20,000 to keep a juvenile delinquent in jail but we are not willing to pay 2 months' salary to a youngster who wants a job during the summer. There is something radically wrong with our thinking.

We have a lot of arrogant sophomores who think they are philosopher kings, and they spout off about saving money and the need to downsize the Federal Government while they are completely blind to the fact that the CIA has a $2 billion slush fund.

They are blind to the fact that today's New York Times talks about a new set of jet fighters we are going to build that eventually will cost $1 trillion, a whole system of jet fighters that we are going to be building, all the manufacturing companies are gearing up, and that cost is going to be $1 trillion. do you want to saddle your children with $1 trillion in costs for a new jet fighter plane when we have the most modern sophisticated jet fighter planes already?

One is being manufactured at Marietta, GA, in Speaker GINGRICH's district. That one, the F–22, is already the most sophisticated thing you can imagine. Why do we need another set?

We say we are going to downsize Government, the era of big Government is over, but the defense spending continues to go on at the same pace. The CIA is the same size that it was 10 years ago. Yet we say we are downsizing Government.

We also insist that places like New York State and New York City get their house in order in order to qualify for the largesse that the Federal Government confers upon them. I have just told you, the Federal Government does not do New York State any favors.

If New York State stood alone, it would be in receipt of $18.9 billion that it does not have now. If you gave us back the $18.9 billion in 1994 that we paid into the Federal Government, which was greater than the amount we got back in terms of aid, we could solve our budget problems.

In fact, just give us back half that amount. If we had $9 billion, the New York State budget could be balanced, we could increase the budget for education, we could take care of our own youth this summer. We could have a New York State summer youth employment program, if you give us back the great amount of money we pay in that we do not get back in terms of aid.

I mention this because last Thursday, March 7, the Washington Post, and I think it is very significant that the Washington Post did this and not the New York Times. I would like to know where is the New York Times on this issue. I have never seen them do an article of this magnitude. The Washington Post, last Thursday, had a front page article which talked about this very situation.

It is entitled, ''U.S. to New York: It's Still Dutch Treat. Balance of Taxes to Services Favors Washington—So Does the Rhetoric.'' It was written by a reporter, a Washington Post staff writer,

named Malcolm Gladwell. Mr. Gladwell makes some very interesting statements here, and I commend him on his research here but I marvel at his naivete. I am going to read some of this. We have a little time left.

Quoting from Mr. Gladwell's article on the front page of the Washington Post:

In a memorable outburst late last year, Representative Newt Gingrich declared that New York City was saddled with ''a culture of waste for which they want us to send a check.'' The rest of the country, the House Speaker said, in a blunt summation of Federal urban policy, '' is not going to bail out the habits that have made New York so extraordinarily expensive.''

I guess one of those programs that have made us extraordinarily expensive is the summer youth employment program. We get more than anybody else in terms of young people because we have more poor young people in our city than anybody else.

To repeat the quote, NEWT GINGRICH says, ''We will not be saddled with a culture of waste for which they want us to send a check. The Federal Government is not going to bail out the habits that have made New York so extraordinarily expensive.''

Continuing to read Mr. Gladwell's article:

As Republicans campaign in the New York primary, no one is talking about aid to the cities, mass transit and urban renewal. And the prevailing assumption in Washington, as Gingrich put it, is that places like New York City are financial sinkholes, inefficient, wasteful, and a drain on the public purse. It is a powerful new idea, central to the fate of American urban life. But it has one problem, economists say: It isn't true.

According to statistics complied by economists at Harvard University, Illinois, Massachusetts, Ohio, New Jersey and Michigan—in other words, those States powered by the metropolitan economies of older cities such as Chicago, Boston, Cincinnati and Detroit—all send billions of dollars more to Washington each year in Federal taxes than they get back in social programs, defense spending or public works projects. And the biggest contributor of all to the Federal budget—the cash cow of the United States Treasury—is the place Gingrich derided as a dead weight on the rest of the country: New York City.

New York State in 1994 contributed $18.9 billion more to the Federal Government than it received in return. It ran a surplus of that amount in 1994.

The Speaker's home State of Georgia, meanwhile, is one of a large number of southern, largely Republican States that receive far more from the Federal Government than they send out in taxes.

Quoting Mr. MOYNIHAN:

I told Mr. Gingrich, what are you talking about, my friend? In Atlanta, 59 percent of the children are on AFDC, Aid to Families with Dependent Children, in a single year. Where do you think that money from from?

By the way, Atlanta is in Georgia, in case somebody does not have their geography straight. Atlanta is in Georgia. Georgia is the Speaker's home State.

The idea that cities like New York run huge surpluses with Washington is, according to urban experts and economists, one of the best-kept secrets in American politics, an idea that—if it ever gained currency—could force a fundamental transformation in the relationship between the Federal Government and the States.

Here is where I applaud Mr. Gladwell's naivete. It is a beautiful purity. He thinks that if we really understood the facts, if we really had the information, it would change our behavior. But, of course, most of the people on the Budget Committee here, Republicans and Democrats, understand this fact very well. Most of the people on the Appropriations Committee understand this fact. They are not dumb. The idea that Congressmen are dumb and do not understand statistics and do not understand the complexities of the modern world is a ridiculous idea. Congressmen are some of the smartest people in the world. They understand. They have the knowledge. But where is the morality? Where is the integrity which says that this is not just? I am going to read Mr. Gladwell's statement again.

The idea that cities like New York run huge surpluses with Washington is, according to urban experts and economists, one of the best-kept secrets in American politics, an idea that—if it ever gained currency—could force a fundamental transformation in the relationship between the Federal Government and the States.

I hope that by ''currency'' he means that the American people, ordinary people with common sense out there, are going to learn more and more about this injustice and begin to pressure to have something done about it. I hope that that is what he means, because it is understood by the people who are making policy here. They are bullying the situation. Power, the power to harass the cities, the power to neglect the cities, the power to swindle the cities.

We had a big swindle in the private sector. Money flowed from the depositors in New York City, Detroit, Philadelphia. The big cities of the Northeast poured money into their banks and the banks would not invest in the big cities, very little investment in the infrastructure, very little investment in shopping malls, in stores there. They said that the cities were a bad risk, so the money flowed out to the Midwest, the South, the West, into the savings and loan associations, into the banks, and they used the money to invest in shopping malls and condominiums and all kinds of programs which were supposed to be not risks but good buys, good investments.

Then came the savings and loan scandal, which up to $300 billion was found to be bad investments or crooked investments, stupid investments, and the taxpayers of the whole country were saddled with a bill which they do not even know about yet because nobody talks honestly about it in the Government here, of about $300 billion it has amounted to, the savings and loan swindle, money we have to pay back to depositors, plus the administration of the process of getting all this straightened out. It is still going on. They put out reports that are not very clear, but at least $300 billion of public money has gone down the drain.

That is the private sector taking the money out of the cities, refusing to invest in the cities, and putting it into so-called better investments in the South, the West, the Midwest, and losing the money. Now we have the Federal Government, and this has been going on for some time. It was started really by the New Deal, and I am going to read on quickly because he talks about that.

The New Deal was an altruistic action, where Franklin Roosevelt and the people who conceived the New Deal were not dumb, either. They understood that the wealth was in the Northeast. They understood that the States in the Northeast had more money, and they wanted to help the rest of the country by having programs which spread the money across the rest of the country. They wanted to.

They did not talk about States rights. If New York had talked about States rights 50 years ago, then you would have never had the money to have the agricultural subsidy program across the rural areas of the country. You would not have the money to rebuild the infrastructure in the cities. The WPA would have been limited to those States that could pay for it.

But they did not have States rights and block grants and all this nonsense about States being able to administer programs better. Fortunately, that was not around, and the beneficiaries of that are mainly the southern States. Southern States get more than anybody else. When you add up all the figures in this same Harvard report, $65 billion more go into the southern States than they pay out to the Federal Government; $65 billion.

One of the biggest recipients is Mississippi. It gets $6 billion more from the Government than it pays in. But Virginia, Georgia, a number of others, Georgia gets $2 billion more from the Federal Government than it pays in. The county where the Speaker resides is the county that gets the most money from the Federal Government per capita than any other county in the country, in the whole country. Speaker GINGRICH's district gets more money from the Federal Government per capita, per person, than any other.

Let me read on from the Washington Post article of Tuesday, March 7, by Mr. Malcolm Gladwell:

It strongly suggests, for example, that the decline of many northeastern American cities may be due not just to mismanagement—as is now popularly imagined—but to the emptying of their coffers by the Federal Government.

☐ 2330

It also suggests that keeping cities healthy should not be seen by Congress as an act of charity so much as a prudent step to protect one of the Treasury's real moneymakers.

Let me repeat that.

The cities should not be treated as an act of charity,

Aid to cities:

So much as a prudent step to protect one of the Treasury's greatest moneymakers. Money has been drained steadily from the cities. The policies of the Federal Government the last 20 years have been draining money away from the cities, but the cities are the moneymakers.

Cities are still, despite this great drain and despite the stress on their infrastructures, they are still producing more tax money than any other part of the country:

Manhattan sends an awful lot of money to Washington, says Sigurd Grava who teaches urban planning at Columbia University. But Manhattan is beginning to suffer from problems that require very heavy capital investment, and that is where we should expect the money to be coming back. And if the money does not come back from the Federal Government, then we have a serious dislocation. The cow is being milked in the city, and that is fine because that is what cows are for. But you have to feed the cow, too.

There are two reasons why States in the Northeast tend to pay much more to Washington than they get back. The first is that the northeast is still, as it has been since colonial days, the seat of much of the country's wealth. As a result, the region pays the lion's share of the country's taxes.

I heard somebody here before talking about the terrible amount of taxes the pay, and I think the American people really deserve as individuals and families to be relieved of some of the tax burden. We should have corporations paying a greater share of the taxes, because corporations are making great amounts of money. We should do something about the great tax burden on the families. But let us understand where the taxes are coming from. They are still coming from the Northeast in great amounts.

In New York State, for example, the per capita income in 1994 was $25,999, which means, according to the Harvard study, on average every New Yorker paid just about $5,000 in Federal taxes. In Connecticut, the same statistics are $29,402, and $6,281 for every individual family.

But in a much poorer State, such as South Carolina, for example, where the per capita income is $17,695 the average Federal tax bill was just $3,816. The other side of the equation is that what States get back from Washington, and here the Northeast is an exception as well, New York State, New Jersey, and Connecticut each have over the years gotten a big chunk of Federal funds for Medicaid programs. We have been criticized for spending money on Medicaid and Medicare. I say if you are going to spend money, and I can think of no more noble way to spend it than to help people, if they are spending it for the health of people, to take care of people, the elderly, the sick, the injured, children, their health, then that is a great way to spend money.

Let us get rid of the corruption in health care programs. Let us get rid of the waste, but if you are spending it on health care instead of on weapons systems that are not needed, then you are certainly a few steps higher on the moral plane than those people who are spending it for weapons systems.

They go on to say:

By national standards, our Medicaid programs tend to be quite lavish. But if all the payments the Federal government makes to the States are totaled, the Northeast's share of money for welfare, salaries of military personnel, public works projects, social security checks, highway construction, and other federally funded programs lags well behind the rest of the country. New York State got $3,948 per capita from Washington in 1994, while New Jersey received less, $3,648. Both were well below the national average of $4,732 and far behind North Dakota at $6,001, or New Mexico at $6,734, both of which received large Federal agricultural and land management subsidies.

You want to know where the money is going in this country? You want to know where the great injustice is, where those people who are really on corporate welfare because many of these agricultural subsidies are not going to individuals and families, they are going to agricultural businesses, and it is going to States that receive Federal agricultural and land management subsidies. The biggest winner of all in terms, and economists say there is nothing wrong with this kind of income redistribution. In an open economy such as ours, it is not necessary, even desirable, that Federal expenditures of taxes always be in balance in every State.

Harvard economists Monica Friar and Herman Leonard wrote in a 1995 balance of payments report, an annual study initiated 20 years ago by Senator Moynihan, indeed one of the main purposes of a progressive income tax is that the more well-to-do, wherever they may reside, pay a higher share for the services provided by the government.

They go on to talk about the New Deal and how the people who concocted the New Deal knew that they were spreading the wealth throughout the entire country, what would they say if they heard people talk about block grants now and the States having the right to do what they want to do.

New Yorkers ought to wake up. Maybe they ought to get on board block grants, States' rights, and have New Yorkers have the right to take the money back. If New York had control of the $18.9 billion, the State, half of that is the city, $9 billion, we could have a summer youth program without begging anyone. We have been begging, begging; we begged last year. I have a set of letters here written by the Congressional Black Caucus, where we begged the Honorable MARK HATFIELD, Senate Committee on Appropriations, we begged Honorable BOB LIVINGSTON, chairman of the Committee on Appropriations, we begged DAVID OBEY to help us, we begged ROBERT BYRD, the ranking member on the Senate Committee on Appropriations, we begged for a summer youth employment program in 1995.

Now we are on our knees again begging. We are begging to help young people, begging to do something which makes a great deal of sense. We are begging to do something which anybody with common sense knows is right and is productive. We are begging.

Let me just conclude by saying that I appreciate the eloquent statements made by the persons who were concerned about teenage pregnancy. But I am very sorry that the hypocrisy is so thick in this Chamber. I am very sorry there is so much hypocrisy that we can talk in ''hifalutin'' terms about helping teenagers with the problem of teenage pregnancy, helping teenagers with their lives, sense of self-worth, and then we turn down a program which is directly aimed to help teenagers.

Let me tell you about the teenage problem where it first originated in America. Let me tell you about the teenage pregnancy, where it happened, overwhelming in moral terms. America's greatest teenage pregnancy problem existed for 232 years, when Africans were enslaved in this country. For 232 years, African girls who were enslaved were required in this country to become pregnant in order to be able to keep eating.

Let me read you just in closing from ''Bull Whip Days: The Slaves Remembered,'' an oral history, where the slaves during the Federal rightist project told their stories, and they were recorded and here is a slave named Hilliard Yellerday, who says, and this is teenage pregnancy on a massive scale, when a girl became a woman, she was required to go to a man and become a mother. There was generally a form of marriage. The master read a paper to them telling them they were man and wife. Some were married by the master laying down a broom and the two slaves, man and woman, would jump over it. The master would then tell them they were man and wife, and they could go to bed together.

Master would sometimes go and get a large hale, hearty Negro man from some other plantation to go to his Negro woman. He would ask the other master to let this man come over to his place to go to his slave girls. A slave girl was expected to have children as soon as she became a woman. Some of them had children at the age of 12 and 13 years old. Negro men 6 feet tall went to some of these children.

This is a testimony by Hilliard Yellerday, an ex-slave woman.

Here is a system that oppressed teenagers, and we have a system that neglects teenagers, plays games with teenagers, and refuses to offer the simplest form of health at the lowest cost, the summer youth employment program. We are in a moral dilemma as great as those slave masters who made their slave girls become pregnant as soon as they were old enough to become pregnant.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. COLLINS of Illinois (at the request of Mr. GEPHARDT) for today and the balance of the week, on account of medical reasons.

Mrs. CHENOWETH (at the request of Mr. ARMEY) for today and March 13, on account of medical reasons.

Mr. CHRISTENSEN (at the request of Mr. ARMEY) for today, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. JACKSON-LEE of Texas) to revise and extend their remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

(The following Members (at the request of Mr. GUTKNECHT) to revise and extend their remarks and include extraneous material:)

Mr. MICA, for 5 minutes, on March 13.

Mr. CHRYSLER, for 5 minutes, today.

Mr. BURTON of Indiana, for 5 minutes each day on March 12, 13, 14, and 15.

Mr. DUNCAN, for 5 minutes each day on March 12 and 14.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. JACKSON-LEE of Texas) and to include extraneous matter:)

Mr. ABERCROMBIE.

Mr. SCHUMER in two instances.

Mrs. MEEK of Florida in two instances.

Ms. DELAURO.

Mr. PICKETT.

Mr. GUTIERREZ.

Mr. POSHARD.

Mrs. KENNELLY.

Ms. PELOSI.

Mr. JOHNSTON of Florida.

Mr. KLECZKA.

Mr. DELLUMS.

Mr. COYNE.

Mr. MCDERMOTT.

Mrs. SCHROEDER.

Mr. ACKERMAN.

Mr. FAZIO of California.

Mr. JACOBS.

Mr. STARK in two instances.

Mr. FRANK of Massachusetts.

Mr. TORRES.

Mrs. MINK of Hawaii.

(The following Members (at the request of Mr. GUTKNECHT) and to include extraneous matter:)

Mr. HOKE.

Mr. SOLOMON.

Mr. BURTON of Indiana.

Mr. KNOLLENBERG.

Mr. WALKER.

Mrs. ROUKEMA.

Ms. ROS-LEHTINEN.

Mr. HAYWORTH.

Mr. SCHAEFER.

Mr. GOODLING.

Mr. RADANOVICH.

Mr. LAZIO of New York.

Mr. MCDADE.

Mr. WATTS of Oklahoma.

ENROLLED BILL SIGNED

Mr. Thomas, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 927. An Act to seek international sanctions against the Castro government in Cuba, to plan for support of a transition Government leading to a democratically elected Government in Cuba, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. Thomas, from the Committee on House Oversight, reported that that committee did on the following days present to the President, for his approval, bills of the House of the following titles:

March 8, 1996:

H.R. 2778. An act to provide that members of the Armed Forces performing services for the peacekeeping efforts in Bosnia and Herzegovina, Croatia, and Macedonia shall be entitled to tax benefits in the same manner as if such services were performed in a combat zone, and for other purposes.

H.R. 3021. An act to guarantee the continuing full investment of Social Security and other Federal funds in obligations of the United States.

March 11, 1996:

H.R. 927. An act to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes.

BILLS APPROVED AFTER SINE DIE ADJOURNMENT

The President notified the Clerk of the House that, subsequent to the sine die adjournment of the First Session of the 104th Congress, he had approved and signed on the following dates bills of the following titles:

January 4, 1996:

H.R. 2808. An act to extend authorities under the Middle East Peace Facilitation Act of 1994 until March 31, 1996, and for other purposes.

January 6, 1996:

H.R. 1655. An act to authorize appropriations for fiscal year 1996 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

January 10, 1996:

H.R. 394. An act to amend title 4 of the United States Code to limit State taxation of certain pension income.

H.R. 2627. an act to require the Secretary of the Treasury to mint coins in commemoration of the sesquicentennial of the founding of the Smithsonian Institution.

January 11, 1996:

H.R. 2203. An act to reauthorize the tied aid credit program of the Export-Import Bank of the United States, and to allow the Export-Import Bank to conduct a demonstration project.

January 16, 1996:

H.R. 1295. An act to amend the Trademark Act of 1946 to make certain revisions relating to the protection of famous marks.

BILLS AND JOINT RESOLUTIONS APPROVED

The President notified the Clerk of the House that he approved and signed on the following dates bills and joint resolutions of the House of the following titles:

January 4, 1996:

H.J. Res. 153. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.

January 6, 1996:

H.J. Res. 134. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.

H.R. 1358. An act to require the Secretary of Commerce to convey to the Commonwealth of Massachusetts the National Marine Fisheries Service laboratory located on Emerson Avenue in Gloucester, Massachusetts.

H.R. 1643. An act making appropriations for certain activities for the fiscal year 1996, and for other purposes.

January 26, 1996:

H.R. 2880. An act making appropriations for fiscal year 1996 to make a downpayment toward a balanced budget, and for other purposes.

February 1, 1996:

H.R. 1606. An act to designate the United States Post Office building located at 24 Corliss Street, Providence, Rhode Island, as the ''Harry Kizirian Post Office Building.''

H.R. 2061. An act to designate the Federal Building located at 1550 Dewey Avenue, Baker City, Oregon, as the ''David J. Wheeler Federal Building.''

February 8, 1996:

H.R. 2924. An act to guarantee the timely payment of social security benefits in March 1996.

February 10, 1996:

H.R. 2029. An act to amend the Farm Credit Act of 1971 to provide regulatory relief, and for other purposes.

February 12, 1996:

H.R. 1868. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes.

H.R. 2111. An act to designate the Federal Building located at 1231 Nevin Avenue in Richmond, California, as the ''Frank Hagel Federal Building.''

H.R. 2726. An act to make certain technical corrections in laws relating to Native Americans, and for other purposes.

February 13, 1996:

H.R. 2353. An act to amend title 38, United States Code, to extend the authority of the Secretary of Veterans Affairs to carry out certain programs and activities, to require certain reports from the Secretary of Veterans Affairs, and for other purposes.

H.R. 2657. An act to award a congressional gold medal to Ruth and Billy Graham.

March 5, 1996:

H.R. 1718. An act to designate the United States courthouse located at 197 South Main Street in Wilkes-Barre, Pennsylvania, as the ''Max Rosenn United States Courthouse.''

SENATE BILLS APPROVED

The President notified the Clerk of the House that he approved and signed

on the following dates bills of the Senate of the following titles:

February 6, 1996:

S. 1341. An act to provide for the transfer of certain lands to the Salt River Pima-Maricopa Indian Community and the city of Scottsdale, Arizona, and for other purposes.

February 8, 1996:

S. 652. An act to promote competition and reduce regulation in order to secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies.

February 10, 1996:

S. 1124. An act to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, to reform acquisition law and information technology management of the Federal Government, and for other purposes.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 39 minutes p.m.), the House adjourned until tomorrow, Wednesday, March 13, 1996, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

[Omitted from the Record of March 8, 1996]

2222. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–217, ''Closing of a Portion of a Public Alley in Square 5259, S.O. 92–45, Act of 1996,'' pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

2223. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–218, ''Highway Trust Fund Establishment Temporary Act of 1996,'' pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

[Submitted March 12, 1996]

2224. A letter from the Director, Office of Management and Budget, transmitting OMB's estimate of the amount of discretionary new budget authority and outlays for the current year, if any, and the budget year provided by H.R. 1868, pursuant to Public Law 101–508, section 13101(a) (104 Stat. 1388–578); to the Committee on the Budget.

2225. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the Administration's report entitled ''Annual Report to Congress—Progress on Superfund Implementation in Fiscal Year 1995,'' pursuant to 45 U.S.C. 9651; to the Committee on Commerce.

2226. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning the design and development subphase two of the NATO Improved Link Eleven [NILE] project (Transmittal No. 06–96), pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

2227. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning a cooperative project with Norway for development of a composite hull structural monitoring system (Transmittal No. 05–96), pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

2228. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

2229. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled ''Program Review of the Economic Development Finance Corporation For Fiscal Year 1994,'' pursuant to D.C. Code, section 47–117(d); to the Committee on Government Reform and Oversight.

2230. A letter from the Assistant Secretary for Human Resources and Administration, Department of Energy, transmitting a report of activities under the Freedom of Information Act for calendar year 1995, pursuant to 5 U.S.C. 552(e); to the Committee on Government Reform and Oversight.

2231. A letter from the Director, Office of Personnel Management, transmitting notification that it is in the public interest to use procedures other than full and open competition to award a particular OMP contract, pursuant to 41 U.S.C. 253(c)(7); to the Committee on Government Reform and Oversight.

2232. A letter from the Vice President and General Counsel, Overseas Private Investment Corporation, transmitting a report of activities under the Freedom of Information Act for calendar year 1995, pursuant to 5 U.S.C. 552(e); to the Committee on Government Reform and Oversight.

2233. A letter from the Secretary of Transportation, transmitting a report of activities under the Freedom of Information Act for calendar year 1995, pursuant to 5 U.S.C. 552(e); to the Committee on Government Reform and Oversight.

2234. A letter from the Director, Selective Service System, transmitting a report of activities under the Freedom of Information Act for calendar year 1995, pursuant to 5 U.S.C. 552(e); to the Committee on Government Reform and Oversight.

2235. A letter from the Administrator, Small Business Administration, transmitting a report of activities under the Freedom of Information Act for calendar year 1995, pursuant to 5 U.S.C. 552; to the Committee on Government Reform and Oversight.

2236. A letter from the Staff Director, U.S. Commission on Civil Rights, transmitting a report of activities under the Freedom of Information Act for calendar year 1995, pursuant to 5 U.S.C. 552(e); to the Committee on Government Reform and Oversight.

2237. A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting a report of activities under the Freedom of Information Act for calendar year 1995, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

2238. A letter from the President, Boy Scouts of America, transmitting the Boy Scouts of America 1995 report to the Nation, pursuant to 36 U.S.C. 28; to the Committee on the Judiciary.

2239. A letter from the Comptroller General of the United States, transmitting a report entitled, ''Financial Audit: Federal Family Education Loan Program's Financial Statements for Fiscal Years 1994 and 1993'' (GAO/AIMD–96–22), pursuant to Public Law 101–576, section 305 (104 Stat. 2853); jointly, to the Committees on Government Reform and Oversight and Economic and Educational Opportunities.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLILEY: Committee on Commerce. H.R. 2972. A bill to authorize appropriations for the Securities and Exchange Commission, to reduce the fees collected under the Federal securities laws, and for other purposes; with an amendment (Rept. 104–479). Referred to the Committee of the Whole House on the State of the Union.

Ms. PRYCE: Committee on Rules. House Resolution 380. Resolution providing for consideration of the bill (H.R. 2703) to combat terrorism (Rept. 104–480). Referred to the House Calendar.

DISCHARGE OF COMMITTEES

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

[The following action occurred on March 11, 1996]

H.R. 2276. The Committees on Government Reform and Oversight and the Budget discharged from further consideration. Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WALKER (for himself, Mr. BROWN of California, Mrs. MORELLA, Mr. SCHIFF, Mr. ROHRABACHER, Mr. CRAMER, Mr. DAVIS, Mr. EHLERS, Mr. BOEHLERT, Mr. WELDON of Pennsylvania, Mrs. SEASTRAND, Mr. HASTINGS of Florida, Ms. LOFGREN, Mr. MCHALE, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. MINGE, Mr. OLVER, Ms. RIVERS, Ms. JACKSON-LEE, and Mr. BAKER of California):

H.R. 3060. A bill to implement the Protocol on Environmental Protection to the Antarctic Treaty; to the Committee on Science, and in addition to the Committees on International Relations, and Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Alaska:

H.R. 3061. A bill to resolve certain conveyances under the Alaska Native Claims Settlement Act related to Cape Fox Corp., and for other purposes; to the Committee on Resources.

By Mr. COX of California (for himself and Mr. DUNCAN):

H.R. 3062. A bill to authorize the States to assist the Attorney General in performing functions under the Immigration and Nationality Act relating to deportation of aliens; to the Committee on the Judiciary.

By Mr. ARCHER (for himself and Mr. THOMAS):

H.R. 3063. A bill to amend the Internal Revenue Code of 1986 to improve portability and continuity of health insurance coverage in the group and individual markets, to combat waste, fraud, and abuse in health insurance and health care delivery, to promote the use of medical savings accounts, and to simplify the administration of health insurance; to the Committee on Ways and Means, and in

addition to the Committees on Economic and Educational Opportunities, Commerce, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HOYER:

H.R. 3064. A bill to increase the overall economy and efficiency of Government operations and enable more efficient use of Federal funding, by coordinating Federal financial assistance programs and promoting local flexibility; to the Committee on Government Reform and Oversight.

By Mr. COBURN (for himself, Mr. BURR, Mr. STUPAK, and Mrs. LINCOLN):

H.R. 3065. A bill to amend the Federal Food, Drug, and Cosmetic Act to revise the review of radiopharmaceuticals under section 505 of such act; to the Committee on Commerce.

By Mr. CUNNINGHAM:

H.R. 3066. A bill to amend the Native American Programs Act of 1974 to authorize appropriations for fiscal year 1997, 1998, 1999, 2000, and 2001; and for other purposes; to the Committee on Economic and Educational Opportunities.

By Mr. FAZIO of California (for himself and Mr. RIGGS):

H.R. 3067. A bill to control access to precursor chemicals used to manufacture methamphetamine and other illicit narcotics, and for other purposes; to the Committee on Commerce, and in addition to the Committees on the Judiciary, and International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GUTKNECHT (for himself and Mr. HANCOCK):

H.R. 3068. A bill to accept the request of the Prairie Island Indian Community to revoke their charter of incorporation issued under the Indian Reorganization Act; to the Committee on Resources.

By Mr. HAYWORTH:

H.R. 3069. A bill to authorize the Secretary of the Interior to provide assistance to the Casa Malpais National Historic Landmark in Springerville, AZ; to the Committee on Resources.

By Mr. BILIRAKIS (for himself and Mr. BLILEY):

H.R. 3070. A bill to improve portability and continuity of health insurance coverage in the group and individual markets, to combat waste, fraud, and abuse in health insurance and health care delivery, and to simplify the administration of health insurance; to the Committee on Commerce, and in addition to the Committees on Ways and Means, the Judiciary, and Economic and Educational Opportunities, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. NADLER:

H.R. 3071. A bill to combat terrorism; to the Committee on the Judiciary.

By Mr. PORTMAN:

H.R. 3072. A bill to direct the Secretary of the Army to convey to the village of Mariemont, OH, a parcel of land that is under the jurisdiction of the Corps of Engineers, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mrs. ROUKEMA (for herself and Mr. TORRICELLI):

H.R. 3073. A bill to amend the Communications Act of 1934 in order to allow the continued operation of certain overlapping stations; to the Committee on Commerce.

By Mr. FATTAH (for himself, Mr. HILLIARD, Mrs. MEEK of Florida, Mr. JEFFERSON, Mr. GORDON, Ms. NORTON, Mr. ENGLISH of Pennsylvania, Mr. DELLUMS, Mr. FOGLIETTA, Mr. HINCHEY, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. GONZALEZ, Ms. JACKSON-LEE, Mr. KLECZKA, Mr. KLINK, Mr. PASTOR, Mrs. COLLINS of Illinois, Mr. BARRETT of Wisconsin, Mr. COYNE, Mr. CLINGER, Mr. UNDERWOOD, Mr. QUINN, Mrs. CLAYTON, Mr. FOX, Mr. OWENS, Mr. FRAZER, Mr. RUSH, Mr. TOWNS, Mr. JACOBS, Mr. THOMPSON, Ms. MCKINNEY, Mr. HASTINGS of Florida, Mr. CLYBURN, Mr. PAYNE of New Jersey, Mr. CLEMENT, Mr. GUTIERREZ, Mr. ABERCROMBIE, Mr. NADLER, Mr. CONYERS, Ms. LOFGREN, Mr. HORN, Mr. STOKES, Mr. BROWN of California, Mr. FLAKE, Mr. BONIOR, Mr. FROST, Mr. BRYANT of Texas, Mr. KILDEE, Mr. WYNN, Mr. RICHARDSON, Mr. FIELDS of Louisiana, Mr. LEWIS of Georgia, Ms. WATERS, Mr. SCOTT, Mr. DIXON, Mr. LIPINSKI, and Mr. ENGEL):

H. Con. Res. 151. Concurrent resolution recognizing the importance of African-American music to global culture and calling on the people of the United States to study, reflect on, and celebrate African-American music; to the Committee on Economic and Educational Opportunities.

By Mr. LANTOS (for himself, Mr. BEREUTER, Mr. BARR, Mr. BASS, Mr. BARTLETT of Maryland, Mr. BALLENGER, and Mr. WATTS of Oklahoma):

H. Res. 378. Resolution deploring recent actions by the Government of Serbia that restrict freedom of the press and freedom of expression and prevent the Soros Foundation from continuing its democracy-building and humanitarian activities on its territory and calling upon the Government of Serbia to remove immediately restrictions against freedom of the press and the operation of the Soros Foundation; to the Committee on International Relations.

By Mr. PORTER:

H. Res. 379. Resolution expressing the sense of the House of Representatives concerning the eighth anniversary of the massacre of over 5,000 Kurds as a result of a gas bomb attack by the Iraqi Government; to the Committee on International Relations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

205. The SPEAKER presented a memorial of the Legislature of the State of West Virginia, relative to requesting the Congress of the United States to enact legislation that would enable the States to control the indiscriminate importation of solid waste; to the Committee on Commerce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 294: Mr. MOLLOHAN, Mr. OLVER, Mr. GEJDENSON, Mr. MARTINEZ, Mr. SABO, Ms. ROYBAL-ALLARD, Mr. JACOBS, Mr. EVANS, Mr. LAHOOD, and Mr. WYNN.

H.R. 449: Mr. THOMPSON.

H.R. 777: Mr. FLANAGAN, Mr. GUTIERREZ, and Mr. WATT of North Carolina.

H.R. 778: Mr. FLANAGAN, Mr. GUTIERREZ, and Mr. WATT of North Carolina.

H.R. 779: Mr. DIXON, Ms. EDDIE BERNICE JOHNSON of Texas, and Ms. BROWN of Florida.

H.R. 780: Mr. DIXON, Ms. EDDIE BERNICE JOHNSON of Texas, and Ms. BROWN of Florida.

H.R. 833: Ms. BROWN of Florida.

H.R. 878: Mr. WHITFIELD, Mr. FUNDERBURK, and Mr. BAKER of Louisiana.

H.R. 957: Mr. WELLER.

H.R. 969: Mr. TRAFICANT.

H.R. 972: Mrs. LINCOLN.

H.R. 1127: Mr. CRAPO.

H.R. 1226: Mr. HUTCHINSON and Mr. CUNNINGHAM.

H.R. 1462: Mr. CARDIN and Mr. QUINN.

H.R. 1499: Mr. HAMILTON.

H.R. 1527: Mr. MCINNIS.

H.R. 1591: Mr. BRYANT of Texas.

H.R. 1618: Mr. HANCOCK.

H.R. 1625: Mrs. CHENOWETH and Mr. COBURN.

H.R. 1627: Mr. MCDADE.

H.R. 1677: Mr. DINGELL.

H.R. 1733: Mr. LONGLEY, Mr. MONTGOMERY, and Mr. CRANE.

H.R. 1776: Mr. EHLERS, Mr. FRELINGHUYSEN, Mr. PARKER, Mr. MCINTOSH, Mr. BARRETT of Wisconsin, Mr. ENGLISH of Pennsylvania, Mr. KLECZKA, and Mr. MONTGOMERY.

H.R. 1805: Mr. TRAFICANT, Mr. WHITFIELD, Mr. FUNDERBURK, Ms. MOLINARI, and Mr. PETE GEREN of Texas.

H.R. 1846: Mr. REED and Mr. FLAKE.

H.R. 1965: Mr. GALLEGLY, Mr. BILIRAKIS, and Mr. MCHUGH.

H.R. 2071: Mr. FRAZER.

H.R. 2167: Mr. MARTINEZ and Mr. HALL of Ohio.

H.R. 2270: Mr. LARGENT.

H.R. 2306: Mr. HINCHEY and Mr. HOYER.

H.R. 2400: Mr. HAYES and Mr. COBURN.

H.R. 2480: Mr. MCHUGH.

H.R. 2511: Mrs. MALONEY.

H.R. 2566: Mr. BARRETT of Wisconsin.

H.R. 2579: Mr. HALL of Ohio, Mr. SMITH of New Jersey, Mr. CARDIN, and Mr. BRYANT of Tennessee.

H.R. 2634: Mr. HOLDEN.

H.R. 2651: Mr. BONIOR, Mr. OLVER, and Mr. FRANK of Massachusetts.

H.R. 2654: Mr. WAXMAN.

H.R. 2655: Mrs. ROUKEMA.

H.R. 2664: Mr. CRAPO and Mr. POMEROY.

H.R. 2682: Mr. LAZIO of New York.

H.R. 2694: Ms. NORTON, Mr. LAFALCE, Ms. LOFGREN, Mr. FILNER, Mr. HINCHEY, Mr. FROST, Ms. EDDIE BERNICE JOHNSON of Texas, and Mrs. LOWEY.

H.R. 2727: Mr. FUNDERBURK, Mr. NEY, and Mr. HERGER.

H.R. 2740: Mr. BONO and Mr. MCCOLLUM.

H.R. 2747: Mr. YOUNG of Alaska, Mr. MINGE, and Mr. WELLER.

H.R. 2757: Mr. COBLE, Mr. SANDERS, Mr. BOEHLERT, and Mr. KLECZKA.

H.R. 2771: Mr. BARTON of Texas.

H.R. 2779: Mr. BARCIA of Michigan, Mr. CAMP, Mr. CUNNINGHAM, Mr. GANSKE, Mr. MCHUGH, Ms. PRYCE, and Mr. ROYCE.

H.R. 2827: Mrs. LOWEY.

H.R. 2828: Mr. BILIRAKIS and Mr. FOLEY.

H.R. 2844: Mrs. LOWEY, Mr. FRAZER, Mr. BLUTE, Mr. HOKE, and Mr. MEEHAN.

H.R. 2898: Mr. ALLARD and Mr. BROWNBACK.

H.R. 2911: Mr. BUNNING of Kentucky, Mr. DORNAN, Mr. FUNDERBURK, Mr. STOCKMAN, Mr. HUTCHINSON, and Mr. HOLDEN.

H.R. 2921: Mr. MILLER of Florida.

H.R. 2925: Mr. SCARBOROUGH, Mr. KNOLLENBERG, Mr. BARCIA of Michigan, Mr. STUMP, Mr. TAYLOR of North Carolina, Mr. ZIMMER, Ms. DUNN of Washington, Mr. HOSTETTLER, Mr. SAXTON, Mr. FOX, Mr. BARR, Mr. HAYES, Mr. PORTMAN, Mr. MICA, Mr. MCINTOSH, Mr. SALMON, Mr. COMBEST, Mr. CRAMER, Mr. PICKETT, Ms. PRYCE, Mr. LATHAM, Mr. SHADEGG, Mr. NUSSLE, Mr. THORNBERRY, Mr. DICKEY, Mr. CRAPO, Mr. BUNNING of Kentucky, Mr. GORDON, Mr. DUNCAN, Mr. SANFORD, and Mr. BARTLETT of Maryland.

H.R. 2926: Mr. OXLEY.
H.R. 2938: Mr. NEY, Mr. LINDER, and Mr. DAVIS.
H.R. 2959: Mr. RIGGS and Mr. RICHARDSON.
H.R. 2976: Mr. BURTON of Indiana, Mr. DEFAZIO, Mr. FROST, Mr. HILLIARD, Mr. HUTCHINSON, Mr. OLVER, Mr. POSHARD, and Mr. RANGEL.
H.R. 2992: Mr. BLILEY.
H.R. 2994: Ms. MOLINARI, Mrs. LOWEY, Mr. HOUGHTON, Mr. WALSH, Mr. KLINK, Mr. KLECZKA, Mr. NEAL of Massachusetts, and Mr. DOOLITTLE.
H.R. 3002: Mr. HASTERT.
H.R. 3011: Mrs. CHENOWETH, Mr. CUNNINGHAM, Mr. FUNDERBURK, Mr. DAVIS, Mr. CRANE, and Mr. CLINGER.
H.R. 3012: Mr. BILIRAKIS, Mrs. COLLINS of Illinois, Mr. LEWIS of Georgia, Mr. CONDIT, Ms. MCKINNEY, and Mr. THOMPSON.
H.R. 3032: Mr. FOX.
H.R. 3043: Mr. GREENWOOD.
H.R. 3050: Mr. BREWSTER, Mr. TRAFICANT, Mr. FROST, Mr. MINGE, and Mr. LIPINSKI.
H.J. Res. 90: Mr. HANCOCK.
H.J. Res. 117: Mr. BARCIA of Michigan.
H.J. Res. 162: Mr. HUTCHINSON and Mr. HUNTER.
H. Con. Res. 10: Mr. CLINGER.
H. Con. Res. 102: Mr. ROHRABACHER and Mr. OLVER.
H. Con. Res. 119: Mr. SHAYS, Mr. DIXON, and Mr. ROMERO-BARCELO.
H. Con. Res. 140: Mr. MARTINEZ, Mr. LEVIN, and Mr. FRANK of Massachusetts.
H. Con. Res. 149: Mr. WAXMAN, Mr. HAYWORTH, Mr. MCDERMOTT, Mr. BENTSEN, Mr. COBLE, Mr. HALL of Ohio, Mr. ROYCE, Mr. FRANK of Massachusetts, Mr. ANDREWS, Mr. ZIMMER, Mr. JOHNSON of South Dakota, Mr. DELAY, Mr. GRAHAM, Mr. SERRANO, Mr. HASTINGS of Washington, Ms. DELAURO, Mr. OWENS, Mr. SHAYS, Mr. TAYLOR of North Carolina, Mr. MANZULLO, Ms. FURSE, Mr. WATTS of Oklahoma, Mr. HAMILTON, Mr. HINCHEY, Mr. CUNNINGHAM, and Mr. MANTON.
H. Res. 30: Mr. KINGSTON, Mr. STARK, Mr. DINGELL, Mr. LATHAM, and Mr. CHRISTENSEN.
H. Res. 39: Mr. PAYNE of New Jersey, Mr. SANDERS, Ms. LOFGREN, Mr. FARR, Mr. STARK, Mr. WYNN, Mr. HILLIARD, Mr. MCDERMOTT, Mr. DEFAZIO, Mr. REED, Mrs. KENNELLY, Mrs. CLAYTON, and Mr. DURBIN.
H. Res. 358: Ms. PELOSI, Mr. TORRES, Mr. DOOLEY, and Mr. FRANK of Massachusetts.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1963: Mrs. THURMAN.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2202

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 1: At the end of subtitle A of title I, add the following new section (and conform the table of contents accordingly):

SEC. 108. DETAIL OF DEPARTMENT OF DEFENSE PERSONNEL TO ASSIST IMMIGRATION AND NATURALIZATION SERVICE AND CUSTOMS SERVICE.

(a) AUTHORITY OF SECRETARY OF DEFENSE.—Section 274 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(d)(1) During each fiscal year, the Secretary of Defense may make not more than 10,000 Department of Defense personnel available to assist—

''(A) at the request of the Attorney General, the Immigration and Naturalization Service in preventing the entry of terrorists, drug traffickers, and illegal aliens into the United States; and

''(B) at the request of the Secretary of the Treasury, the United States Customs Service in the inspection of cargo, vehicles, and aircraft at points of entry into the United States.

''(2) Section 377 of this title shall apply in the case of Department of Defense personnel made available under paragraph (1).''.

(b) CLERICAL AMENDMENTS.—

(1) The heading of such section is amended to read as follows:

''§374. Use of personnel to maintain and operate equipment and to provide other assistance''.

(2) The item relating to such section in the table of sections at the beginning of chapter 18 of title 10, United States Code, is amended to read as follows:

''§374. Use of personnel to maintain and operate equipment and to provide other assistance.''.

(c) EFFECTIVE DATE.—Subsection (d) of section 374 of title 10, United States Code, as added by subsection (a), shall take effect on the date of the enactment of this Act.

H.R. 2202

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 2: After section 836, insert the following new section (and conform the table of contents accordingly):

SEC. 837. SENSE OF CONGRESS; REQUIREMENTS REGARDING NOTICE.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this Act should be American-made.

(b) NOTICE TO RECIPIENTS OF GRANTS.—In providing grants under this Act, the Attorney General, to the greatest extent practicable, shall provide to each recipient of a grant a notice describing the statement made in subsection (a) by the Congress.

United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE *104th* CONGRESS, SECOND SESSION

Vol. 142 WASHINGTON, TUESDAY, MARCH 12, 1996 *No. 33*

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:

Gracious Father, we thank You for all of our faculties. But today, we praise You especially for the gift of hearing. Help us never to take for granted the amazing process by which sounds are registered on our eardrums, and carried through the audio nerve to our cerebral cortex to be translated into thoughts of recognition, comprehension, and response. Through this wondrous gift we can hear the spring songs of robins returned, majestic music of a sonata, loved one's words of love and hope, and the truths of Your own Word in the Bible as they are read or proclaimed from across the reaches of time. But most importantly, You have given us listening hearts to hear what You have to say to us through the guidance of the Holy Spirit.

Today, we dedicate our physical and spiritual hearing systems to listen more attentively to You and to each other. Forgive us when we are so occupied with what we want to say that we do not listen. Often we do not hear each other because we have prejudged what he or she will say. And there are times when we are so intent on doing our own will without consulting You and listening to Your whisper in our souls. We say with Samuel, ''Speak Lord, Your servant is listening.'' In the name of Him who taught us both to listen and to pray. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, Senator LOTT.

SCHEDULE

Mr. LOTT. Mr. President, there will be a period for morning business until the hour of 10 a.m. today, with Senators permitted to speak for up to 10 minutes each, except for the following: Senator FEINSTEIN of California for 15 minutes.

At the hour of 10 a.m., the Senate will resume consideration of the continuing resolution and the pending amendment offered by Senator DASCHLE. Under the previous order, at 2:15 p.m. today, there will be two consecutive rollall votes. The first will be on invoking cloture on the D.C. appropriations conference report, to be followed by a vote on cloture on the motion to proceed to the Whitewater extension resolution. Following those votes, the Senate will resume consideration of the continuing resolution. Therefore, additional votes are expected throughout the day. Also, the Senate will recess from the hours of 12:30 to 2:15 p.m. for the weekly policy conferences to meet.

It is still hoped we can reach agreement for consideration of the small regulatory relief bill during the session today. We will make an effort to proceed on that legislation. We hope we can consider it before the week is out. It has broad bipartisan support. I believe it was reported unanimously from the Small Business Committee. I have had indications from Senators on both sides of the aisle that they would like to see this legislation moved, although there is some resistance to it, still holding out hope we can move on the broader regulatory reform. That would be ideal. But I still do not see much real hope that can be accomplished, so I would not want us to further hold up good legislation on which we do have agreement. So we will be seeking to move that legislation before the week is out.

Mr. President, I ask unanimous consent that I be heard as in morning business for the next 5 minutes.

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

COMPLETE THE APPROPRIATIONS PROCESS

Mr. LOTT. Mr. President, I was shocked last week to read a headline in one of the local publications that the President was threatening to shut down the Government again. That was the headline: ''Clinton Threatens Government Shutdown.''

It shocked me because I knew that, at that very time, the Senate Appropriations Committee was working on this omnibus appropriations bill, and it was reported out of committee by a broad bipartisan vote with only two Senators voting against the action by the Appropriations Committee.

This legislation does include funds for the rest of the year for the five appropriations bills that have not yet been signed into law, two of which have not yet passed the Senate. Those two are the Labor-HHS-Education bill and the conference report on the District of Columbia appropriations bill, which is being held up because some Members do not want poor students in the District of Columbia to have access to vouchers. The omnibus bill also includes three other appropriations bills that have been vetoed by the President.

So there are five of them. Obviously, everybody from the District of Columbia to the Interior Department would like to get this process completed.

In the Appropriations Committee, they also included emergency funds for the disasters that we have had in the past few months across this country, and they included funds for the United States peacekeeping effort in Bosnia. All in all, the bill goes more than halfway to meet the requests by the President for additional funds. Keep in mind, the President continues to ask for more money. That is what is at

Printed on recycled paper.

stake here: He wants more money to spend—always more money to spend. While we are trying to impose some reasonable restraints on the spending of the Federal Government in the nondefense discretionary areas, he continues to ask for more money, $8 billion more than was included in our earlier legislation. But this omnibus appropriation includes a $4.7 billion move toward what the President has asked for, in the form of a contingency fund that the President could spend after agreement is reached for countervailing savings in entitlement programs. More than half a loaf in any process is a major concession. And yet, we are being told that is still not good enough.

This legislation includes approximately $166 billion for these five bills and the nine departments that are covered by the bill. I repeat, $166 billion. And yet, for an additional $3 billion, the President says he will veto the whole thing. I do not think that makes sense. When the Senate is offering $166 billion, is the President really going to veto this legislation and shut down the Government to force us up to $169 billion?

I do not think that is the way to begin this process. Let us keep the rhetoric cool. Let us go forward with this bill. Let us consider the amendments that will be offered, and I am sure there will be a few—I hope only a few, not many. We can, hopefully, get it completed today, and it will go to conference between the House and the Senate.

The House has added, I believe, $3.3 billion in additional funds; the Senate has added $4.7 billion. The administration will be involved, and in the conference that will ensue, hopefully an agreement can be reached quickly on the conference report. That way we can send this legislation down to the President, and he can sign it before the deadline of Friday midnight. Then the affected departments and agencies can know what they can count on for the rest of this year.

Or, if we run out of time or if difficulties are encountered, we will still have the option of passing a short-term continuing resolution, merely continuing current law but with reduced funding. Those options are out there. We should do our job, and we should do it without the threat or the intimation that, if we do not do it just the way one side or the other wants it, then there is going to be another veto fracas.

I remind my colleagues that the veto threat came from the President last week, and it came because he wants $3 billion more added to a $166 billion bill. I do not think that makes good fiscal sense, and I hope we will take calm and deliberative action to complete this legislation either today or as soon as possible tomorrow.

Mr. President, I yield the floor.

RESERVATION OF LEADERSHIP TIME

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

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to a period for the transaction of morning business until 10 a.m., with Senators permitted to speak for up to 10 minutes each, with one exception: Senator FEINSTEIN will be recognized to speak for up to 15 minutes.

THE UNITED STATES-SAUDI ECONOMIC PARTNERSHIP

Mr. LIEBERMAN. Mr. President, the economic and security partnership between the United States and Saudi Arabia is vital to both nations. Strong business ties are a key element of this partnership.

Saudi Arabia is America's leading supplier of oil, while American technology is important to the efficient development of Saudi oil reserves. America's substantial imports are offset by more than $6 billion dollars' worth of exports to Saudi Arabia each year, principally of manufactured goods. American firms have played an important role in the development of Saudi Arabia's modern defense, transportation, and communications infrastructure. My own home State of Connecticut enjoys a healthy trade relationship with Saudi Arabia, particularly in the area of aircraft engines and spare parts. When I visited Saudi Arabia a few years ago, I experienced firsthand the hospitality and cooperation which characterizes business as well as political dealings between Americans and their Saudi partners.

A recent special edition of Middle East Insight was devoted to the six decades of business partnership between the United States and Saudi Arabia. I would like to share with my colleagues an article by Prince Bandar bin Sultan bin Abdulaziz, Ambassador of the Kingdom of Saudi Arabia to the United States. As most of my colleagues know, Prince Bandar has been a friend of the United States for a long time. He has represented Saudi Arabia with dignity, energy, and intelligence. And he has contributed to a better understanding of the United States in Saudi Arabia. I am pleased to provide this short article for my colleagues and ask unanimous consent that it be printed in the RECORD.

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

[From Middle East Insight]

PARTNERS IN COMMERCE

(By H.R.H. Prince Bandar bin Sultan bin Abdulaziz)

Earlier this year, we marked the fiftieth anniversary of the historic meeting between King Abdulaziz Al-Saud and President Franklin D. Roosevelt aboard the USS Quincy on the Great Bitter Lake. We celebrated this as the occasion that launched the special relationship between the Kingdom of Saudi Arabia and the United States of America. That meeting, however did not occur in a vacuum. More than a decade before, King Abdulaziz had signed the first oil concession with an American oil company. The ensuing activities, culminating with the discovery of oil in commercial quantities in 1938, began to lay the foundation of friendship and cooperation that made the historic meeting between the two great leaders possible.

The Saudi-American relationship began with commerce and, more than six decades later, commerce remains one of the binding forces that tie our two countries together. American companies were there in the beginning, helping to build not only the world's largest oil industry, but the infrastructure, support systems, and educational institutions that go with it.

Over the years, the business and economic relationship between our two countries has broadened and strengthened in parallel with the political friendship. The United States has been Saudi Arabia's number one trade and investment partner for most of the past forty years. Even in more trying times, American business has stayed true to this partnership. More recently, even at personal risk, American companies and their employees stood together with us as we faced a grave challenge from Iraq during Desert Shield and Desert Storm. In a sense, that effort was the largest of many joint ventures between our two countries. The successful cooperation of our soldiers was in no small part made possible by the decades of friendship that preceded it.

Modernization requires adaptation. With determination, commitment, and confidence in our ways, Saudi Arabia has taken control of its own destiny and adapted to the requirements of a 21st century economy. We have reduced our reliance on oil by diversifying into new industries that are driven by the private sector. American companies have been there, as they were at the beginning, to provide the technology and know-how to develop the industries of the future. They have found the Kingdom to be a friendly, stable, and profitable place to do business.

Anyone who doubts the strength of the Saudi-American business partnership has only to look at the more than $15 billion in two-way trade between the two countries. This year alone, more than $12 billion in major airline, telecommunications, and power projects have been awarded to American companies, tens of thousands of Americans live and work in the Kingdom through hundreds of joint ventures; and tens of thousands of Saudis have lived, worked, and studied in the United States, and have brought back with them the best that America has to offer, while maintaining a steadfast allegiance to their own land, religion, and values.

The Saudi-American business partnership has deep roots and is sure to remain a vital element in the overall US-Saudi relationship. Two people who work so closely together toward the common goals of security, prosperity, and economic advancement will surely remain friends, and partners, far into the future. In celebrating this friendship, remember its beginnings in our shared commitment to open markets, free enterprise, and the private pursuit of opportunity to the benefit of both our peoples.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

Mr. LEAHY. Mr. President, I would like to take this opportunity to thank

Senator BOND and Senator MIKULSKI for including funding for the Community Development Financial Institutions [CDFI] Fund in the fiscal year 1996 omnibus appropriations bill.

The CDFI Fund is a key priority for President Clinton. Its inclusion in title I indicates an honest effort by Senator BOND and Senator MIKULSKI to address the President's concerns by providing real dollars for the programs important to the administration. If more disagreements had been resolved with this level of cooperation and compromise, we would be debating a bill today that the President would be eager to sign.

President Clinton and Vice President GORE campaigned in 1992 to create a new partnership with the private sector to revitalize economically distressed communities. The President and Vice President spoke passionately about their vision for supporting local community development banks. After the election of 1992, both Republicans and Democrats in the last Congress turned the President's vision into ground-breaking legislation that created the CDFI Fund. The legislation passed the Senate unanimously and was approved by a 410-to-12 vote in the House.

Unfortunately, previous fiscal year 1996 appropriation bills terminated the CDFI Fund before even giving this program a chance to succeed. That was a shortsighted mistake, and one that this bill corrects.

The fund is a small but very innovative program. For a modest $50 million budget, the fund has the potential to make a significant impact in distressed communities.

How would CDFI succeed in areas where more traditional financing has failed?

The fund would create a permanent, self-sustaining network of financial institutions that would be dedicated to serving distressed communities. These financial institutions include a fast-growing industry of specialized financial service providers—community development financial institutions. The fund would also provide incentives for banks and thrifts to increase their community development activities and invest in CDFI's.

The CDFI Fund's initiatives would be an innovative departure from traditional community development programs because they leverage significant private sector resources. The Department of Commerce estimates that every $1 of fund resources would leverage up to $10 in non-Federal resources. And these locally controlled CDFI's would be able to respond more quickly and effectively to market-building opportunities than traditional community development organizations.

I would like to share with you two examples from my own State of the potential benefits of the CDFI program. The Vermont Development Credit Union [VDCU] is an innovative depository institution providing counseling-based financing and other banking services to moderate and low-income Vermonters since its inception in 1989. Located in Vermont's only Enterprise Community, the credit union is uniquely positioned to provide credit to the State's neediest residents. VDCU is applying for CDFI funding to help them make long-term loans for affordable housing, expand small business lending, and develop partnerships with other service providers to find creative solutions to community development financing.

Another Vermont organization hoping to participate in the CDFI program is the Vermont Community Loan Fund [VCLF]. This statewide nonprofit community development financial intermediary has been providing flexible financing and technical assistance to low-income Vermonters for almost a decade. Financial assistance from the CDFI Fund will allow the VCLF to make long-term loans for affordable housing, undertake new initiatives such as lines of credit for nonprofit organizations, and develop a viable small-scale equity product for Vermont's smaller businesses.

Access to credit is a significant hurdle for low-income Vermonters and small business start-ups in rural areas. The Vermont Development Credit Union and the Vermont Community Loan Fund have proposals that would address these needs in many parts of Vermont. All that is lacking is the capital that the CDFI program can provide.

The CDFI Fund is an idea that could bring real growth and improvements to our most disadvanted communities. I congratulate Senator MIKULSKI and Senator BOND on giving the program the chance to succeed.

100 YEARS OF EXCELLENCE IN EDUCATION

Mr. HOLLINGS. Mr. President, last week, South Carolina State University and the city of Orangeburg celebrated 100 years together. I would like to take a few moments to reflect upon this university's contributions to South Carolina and to the Nation. As remarkable as its history has been, we find, on its centennial, that S.C. State is creating an even greater story to be told in the future. For it is the products of this university, in the form of its graduates, that have made and continue to make tremendous contributions to our society. And it is the graduating classes to come that will carry the legacy into the next century.

For many years, S.C. State has been a focal point of African-American education in South Carolina. The school has served as a cultural nursing ground for African-Americans inside and outside the State of South Carolina. Through its fine academic tradition and strong sense of community, it has nurtured both the intellects and the self-confidence of its students. In the beginning, the college was established as a State supported institution under the system of segregation. Sixty years later, it was to produce a student body which stood at the vanguard of the civil rights movement. As Christine Crumbo of The State writes, ''They have always been the children of tradition, the students of South Carolina State. And the breakers of tradition.''

The college opened its doors on September 27, 1896. Both of them. Its campus consisted of only two buildings, neither of which was furnished with electricity or plumbing. However, the school had plenty of what was essential: students. The original enrollment was approximately 1,000 people ranging from kindergarten to college level, and, unlike other State colleges, S.C. State was coeducational from the start. A great deal of credit goes to Thomas E. Miller, the school's first president and founding father, who fought to establish the school. He left his political career to dedicate his time and his vision to creating an independent Colored Normal Industrial Agricultural and Mechanical College.

The college started out with an emphasis on agriculture. About 80 percent of the first year's students came from farm families. Though the agriculture school was phased out in 1971, it still houses the headquarters for the 1890 Research and Extension Program. This serves farmers in the spirit of the old curriculum, incorporating such branches as The Small Farmer Outreach Training and Technical Assistance Project. Today, South Carolina State has a strong liberal arts and business concentration.

Over the past 100 years, South Carolina State has gained a reputation for producing alumni of high caliber who go on to distinguish themselves in their communities, and throughout the Nation. From teachers to professional football players, from actresses to scientists, S.C. State graduates have made their mark. They are ministers, community leaders, lawyers, and college presidents; for every aspect of public life, there is an S.C. State graduate excelling in it. Included among its ranks are our own Congressional Representative JAMES E. CLYBURN; Chief Justice Ernest A. Finney, Jr., the first African-American man to serve as a State supreme court justice; and Marianna White Davis, the first African-American woman to serve on the State Commission on Higher Education. In fact, one will notice a lot of firsts among the graduating classes of S.C. State. These men and women make the most of the knowledge and self-confidence that their educations instill in them and go on to affect change in this country. At South Carolina State, the students feel a part of something that extends back to their ancestors and forward to the next generation. I commend the efforts of the faculty and administration of S.C. State to continue its tradition of excellence, and I salute the university's independent spirit. I wish them another successful 100 years.

CONDEMNATION OF CHINESE MISSILE TESTS IN THE TAIWAN STRAITS

Mr. PELL. Mr. President, we are currently in the middle of a very tense period in the relationship between the United States, the People's Republic of China, and Taiwan. Military tensions, in particular, are rising. Last week, China began a week-long series of ballistic missile tests and announced it will conduct an additional set of live fire military maneuvers as well. I urge China to cancel these tests and maneuvers. Together they constitute the fourth set of major military exercises the People's Liberation Army has undertaken in the straits since last July. They are provocative, destabilizing, and only damage China's image in the eyes of the world.

There is no reason to disbelieve China's public claim that it is not planning an actual attack on Taiwan at this time. But I do not believe that these are merely routine military maneuvers, as Chinese officials have portrayed them. These tests, and the military exercises that preceded them last year, are clearly meant to intimidate the people of Taiwan in the run-up to the first fully democratic presidential election in the history of Chinese civilization. But the escalation in both scope and nature of this week's exercises raises the risk that conflict could start through miscalculation or accident. It is essential that all parties work to prevent an armed conflict that no one wants.

Chinese Premier Li Peng stated in a speech to the National People's Congress that the Taiwan issue was an internal affair and warned other countries not to interfere. In this regard I support the long-standing United States position that the issue of reunification be handled by the Chinese people on both sides of the straits, but that policy was founded on the understanding that the question of Taiwan would be resolved peacefully. When the leadership in Beijing threatens to use force against Taiwan, it challenges that understanding and Beijing itself creates an international issue. Beijing must understand that the United States does not view Chinese threats toward Taiwan as an internal Chinese affair. The United States has a strong interest in peace and stability in the Taiwan Straits. It has a strong interest in the continued prosperity of the region—Taiwan is the world's 14th largest trading economy and the 7th largest United States trading partner. These exercises are disrupting shipping and continued military maneuvers will inevitably make investors and traders think twice about doing business in the region.

China has repeatedly sought to be considered a responsible member of the world community in a number of international fora. But if it wants the international respect it feels it deserves, it must follow that community's norms of behavior. Threatening Taiwan is not acceptable to that community. Beijing should stop these missile tests and military maneuvers and re-open talks with Taiwan through its own Association for Relations Across the Taiwan Straits and Taiwan's Straits Exchange Foundation. Negotiations between these two entities were successful in resolving a number of issues between Beijing and Taipei before China cut them off last year. China should again use these talks, and not the military, to persuade the people and the Government on Taiwan.

KELLY McCALLA, SOUTH CAROLINA'S 1997 TEACHER OF THE YEAR

Mr. HOLLINGS. Mr. President, I am delighted to congratulate Kelly McCalla on being named the 1997 Teacher of the Year for the State of South Carolina. For 11 years, Ms. McCalla has dedicated herself to educating the young people of Greenwood in her own inimitable style. She is an inspiration to anyone who aspires to do a job well and win the respect of others.

As a teacher of science at Oakland Elementary School, Kelly McCalla engages students' minds and imaginations. As a member of the community, her contributions are vast. Whether organizing special youth events through her local church or participating in summer Bible School, Ms. McCalla contributes to local children's education outside the classroom as well. She is active in other programs that benefit the community at large such as Meals on Wheels, programs for needy children, and caroling at a local nursing home.

Obviously, she is willing to teach by example the importance of being involved in the community.

The award for South Carolina Teacher of the Year is given to educators who are representative of the many excellent teachers across the State, and it is clear that Ms. McCalla is worthy of this title. Said State Superintendent of Education Barbara S. Neilsen, ''The State selection committee saw the same magic in Kelly McCalla that her students do.''

These days, with everyone worrying about children's education, not just in terms of school but in terms of moral values, it is truly a pleasure to be able to honor someone like Kelly McCalla. She is instilling in her students something more than a knowledge of science, she is showing them how to love learning and to be involved, caring, decent people. And that is something that only a gifted educator can do. I send her my congratulations, my thanks, and my best wishes in the future.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

BALANCED BUDGET DOWNPAYMENT ACT, II

The PRESIDING OFFICER. The Chair lays before the Senate, H.R. 3019.

The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3019) making appropriations for fiscal year 1996 to make a further downpayment toward a balanced budget, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Hatfield modified amendment No. 3466, in the nature of a substitute.

Daschle (for Harkin) amendment No. 3467 (to amendment No. 3466) to restore $3.1 billion funding for education programs to the fiscal year 1995 levels.

The PRESIDING OFFICER. The Senator from Minnesota.

AMENDMENT NO. 3467

Mr. WELLSTONE. Mr. President, I rise to speak on behalf of an amendment that a number of us have introduced which adds back $3.1 billion to education programs to restore education funding to fiscal year 1995 levels.

Mr. President, I will summarize. This amendment restores funding for the following programs: Goals 2000, title I, safe and drug-free schools, charter schools, vocational and adult education, educational technology, Head Start, dislocated workers, adult training, school-to-work, summer jobs for youth, and one-stop career centers.

Mr. President, as the minority leader pointed out yesterday, we have offsets for this increased funding. Mr. President, let me, first of all, say to my colleagues, and especially to my very good friend, the chairman of the Appropriations Committee, whom—you do not call people heroes unless they truly are, and he is to me, one of the great Senators in the history of the country. I really believe it was a terrible mistake for the House of Representatives to send over a continuing resolution with these very deep cuts in education.

Mr. President, as I think about where we are in the country right now, it seems to me that people in our Nation are saying very clearly that they care about opportunities. They worry about their children, and they want all of God's children to have opportunities. Mr. President, I just think that slamming the door of opportunity for children is a huge mistake. I think that some of the discussion about children of the next generation—absolutely, we

need to pay the interest off on the debt. But you do not save the children of the next generation by savaging the children of this generation.

Mr. President, I think that as we look at where we are in the country and where we need to go together, Democrats, Republicans, independents, you name it, each and every time, I would emphasize a good education as a foundation of it all—for welfare reform, for reducing poverty, for a stable middle class, for economic performance, for a functioning democracy; each and every time, I would say you need to emphasize a good education and a good job.

Mr. President, I have tried to be an education Senator. I spend time, about every 2½ or 3 weeks, at a school in Minnesota teaching. I was a teacher for 20 years. I have to tell you that the shame of all of this is that, for some reason, we have not looked very carefully—or at least the Gingrich-led House has not—at what these cuts will mean in human terms. I will not even give you the statistics, Mr. President. But I will tell you this: If I was to just take the title I program in my State of Minnesota, which is a $13.5 million cut right now in this continuing resolution, the very negative effects this will have on children is absolutely unbelievable.

We want children at a young age to be wide-eyed. We want them to be experiencing all of the unnamed magic in the world before them. We want them to be nurtured. We want them to be encouraged. What do we do with title I money in Minnesota? Talk to the teachers and talk to the parents—the title I parents in Minneapolis-St. Paul. What do we do? We give kids at the elementary school level one-on-one—I know you, Mr. President, are very committed to children—one-on-one instruction.

I met a mother yesterday. She said, ''My son was a slow reader falling behind, not doing well. From title I he received that special attention, one-on-one instruction, through some additional teachers and teacher assistants. He is now a seventh grader in junior high school, and he is a straight-A student. I come here today to tell you that if not for title I, I do not know where he would be.''

Title I money is not just a bureaucratic program. It works. I was at a school, Jackson Elementary School in St. Paul, with a wonderful principal, Louis Mariucci, which is a great hockey name in Minnesota from the Iron Range. He is committed to the inner-city school, and they are doing well. The students have high achievement levels. It is diverse. It is rooted in the neighborhood.

When I was meeting with a class of third graders and then a class of fourth graders, I asked these kids how many languages are spoken at home. In one class there were three different languages spoken in the homes, and in another class there were four different languages. Then I met with the parents later on from the Hmung community and the Laotian community.

Mr. President, we say we want the parents to be involved. Well, there were two young people who are translators. They are proud because they could use their ability. They were bilingual to help other kids that were younger. They had graduated from college. There are jobs for them. The parents could participate. I could understand what they were saying to me as a Senator. The teachers could and do understand what I was saying.

Mr. President, that is funded out of title I money. That school, Jackson Elementary School, which is an outstanding success, does not know where it is going to be next year because of these deep, draconian, mean-spirited cuts in funds which provide opportunity for our children. Mr. President, is this not shortsighted?

Other examples: Meet with some of the teachers that are title I teachers. They will tell you about the ways in which that money is used for literacy training for adults, the parents, so that they can be involved. They talk about ways in which parents are involved in the kids' education. In school after school after school, whether it is Minneapolis-St. Paul, whether it is Rochester, whether it is Fergus Falls, whether it is Bemidji, whether it is Duluth, whether it is the Iron Range, over and over and over again there are success stories where this title I money was used to provide kids from difficult backgrounds, kids who were disadvantaged, with the additional one-on-one support they needed in reading or mathematics so they could do well at the elementary school level and then go on and do well in school. And we are going to cut this program? What kind of distorted priorities are these?

Mr. President, I wish every one of my colleagues was on the floor right now, especially on the other side. Little kids do not understand budgets. Little kids do not know what ''continuing resolution'' means. Little kids do not know what the ''Congressional Budget Office scoring'' means. Little kids in Minnesota, Massachusetts, Oregon, Ohio, and all across this country do not understand why they cannot receive help to be better readers. Do my colleagues have any answers for them? They do not understand the budgets. They do not understand why they do not get any help. They do not know why they are not getting help so they can do better in reading classes. They do not know why they are not getting any help so they can be better in mathematics. They do not know why they are not receiving help.

Mr. President, a definition from an elementary school student on leadership—I say this to my colleague from Massachusetts. I think he fits this definition. An elementary school student's definition of ''leader.'' ''A leader is someone who gets things done to make things better.'' ''A leader is someone who gets things done to make things better.'' Kids know what is right, and I say to my colleagues that they know what is wrong. We should not kid ourselves. To cut title I money from my State of Minnesota, or any other State, to shut off children from the opportunities they need, from the support they need so they can reach their full potential, is not right.

Leaders are Senators who get things done to make things better. This amendment that restores some funding for educational opportunities for children gets things done to make things better.

Cameron Dick, from South Minneapolis, testified last week in a hearing. Cameron Dick had dropped out of school. He is a native American. He was ''going nowhere.'' But the School-to-Work Program saved him. Working with the American Indian Opportunities Center, he now goes to school, has a job, sees the connection between his schooling and a work opportunity, and in his spare time—you will love this—he tutors other children.

I met a young woman yesterday in St. Paul, MN. I am embarrassed; I forget the last name. The first name is Erika. She is a Hispanic woman who came to Minnesota from California. She has lived in some communities with some very difficult circumstances. She had dropped out of school for several years and then went back to school in the School-to-Work Program at Humboldt High School on the west side of St. Paul and found herself an apprenticeship program with a business, began to study accounting, now has a job, is proud of her work, makes a decent income, and is now going to go on and pursue higher education.

These are not the programs we ought to be cutting. I mean, what is the House of Representatives trying to say to people in this country? ''We will not shut the Government down, but the price we exact for not shutting the Government down is to cut Pell grants or to cut Head Start or to cut low-interest Perkins loan programs or cut vocational education or cut title I or cut safe and drug-free schools. These are not the priorities of people in this country.

Mr. President, I believe that this debate on this amendment to restore $3 billion in funding for children for education and for opportunities is one of the most important debates that we are going to have. This is all about who we are as Senators, whom we represent, what values we believe in, and what our priorities are.

I say to some of my colleagues, especially on the House side, that your agenda is too harsh, your agenda is too extreme, and it is a profound mistake for us to begin to divest from children.

It is a profound mistake for this Nation to abandon children. It is a profound mistake for this Nation to move away from providing opportunities for children.

I will conclude. Little kids do not understand budgets. Little kids do not understand why we cannot help them. Little kids who are trying hard do not understand why we cannot help them do better in school. And that is exactly what we ought to be doing because this is the very essence of the American dream.

There is a former teacher from Northfield, Joanne Jorgensen, who is visiting with me today with her husband, Paul, who is an education professor at Carlton College. Much of politics is personal. Our daughter, Marsha, when she was in elementary school at least up through around fifth grade I would say, was put in a lot of the lower classes. No matter what we call those classes, ''blackbirds'' or ''redbirds,'' everybody knows who are the students that are not doing well. Some of the other kids were calling her a ''retard,'' and as parents it was painful to see your own little girl or to see any little girl or any little boy not feel good about himself or herself, but this was our daughter. Then Joanne Jorgenson became the teacher, and Joanne Jorgenson said to Marsha, ''Marsha, you are not stupid. You can draw. You are an artist. Marsha, you are not stupid. You can write poetry. You have rhythm. Marsha, you are a smart little girl. You are not dumb. You can do well.''

Now be a proud Jewish father. By the time Marsha finished high school, she was a great student and she went on to the University of Wisconsin-Madison, top Spanish student and she is a great Spanish teacher at the high school level. She is a public schoolteacher. I do not know whether she would have been able to do that were it not for Joanne Jorgenson. This is the kind of support that we give students. And Marsha did not come from some of the difficult background circumstances that a lot of the students come from that are able to receive the support they need from title I or vocational education or school-to-work Programs or, for God sake, the Head Start Program. The Head Start Program is what we say it is. We have decided as a nation that we are going to give certain kids a head start.

This is a profound mistake. Do not divest from children. Do not divest from education. Do not divest from opportunities for children. Our amendment restores this $3 billion, and we should do so.

Mr. President, my final point. My final two points, and I promise my colleagues only two points. Point No. 1. I do not want to stand out on the floor of the Senate and argue for this amendment just on the basis of reducing violent crime. I can think of a million reasons why we should invest in education for children beyond that. But I will tell you one thing. Investing in children when they are young and making sure they have the educational opportunities beats the heck out of having to spend money on prisons.

There is a judge, Rick Solum—and maybe my colleagues have heard the statistic before. I have only seen one report on this and maybe it is not corroborated. It is a startling statistic. In Hennepin County, he tells me there is a high correlation between high school dropouts and incarceration, winding up in prison, and cigarette smoking and lung cancer. If the statistic is true, and the judge says it is, that tells a very large story.

I also know, Mr. President—and I try not to do this top-down or outside-school-in—I spend time in schools, Jill and I spend time with street kids, with homeless kids, with at-risk youth, with youth workers, and all of them say the same things: Senators, you have to give these kids positive things to do. You have to give them opportunities.

It starts when they are young. We are never going to stop this cycle of violence by just building prisons. We have to make sure our children in this country, all the children in this country, have hope, have a future that they can believe in, have goals, and have the ability to be able to live for their own dreams. That is what these educational programs mean.

This amendment restores the funding. We should have the support for this amendment, and I look forward to the final vote. I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I rise in strong support of our education amendment, to restore the funding for some of the very basic and fundamental education programs to reaffirm this country's commitment to investment in the young people of our country in the limited but important way in which the Federal Government works in partnership with the States and local communities.

We will have an opportunity to vote on this measure, and I should like to underscore a few of the principal reasons why this issue is of such importance and to review very briefly with the Senate why we are where we are at the present time.

We should understand at the very beginning what is in the legislation and what is not in the legislation. And nothing is clearer than to look at the legislation itself in the final general provisions on page 780. Section 4002 says:

> No part of any appropriation contained in this title shall be made available for obligation or expenditure nor any authority granted or be effective until the enactment into law of a subsequent act—

I mention that again for emphasis.

> of a subsequent act entitled ''An Act Incorporating an Agreement Between the President and Congress Relative to Federal Expenditures in Fiscal Year 1996 and Future Fiscal Years.''

This title may be cited as, ''The Contingency Appropriations Act of 1996.''

This is the Contingency Appropriations Act. It is important as we start the debate that we listen to many of our very good friends who say, ''Well, we have really restored a great deal of education funding in this program so that parents should not worry, teachers should not worry, school boards should not worry because we have restored the money, perhaps not all of the money that we would have liked to have done, but, Senator, we have a difficult financial situation and education has to take the hit like anything else.''

I would differ with that and say as to the proposal in the budget, the Republican budget, which provides the tax breaks for wealthy individuals ranging from some $240 billion, or the revision down, one of the proposals, to $178 billion, can you not give us $4 billion of the tax break that is going to go to the wealthiest individuals and fund these essential education programs because, my friends, basically what they are saying is that to be effective there is going to have to be a subsequent act, and that act is going to have to pass the House of Representatives and the Senate of the United States. That is not going to be a reflection of the will and desire of some of our Republican friends who are strongly committed to education. This legislation is very clear in that there is going to have to be action in the House of Representatives and the Senate of the United States in order for any of the provisions in here to be effective.

That is not satisfactory. Effectively this comes back now to the question of priorities. Are we going to say we will not even seek any restoration of funding for education until we are going to get the tax breaks for the wealthy individuals? That is effectively what this provision says. You will not hear a lot of people talking about it. You will not hear a lot of people saying, ''Well, look, my Republican friends want that big tax break for the wealthy; can't we take $4 billion off there and just put it right in here on education.''

You will not hear a lot of people saying, ''Yes, that is the way to do it.'' That is not the proposal before us. So we have a measure that says, all right, we are going to put in some real money and we are going to put it in now. We are going to put it in education. We are going to support the school boards, the parents, the teachers who are meeting all over this country even while we are in here this morning with their pencil and paper wondering what they are going to be able to do for the children of this country over the next fiscal year.

That is happening in every city and town in my State and in every other State. I will come back to that in just a moment.

Mr. President, are these programs really worthy of support? I think we have to be able to justify the particular programs that are going to be added to.

We have the Goals 2000 Program that had strong bipartisan support in the last Congress, Republicans and Democrats alike basically accepting what

the Governors had agreed to in Charlottesville that said one of the most important elements in education is raising the bar and the challenge to the young people of this country. They will be able to measure up, if we establish some increased academic challenges to the young people.

That is exactly what Goals 2000 is meant to do, not at the State level but at the local school levels. It is meant to get the funding into schools, get parents involved, get the business community involved, teachers involved, and begin to establish the higher standards for the young people.

Those standards are voluntary and have been worked out in some important areas; for example, in math and in science. A number of communities have accepted those particular standards, and do you know what? The latest review shows there is a measurable improvement in the young people who have been challenged by those standards in math and science. It is beginning to move. The challenges are out there. There is an increase in academic achievement and accomplishment.

The bipartisan Democratic and Republican Governors who supported the concept of the Goals 2000 is beginning to work, but not according to this budget. We are cutting back on those Goals 2000 programs so that thousands and thousands of schools will not be able to provide the same opportunities for those children. We are not doing anything about the tax breaks, but we are cutting back on Goals 2000.

We had lengthy debates last year about the effectiveness of the title I program: Should we pull out students to be able to participate in the title I program? If they are not pulled out, are the students missing more than if they stayed in that class? Should we not have perhaps the opportunity to have greater flexibility at the school level?

We had days and days of hearings on that and hours and days of debates in the House and Senate. Many, many good ideas were put forward by parents to try and help and assist those who have some disadvantage in terms of their past educational achievement. In many instances, they were not able to get into the Head Start Program or they need that extra help and assistance in literacy, in confidence-building skills, in the basic elements of decent education.

Do you know what has happened to that? That was cut back initially by almost 1 million children. Now 700,000 will not participate in that program which makes such a difference.

Mr. President, in talking to Mayor Menino in Boston 2 days ago, he said that 14 out of the 78 different programs in the city of Boston are now going to have to be cut out for those schoolchildren.

The Safe and Drug-Free Schools Program—this is a beauty. By 57 percent, it slashes the drug abuse and violence prevention programs for 40 million youth—40 million youth. It cuts back on the help and assistance to the school systems of our country for safe and drug-free schools.

Maybe many of our Republican friends are going to be able to respond to what I heard from the assistant district attorney, Mr. Gittens who is a deputy DA in Suffolk County in Boston who I heard on Friday afternoon and who also happens to be head of the school committee. He is head of the school committee and a prosecutor, and he asked me a very basic question and one which I would like to address to those who want to cut this program. He said: ''Do you know when the increase in juvenile violence takes place, Senator? Do you know what time? You can almost set a stopwatch by it. When the schools close down.''

We should be surprised by that? In the afternoons is when the principal increase in juvenile crime occurs.

What are these programs? Many of them in the Safe and Drug-Free Schools Program go for dispute resolutions. We have a number of schools in my own city of Boston that have enacted that program, and they have seen a dramatic reduction in tension in the schools for a whole range of different reasons.

We have these voluntary programs in the city of Boston for kids who are the most vulnerable children in our communities to get involved, and it is vastly oversubscribed—vastly oversubscribed. There is strong support from the district attorneys.

Meanwhile, in another part of our governmental body, we are cutting off and censuring Colombia to show how tough we are on crime and substance abuse and, at the same time, we are prepared to cut back on programs that reach out into those communities and make a real difference for children. Mr. President, 57 percent of the children.

While I was having meetings out in the community on Friday afternoon, we heard from so many of the ministers in Boston talking about the summer jobs for youth. The 12-, 13-, 14-year-old kids, again, some of the most vulnerable, are talking to their teachers now: ''Is that summer job going to be out there?'' ''Will I be able to have that employment that I had last year?'' ''You know, we want to do something, we want to make something of ourselves.'' And I tell them that this Republican Congress has zeroed their program out.

Mr. President, it makes no sense. If you talk to some who are involved in the program, they say those kids at the end of the summer, if they go the whole summer, may make $900. They say you cannot believe the difference it makes in their attitude when they come back to school after they have been participating in that program. Their whole attitude changes about themselves, about their school, about the importance of schools, about staying out of gangs and staying out of trouble. Well, $867 million is cut out.

What are we going to tell the 1,200 schoolchildren in Boston who otherwise would have been participating in this program, in close collaboration with the private sector that works very closely in the administration of that program, uses that as a principal source for trying to bring young people back into the private sector for training and doing evaluations? It has been a very, very important program, not only in the major cities—in Lawrence, New Bedford, Worcester, Springfield, and many of the other cities.

Also, there has been a $137 million reduction in Head Start. We have been around for years. We saw a significant increase under President Bush in the Head Start Program. Then we had some questions about what was happening to the quality of the Head Start Program. So we revised that with strong bipartisan support. I do not think there were three Members of the U.S. Senate who voted against restructuring of the Head Start Program and the increase in the funding for that program, because it only reaches about 35, 40 percent of the children who are eligible for that program. But nonetheless, they are cutting back that program, a program that helps develop confidence-building skills for young people.

And the work goes on. The Dislocated Workers Assistance Program, there is a 29-percent cut. It excludes 157,000 workers who have lost their jobs from programs that teach them new skills.

At the same time, I was reading in this morning's Washington Post an article by James Glassman which talks about provisions that we have considered in the Judiciary Committee under immigration. Some of us, including myself, do not believe that we ought to fire American workers who are qualified to permit American companies to hire foreigners who have no better skills or equal skills and then drop their cost in wages. So you have American workers who have lost their jobs, the company has lower wages, they compete with American firms, and those firms go out of business. But at the same time, we will have a chance to debate those issues later on.

The point that Mr. Glassman makes is:

> Also, many of the best U.S. jobs go begging, simply because we don't have workers smart enough to fill them. In an extensive new study for Empower America, Stuart Anderson reports that 16 large, high-tech companies alone had 22,000 job openings in January.

That is 22,000 jobs. What do those people need? Some training, so that they are going to be able to be productive, useful members of this society and provide for their families. What does this program do? It cuts out the dislocated worker assistance to be able to give those skills to American workers so that they can get those jobs.

Are we missing something here, Mr. President? Are we going to say to those

workers who are dislocated, with all of the phenomenon that is taking place in terms of the requirements in the job market, without the kind of training that should be provided by the companies and corporations of America—only a handful of them do; they should be commended for doing it, but only a handful of them do—and then on the one hand say, here are thousands and thousands of jobs that are here, and in the same proposal cut back on the dislocated worker assistance?

Mr. President, one of the most important, innovative programs that we passed—again, with strong bipartisan support. We had Republican Governors who have testified in favor of this very exciting program, the former Governor from the State of Maine. Also, we have in the State of Michigan, the School-to-Work Program to try to reach out to the three out of four high school students who do not go on to college but go on into the employment market.

Let us show some consideration for those kids. Let us not just have them every time go on out to McDonald's. Let us try to give them some opportunity of getting on a path that can give them some hope in terms of the future. That is what the School-to-Work Program is about, and it is successful, Mr. President. But we have now a cut in that program that was passed on.

So, Mr. President, we will hear later on about, ''Well, we will be able to deal with some of these issues, perhaps, a little later on.'' We are halfway through or more, certainly, in terms of the planning and programming for the school year.

Let me just mention quickly what is happening out there in the various school boards. I have a deputy superintendent in Worcester, MA, who told me planning next year's budget in the midst of the Federal budget confusion is like reading tea leaves in the middle of an earthquake. Worcester loses $2 million in Federal funding. More than 4,000 students will lose access to support services. Title I will be cut by $1 million. That translates into 700 fewer students. That is $1 million, with 700 fewer students being served, and the layoff of 16 teachers.

In Ayer, MA, they depend on the Federal impact for 23 percent of its budget. The picture is stark. If the Federal funding impasse is not resolved by April 22, they will close the schools 2 months earlier this year.

You have heard about stories in Newport News where they were cutting back on heating for 2 hours in the schools, cutting back heating in a program that we refuse to address. We have the issue of increased tax breaks, and they have cut back heating in the public schools of the country. You wonder why we are putting this legislation out here and why we are demanding that we have a debate and a focus on this.

In Chicago, the chaos caused by the budget impasse will move from the central office to teachers and parents and schools. March 18—next week—the district's budget director has to tell each school the size of their budget for the next year—by the middle of May, local school councils, made up of teachers, parents, community members, and the principals, must submit it for approval—next week. But they will have the assurances of the Contingency Appropriations Act of 1996 to help them out. What does that mean?

The uncertainty about Federal support for education will cause Chicago to waste valuable time deciding how to allocate a lump sum that could change at any time. They will be forced to assume the worst. Chicago schools will lose nearly 20 percent of their budget, or $40 million. That means laying off 600 teachers. The district will have to deny extra help in math and reading to 43,000 students.

Mr. President, this would be bad under any circumstance, but it is particularly bad now. Why? Because of the demographics of this country, we have increased the total number of students anywhere from 3 to 5 million in our schools. Just to keep even with 1995 figures in support, we would need 50,000 additional teachers—50,000 additional teachers—just to keep the pupil-teacher ratio, we would have to add those. We would have to increase the funding.

We are not even asking to increase it. We are just trying to get back to 1995. So you are starting off with 50,000 less teachers than you would need if you are going to be where you should be in 1995. And with the loss of funding of the other program, you lose another 50,000.

Mr. President, that is a matter, I think, of national urgency. I think it is a matter of national crisis. It is a reflection of national priorities, whether we are really serious. If we cannot find the way and the means to try to at least make sure that we are going to do what we did in 1995, let alone try to meet responsibilities in the areas of new technologies to help and assist students, which we should be doing, if we are, as an institution, so bound by procedures that in a $1.7 trillion budget we are not able to find those funds, it is a fierce indictment.

Mr. President, the list goes on. I just want to say, Mr. President, that I do not believe, and I think most Americans do not believe, that education is a contingency as a priority for this country. School boards cannot write their school budgets with contingency moneys. They cannot hire teachers with contingency money. They cannot buy books and pencils and computers for their students with contingency money. They need real numbers now to write their budgets for the coming year. This bill leaves school districts stranded in confusion and uncertainty once again. That is the reason why this amendment which we offer to restore the education funding is so necessary.

Education is not a contingency for the American people. It is not a contingency for the millions of schoolchildren today who will enter the work force in the 21st century. If our commitment to education is real, we should fund it with real money. I urge my colleagues to support the education amendment in the pending appropriation.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WELLSTONE. 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. WELLSTONE. Mr. President, I will just take a couple minutes, I say to my colleague from Pennsylvania. If he is getting ready to speak, I will just take probably 2 or 3 minutes. If not, I will take a little more time. Might I ask my colleague if he is ready to speak now? I had an opportunity to speak. I will be very brief.

Mr. SPECTER. I thank my colleague from Minnesota for his inquiry. I am ready to speak, but I have no objection to his taking 2 or 3 minutes. I will be here all day.

Mr. WELLSTONE. Mr. President, I thought I would supplement earlier remarks that I made on the floor when proposing our amendment, along with the Senator from Massachusetts.

I'd like to take a closer look at these education cuts. Look at this chart for a moment—Goals 2000 is cut by $82 million; that is a 22-percent cut. This slashes school improvement efforts in over 2,000 schools, serving over 1 million children. Title I, $679 million; denies 700,000 disadvantaged children crucial reading and math assistance.

I tried, Mr. President, to give examples, many examples from my State, about what an important program this is. I will repeat what I said earlier: Little kids do not understand all this budget language and do not understand why we cannot help them be better readers and help them do better in school. I also want to provide information that has been given to me by Ms. Susie Kay, an outstanding teacher at the H.D. Woodson Senior High School in the District of Columbia. Mr. President, for examples of what education cuts mean to students, we need go no further outside this Chamber than a couple of miles away, to Ms. Kay's classroom. She writes:

> Our students are not born criminals; they are not lazy or stupid. They just want, and so deserve, the same chances that this country is supposed to guarantee all its citizens. The last thing that they need is to be set back by further budget cuts in education, cuts which would only serve to discourage students and the teachers committed to helping them beat the odds. H.D. Woodson literally survives from the assistance that the Title I Program provides. To cut any further into our resources would be nothing short of criminal. We should be doing everything we can to help them. Too many people ask me why I continue to teach. * * * I respond * * * how can you not?

I ask that Ms. Kay's eloquent and impassioned statement be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. WELLSTONE. The Safe and Drug Free Schools Program is cut by this omnibus appropriations bill a total of $266 million. That is a 57-percent cut. This omnibus bill slashes drug abuse and violence prevention programs for over 40 million young people. Mr. President, you have certainly taken a real leadership role in this area. The only thing I say is that I am immensely impressed not based upon debate on the floor of the Senate, not based on abstraction, but visits to schools at the mentoring programs, at the counseling programs, and really the success of the Safe and Drug Free School Program in doing everything we can to try and address what I think is apparent, the huge problem of substance abuse.

Head Start Program, $137 million cut; denies 50,000 children services that help them become ready to learn. Now, Mr. President, again I remind my colleagues that the Head Start Program, which has overwhelming support in the country, does just what the title says it does. That is, gives children who come from families in very difficult circumstances, very tough backgrounds, a head start. I have taught Head Start mothers; I have taught and worked with Head Start families. There are two things that are very important about the Head Start Program: First, we better invest in children when they are young. That is what you have to do. That is what this program is about. The second thing is the involvement of the parents, and the education of their children. What are we doing cutting the Head Start Program? Does anybody think that is what people voted for in 1994?

Summer jobs for youth, cut $867 million—I did not talk about that before—100 percent they want to eliminate it, preventing 673,000 high school students from gaining valuable work experience.

Mr. President, I will just tell you right now that those publicly elected officials that are more down in the trenches—the commissioners, the school board members, the city council people, the mayors, and I do not mean just in our large cities but I mean in greater Minnesota as well—they will tell you that they have a tremendous amount of fear, I think is the right word, about this extreme House effort, this extremist agenda, of eliminating summer jobs programs for youth. What we want to do is get our young people involved with work. We want them to feel good about themselves. We want them to have these opportunities. This is a critically important program. What are we doing eliminating it?

Mr. President, $362 million for dislocated workers assistance, a 29-percent cut, excluding 150,000 workers who have lost their jobs, in programs that teach new job skills.

Mr. President, every day we are reading about downsizing and restructuring—which is euphemism for some of the large companies in this country—large multinational corporations just firing people. What are we doing cutting a program that provides people who maybe are middle aged who have been working hard all their lives who thought if they did work hard all their lives they would have secure employment, what are we doing cutting a program that provides the dislocated workers with some assistance to make a transition back into the workplace? Did anybody hear a hue and cry from people in 1994 that the kind of change they were voting for was to cut dislocated workers assistance or summer jobs for youth? Finally, Mr. President I talked about this earlier, school to work is cut $55 million—a 22-percent cut, curtailing efforts of 27 States, including Minnesota, to provide students the skills they need to get a good job. Mr. President, I heard the other day in a hearing from the business community that supports it, from labor that supports it, from youth workers that support it, from teachers that support it, and maybe most important of all, from young people, for whom this has made all of the difference in the world.

Mr. President, the definition for family security in Minnesota is to focus on a good education for our children and our grandchildren and to focus on educational opportunities and job opportunities. Mr. President, good family values is to invest in children. Good family values is to invest in educational opportunities. Good family values is to make sure that children can have dreams and can fulfill their dreams. Good family values is to give children hope. Good family values is to give kids a lending hand when they need it. Good family values is to give children the careful consideration and nurturing and support they deserve to do better in reading, to do better mathematics. Good family values is to make kids feel good about themselves. Good family values, Mr. President, is to understand that education and educational opportunities are the essence of the American dream.

This is one of the most important amendments, I think, that has been proposed on the floor of the Senate in my 5 years in office. I am very proud to be a Senator that brings this amendment to the floor, and I hope we will restore this funding. I have said it 10 times on the floor of the Senate. I will say it an 11th time and then be done. Now that I have grandchildren, I see these little children—they surprise me because our children are all 30, 26 and 23; I hope I have that right. Now three grandchildren. I see these kids. It is incredible. Every 15 seconds they are interested in something new. They can be in the same room and they can come back weekend after weekend and they always find something new. Those children are experiencing all the unnamed magic of the world. You take that spark of learning and you ignite it and it takes a child from any background to a life of creativity and accomplishment; you throw cold water on that spark of learning and that is the cruelest thing you can do as a Senator, as a government, as a country, as a society.

By trying to enact the deepest cuts we have ever had in education as the price for not shutting the Government down—that is precisely what the Speaker and other Members of the House who support this have sent over to the U.S. Senate—an effort to pour cold water on this spark of learning is unconscionable, unacceptable, and Senators should vote for our amendment to restore this funding. I yield the floor.

EXHIBIT 1

My name is Susie Kay and I have been a 12th-grade American government teacher at H.D. Woodson Senior High School for the past five years. I am one of four non-minority teachers at Woodson, which has a 100% African American student population. H.D. Woodson is a D.C. Public High School, located in the inner city, east of the Anacostia River.

Teaching at Woodson has been a powerful experience, and, while often disheartening, my days are filled with constant inspiration and small miracles. The noted education writer Jonathan Kozol has put my Woodson experiences in chilling perspective. He writes in *Amazing Grace*, ''No viable human society condemns its children to death. Yet, through public policy and private indifference, we have guaranteed that our poor inner city children will lead lives stunted by heartbreak, violence and disease.'' He continues, ''. . . that each casualty, part of the beauty of the world is extinguished, because these are children of intelligence and humor, of poetic insight and luminous faith.''

The story of the inner city and its youth is all this and infinitely more. It is a tale of survival, not only from a culture of economic despair and hopelessness, where too often nothing seems to change, but survival against the temptations of ''easy money'' in an area where there are virtually no available jobs or means of ''legal employment.'' It is a tale of survival amidst drug dealings and drive-by shootings and too often its innocent casualties . . . ''dreams deferred.'' Mostly, it is a story of the survival and triumph of the human spirit through resilience and finding hope in even the darkest corners. Our students want to survive, and they want to succeed, despite the multitude of odds against them. My friends hear all of my stories day after day; it is a world so foreign to most of them, in fact to most people in this country, and one which too many people don't want to be bothered with. It can be symbolized in the paradox of Washington, D.C., this glorious, powerful city, where blocks separate these two worlds. My students do not feel the same reverence and respect for our government that I was taught growing up, but rather an alienation, abandonment, and disillusionment of it. I must say that it is often difficult to blame them for this.

From what I have witnessed, those students that make it have truly survived against the odds. Many of their obstacles are so seemingly insurmountable, that there is an unwritten creed that making it to graduation day alive is, in itself, a victory. Death

is a culture in the inner city, and one that is prevalent. One of the most incredible aspects of these children's lives is the amount of death that they must constantly deal with, and the accompanying complacency and acceptance of it. Every Monday brings with it a new list of immediate family members and close friends who have either been killed or died because of the critical lack of available medical attention. This year alone, I have attended the funerals of three of my graduating 1995 seniors. They were all bright and beautiful young people, rich with intelligence and talent. This is not a sane way to grow up, nor is it conducive to a clear mind ready to begin the school day. Too many of our students come to school weary from sleepless nights spent worrying about things that citizens of this country, the richest country in the world, should not have to worry about. Will I have a place to live this week-end? Will that next stray bullet come through my bedroom window? Where will my next meal come from? As if teachers don't have enough to worry about, feeding, clothing, and sheltering our students with our own money has become routine. It is just part of the job. For the past three weeks one of our students has been homeless. A few teachers and myself have spent a great deal of time feeding, sheltering and locating suitable housing for this young man. It has been frustrating, but as always, we have been inspired by his determination to get through this. And once the students do beat the odds and arrive at school safely, what awaits them? Too often they face deplorable physical conditions and severe lack of supplies and resources (yes this does include text books). They face no heat in the winter and no air conditioning in the sweltering warmer months of May and June. School should be a haven and a refuge from the ills of the outside world; instead it is a place where even the presence of metal detectors and too few security guards can only do so much to keep our children safe.

We read daily about the lack of supplies, money and resources in the District of Columbia Public Schools. I am sure this is a story that is repeated in inner city school districts throughout the country, but these stories only scratch the surface. The reality is much worse, in fact tragic. Many classes did not have books until November of this year. Until recently, there was only one copying machine for use by the entire faculty, and now budget cuts have eliminated the repair of that machine. We were often relegated to using a hand-crank, 1950's style ditto machine located in the women's bathroom or expending our own funds to purchase copies of materials at Kinkos or Staples. Most teachers spend an average of $500–700 per year on supplies that are taken for granted in suburban schools through this country. Even the most basic supplies are now elusive . . . pencils, paper . . . what's left? It is impossible to teach effectively without spending our own money.

We are often inundated with news about teachers who have given up . . . burned out . . . who are apathetic . . . who simply do not care. This is not a fitting description of so many of my colleagues at H.D. Woodson. Certainly it does not bespeak the endless hours of work done by teachers who increasingly are being called upon to fill so many abdicated roles in their students lives. It is not an accurate description of Barbara Birchette, the lead teacher of the accelerated charter school at D.H. Woodson, the Academy of Finance and Business. She daily and tirelessly performs the job of an army battalion. Nor does it describe Kenneth Friedman, the English teacher to whom students know they can go to be fed and so much more . . . nor Coach Bruce D. Bradford, the swimming coach who continuously teaches his students invaluable life lessons. The names and stories of dedicated teachers are endless. We daily confront multiple obstacles and see them as challenges to be surmounted, while fighting off the temptation to give up. Our reward is our students . . . it certainly is not monetary.

The H.D. Woodson Swim Team placed 2nd in the DCIAA Championship over the past week-end . . . an amazing feat considering that we had no water in the swimming pool this entire season. Due to budget cuts, the necessary pool repairs have not been made. I guess there is nothing like dry land workouts for a swim team. Congress could learn a lot from our Woodson swimmers . . . how to do more with less. The Woodson Warriorsharks epitomize how success in these circumstances is still possible. So many of these students are the most creative, determined and loving people that I have ever met in my life. In spite of the odds, they desperately want to make it, and many miraculously do. In spite of the constant reinforcement of messages, both subliminal and blatant, our society, our government, our country is saying to these children that they are not valued as much, or deserving as much, as our (other) children. It is a race issue. It is a social class issue, and, if not quickly addressed, we will all suffer in the end. For those who think that this is not their problem, I say to you, you can run, but you cannot hide.

For many of my 17-year-old seniors, I am one of the few white people with whom they have had a daily relationship. Their experience with my race has often been either nonexistent, negative or at the very least, confusing. I am constantly faced with the challenge of answering logical questions that have no reasonable answers—at least ones which I find satisfactory as I face into the eyes of these children. Why do white people cross the street and hold their purses close and follow us around stores as if we are all criminals? Why do white people look at us with such anger and fear? Why does our government seem not to care about us? These are good kids growing up in a cruel world. Yet I'll say it again. The story is in the miracle . . . the thirst for knowledge and the will to survive.

I have made a point of exposing my students to my friends and to their jobs as lobbyists, hill-staffers and lawyers in the hopes that stereotypes will be dispelled on both sides . . . they always are. One of the largest voids in these students' lives are contacts and positive exposure to people beyond their immediate community. We all know it's who you know, and by no fault of their own, those connections are just not there. It does not take a congressional study to understand this simple philosophy of how so many of these kids are sent off into the world to complete with those who have been economically and academically advantaged, equipped to succeed. Our students are not born criminals; they are not lazy or stupid. They just want, and so deserve, the same chances that this country is supposed to guarantee all of its citizens. The last thing that they need is to be set back by further budget cuts in education, cuts which would only serve to discourage students and the teachers committed to helping them beat the odds. H.D. Woodson literally survives from the assistance that the Title I Program provides. To cut any further into our resources would be nothing short of criminal. We should be doing everything we can do help them. Too many people ask me why I continue to reach and care about these kids. I respond . . . how can you not?

Mr. LEVIN. Mr. President, I am a proud cosponsor of the pending amendment because I feel that education is so critical to this country's future. The worst thing we can do, the worst thing we can do when we look at budget priorities, is to make the kind of cuts in education programs that are proposed to be made for next fall and for the fiscal year that we are debating. These are the largest cuts in education programs in this Nation's history.

By the way, the same day that we made a $3 billion cut in education programs on an annualized basis, the cuts which were contained in the interim funding bill that we are now operating, $7 billion was added to the defense budget for items not requested by the Pentagon.

Within 2 hours we had two votes in this body. One of the votes passed a continuing resolution, interim funding, with cuts in education programs, cuts in title I programs that provide teachers, for math and science, for most of our school districts, cuts in Head Start programs, cuts in loan programs for colleges, cuts in the School-to-Work Program, which is a new form of vocational training education and is working so beautifully in our high schools; a 17-percent cut we had in the title I program; and a 22-percent cut in school-to-work.

Within 2 hours of that vote, which cut $3 billion in education, which represents the future of this Nation, we adopted a defense authorization bill that added $7 billion for items that the Pentagon did not ask us to add—ships and planes, mainly—and which the President did not request. Those are not the priorities that the people of this Nation want.

The cuts in education are proposed at a time when a recent NBC News/Wall Street Journal public opinion poll says that 92 percent of all Americans believe that the Federal Government should spend the same or more on education; 92 percent of our people do not want us to cut education.

The continuing resolution and the appropriation bill before us now makes historic cuts in education. These are cuts in programs that are working. We are not talking about cuts in programs that are not working. These are cuts in programs that are having a positive impact on the lives of people, according to, I think, all the authorities that I can talk to.

I have traveled around my home State of Michigan for the last month talking to parents, educators, and students. I asked them to talk to me about school-to-work, and to tell me what difference the School-to-Work Program means in their lives. And I am told what that program means in the lives of students.

We finally have a School-to-Work Program where the business community is involved in education. The business community is designing the curricula in the high schools that will provide students with schools that the business community can use.

Finally, we have a true marriage between business and education to provide real-world skills with real-world technologies. What do we do? There is a proposed cut in the School-to-Work Program of 22 percent. This is a program that is working. This is not a program that is floundering, a program that is wasteful.

When you travel around our States—and I can only speak for my State, but I go to school after school after school, from one part of my State to another, just on the School-to-Work Program. Another group of visits was on the title I program. These are programs where the Federal Government is making a positive difference. These are not wasteful programs. This is not where there is waste, fraud, and abuse, where we ought to be active. These are programs where we are making a positive contribution to the lives of students and to the future of this Nation, and it is proposed that we cut these programs by a historic amount of $3 billion, and where the American people have told us in public opinion polls, in our mail, phone calls, and in our visits, that education is a very big priority for them. They believe these programs are making a difference.

These college loan programs are making a difference. Head Start, we know, makes a difference in the lives of students. Only half of the students now eligible for Head Start get Head Start. Only half. That is all the funding that is available. So instead of increasing Head Start, we have an appropriation bill before us which reduces Head Start.

Now, in addition to the huge cuts that this bill would make in education and that our amendment would restore, that the Harkin amendment would restore, we have another problem, which is that the appropriation proposal before us causes local school districts tremendous uncertainty because the proposal before us says that there is a contingency fund, and if that contingency fund is funded, then they are going to get one level of funding, and if it is not funded through some budget agreement between the Congress and the President, then it is not going to be funded.

How do we expect school districts to be budgeting for next fall when we have, as part of their funding level, a contingency fund which nobody has any idea whether or not it is going to be funded? These are administrators of schools. They have responsibilities to people—to our children, in the case of high schools and elementary and intermediate schools, and colleges, in the case of college students. They have responsibilities to plan a budget.

The appropriation bill before us says, well, some of these cuts you are talking about maybe will be restored. If the President and the Congress get together on a budget deal, then there is going to be a higher level of funding, and those $3 billion in cuts you are talking about will not happen. They cannot budget that way. It is not a responsible way to budget. So right now, as they are budgeting for the fall, trying to figure out whether they have to lay off title I teachers, and they are trying to figure out whether they will have to terminate school-to-work programs, this new form of vocational education training, which, as I said before, finally marries the business community with our schools in the most creative kind of partnership, that I have seen in education. We have business people in our schools working together on a curriculum that will provide skills for students that are needed by business.

Mr. President, I have been in room after room with business people and students together in my State of Michigan, where the business people tell me that when these kids complete this course, this School-to-Work Program, when they learn these skills and when their attendance record is what it has to be under this program, and when they do all the things required of them, they will have a job with me. When you look at a room full of kids and when they are told by business people, ''When you complete this course in this high school, when you graduate this School-to-Work Program, you have a good-paying job with my company,'' that is real, and that is happening in the school-to-work world. That is what is proposed for a cut, unless, of course, there is a contingency fund that is funded.

But school districts cannot budget on that basis. They have to figure out now whether or not next fall they are going to have to reduce their School-to-Work Program, or whether they are going to have to lay off title I teachers. These are real budget decisions, and they should not be left up in the air the way this proposal does.

The bill includes significant funding cuts in some of the most proven education programs that we have. As I said, school-to-work initiatives are cut by 22 percent. We ought to be increasing school-to-work. It is a tremendous success. Goals 2000 is reduced by 22 percent; Perkins low-interest college loans is cut 37 percent; State student incentive grants is cut 50 percent; the title I skills program is cut by 10 percent; Head Start is cut by 4 percent; funding is eliminated altogether for the summer jobs program. This program has a direct affect on thousands of young people who otherwise are going to be without work and in the streets. It affects their education because many of these jobs are directly connected to whether or not they are in school or not.

As I have said, Mr. President, my reaction to these cuts is not just based on some philosophical belief that I hold deeply that education is the key to our future. It is based on personal experiences and traveling around my home State of Michigan.

(Mr. KYL assumed the chair.)

Mr. LEVIN. Let me give some examples of some of the comments of the various educators and people relative to these cuts.

Larry Campbell, the superintendent of the St. Joseph County intermediate school district said this:

It is difficult for me to fathom proposed cuts in Federal education funds for title I, Goals 2000, school-to-work, and safe and drug-free schools. I am deeply distressed at the prospect of losing $265,600 in title I Federal funding for schools in St. Joseph County. This will have a profound affect on our ability to educate children, especially those with the greatest need.

Mrs. Jean Sawaski, the vice president of the Wakefield Township school board of education says:

I am deeply distressed at the prospect of losing $93,300 in title I Federal funding for schools in Gogebic County. Please consider the impact of these cuts to education.

David Defields, the superintendent, and Mary Stessard, the director of programs and instruction of the Coloma community schools, in a February 15 letter, said to me:

In Berrien County we are projected to lose $1.1 million in title I funds alone, at a time when teachers have begun to accept the research on how children learn, have invested much time in professional development and are excited about new teaming efforts to get it right the first time. You folks are asking us to cut back and curtail the momentum. It is all very discouraging for educators. Many at-risk students will lose services. We are willing to tighten our belts. However, we hear that on the same day that a budget cut of $3 billion from education funding is proposed, an increase for the defense budget of $7 billion is proposed. Is providing contracts for the defense manufacturers more important than the education of our children?

Mr. Richard van Haaften, superintendent of the North Branch Area School, said:

I am very concerned about possibly losing $350,000 in title I Federal funding for schools in Lapeer County. A loss of revenue of this magnitude will have a significant impact on our ability to educate children with the greatest need.

Marilyn phillips, Principal of Beetle Lake Elementary School in Battle Creek, talks about real children where title I has made a difference in their lives. She says:

I wish you could see how title I funds have helped so many students in our school. We have an excellent early intervention program for our kindergarten, first- and second-grade students which will have to be curtailed if you reduce funding for next year. For instance, Caitlin, a first-grader who was not succeeding in kindergarten, is now a fluent reader in the first grade because of the extra help given her through title I funding. Adam, Travis, and Mark, and so many others have been helped, too. Won't you please think about the importance of good education for this generation of children?

Won't you please think about the importance of a good education for this generation of children?

Superintendent of the Detroit Public Schools, Dave Snead, told me:

The elimination of the Summer Youth Program is short-sighted and sacrifices our ability to teach skills related to the work ethic, economic independence, and self-sufficiency. Reduction of funding for Head Start, Title I, School-To-Work, and Safe and Drug-Free

Schools shortchanges students most in need of assistance. The proposed cuts must not stand.

Well, if these cuts do become law—and, if we do not correct them through the pending amendment—our Nation is going to face the largest cut in education funding in our history. Over $3 billion will have been taken from America's schoolchildren, and the loss of the investment in their futures will have harmed us all.

So, Mr. President, President Clinton has said he will not sign this bill in its present form. And he should not. But it should not get to him in its present form. The Senate should adopt the pending amendment which should restore educational funding to at least last year's level, and we should not rob our children of their future, which is what we do when we cut education programs which are working.

I want to close with that thought because a lot of us in this body have gone after programs which do not work. We spend a lot of time trying to reduce programs which should either be eliminated or be reduced. That is true of many programs. And that is the responsibility which we have, and which some of us have tried to carry out. But these programs work, and we have to make a distinction between programs which work and programs which do not. When we have a title I program which is working, when we have school-to-work, and vocational education programs that are working, Head Start programs that are working, we should be finding ways to increase the availability of these programs.

We should be making college more available to students—not less. We are in the midst—and have been for about 20 years—of a real economic crunch on the average American family. It is something which we have been concerned about and have tried to turn around for a long time. We know that there is a direct relationship between how much education you have and what your lifetime earnings are going to be. It may not be true in every case. But it is true in most cases. The more education that you have the greater the likelihood is that you are going to have a better income for your whole life. We know it statistically. And what we also know is that the relationship is closer than it has ever been. To put it another way, the gap in income between those that have education and those that do not is growing.

When we are in a situation—I think it is a deeply troubling situation—when that average American family has seen stagnation in its income, when that average American family is working longer hours, because they are, or more hours put in per family to earn either the same amount, or less, in real terms after inflation and after taxes, it seems to me that we have to look for ways that we can turn that around where we can again see real growth in family incomes.

One of the ways to do that—and there are many—but one of the ways to do it is a proven way of increasing educational opportunities for the breadwinners of those families. We know it as certain as we are standing here; that, if we can increase educational opportunities for people, there is a strong likelihood—not a 100 percent likelihood but a strong likelihood—that they will be better off economically through their lifetime. Knowing that, why in Heaven's name we would be proposing historic cuts in education programs is beyond me. When we are struggling to find ways to improve family income to finally get it back into a growth mode, under this a appropriations bill—unless it is amended—we would be making reductions in one of the ways that we can be enhancing family income.

Our families are not only working longer hours, they are more productive than they have ever been. Our productivity as a people has gone up dramatically.

So the families of America are working more hours, are more productive than ever, and yet family income is stagnant. Median family income in America has actually gone down over the last 20 years. It is a situation which has troubling—indeed, tragic—overtones. And what we must do is continue to seek ways that we can reverse that situation. We must look for ways to improve the standard of living of average American families. And the worst thing we can do—the last thing we ought to do—is to be cutting the education programs which can help families, and help future families earn more.

So I hope that we will be adopting the amendment before us. I hope that we will restore not just in a contingent way, or in a hypothetical or possibly a theoretical way but that we will actually restore funds which have been cut from some very vital education programs.

I again am proud to be a cosponsor of the pending amendment and hope that it passes with an overwhelming vote of the Senate.

I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER (Mr. KYL). The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, in my capacity as chairman of the Appropriations Subcommittee on Labor, Health and Human Services, and Education, I have been struggling to meet the requirements of these three important departments in a way to present on the floor of the Senate a bill which can pass and will be signed by the President. There is an open question as to whether there can be passage of a bill by the Senate on a 51 majority vote on the declaration of an emergency without having offsets so that we reach the objective of a balanced budget, which is the objective articulated by the Congress as well as the President.

It has been this search for offsets which has occupied me for many weeks up to this instant. This morning I was on the phone trying to reach Chief of Staff Leon Panetta, with whom I have talked about these offsets again and again and again. We are still struggling to find those offsets, because if we do not find those offsets there is a real threat that there will be a stalemate again between the Congress and the President which will lead to a closing of the Government, which I think has been cataclysmic and would be even more so if it happened again.

That is not something I am saying for the first time in this Chamber, on March 12, today. I said that back on November 14, on the second day of the first closing of the Government because of my view that if we are going to have political gridlock, we ought to find a way to carry forward and crystallize the issue for the November elections and then take it to the American people as to whether they prefer the approach of the Congress or prefer the approach of the administration.

So as we have had these continuing resolutions late last year and again early this year, I have been talking to the administration's chief negotiator, Mr. Panetta, to try to find out the offsets. I wrote to Mr. Panetta back on February 20 of this year. I will read the first paragraph.

DEAR LEON: I called again this morning to try to find out from you the possible offsets to add approximately $3.3 billion for appropriations for my subcommittee on Labor, Health and Human Services and Education. As you know, when we talked the week before last you expected to be able to identify those offsets by last Tuesday. When I caught up with you on Friday, you thought the offsets could at least be identified by today.

We had scheduled a hearing for the three Secretaries for February 21, which was deferred in the absence of those offsets, and we finally had those hearings trying to get the priorities from those top administration officials a week ago today, on March 5. I had actually gone to Wilkes-Barre, PA, on February 16 in the hope that I would see Mr. Panetta. I could not reach him on the phone. He was traveling with the President. I got to Wilkes-Barre, PA, when the President was scheduled to inspect flood damage with a number of Pennsylvania officials from the Pennsylvania congressional delegation and the Governor. I found Mr. Panetta was not there, so I had a chance to talk to the President about this issue.

President Clinton said to me that he had discussed this offset question with Mr. Panetta and that offsets had been identified. I asked the President what they were, and he did not have the specifics at that time. But we are still in search of those offsets.

The bill which passed the Appropriations Committee provided an additional $3.3 billion for these three departments. The amendment which has been offered by Senator DASCHLE reduces that figure and calls for additions of $3,098,637,000. In working with Senator HARKIN, who is the ranking Democrat on this subcommittee, in what was virtually an all-night session—Bettilou Taylor nods in the affirmative—we have been able to come

up with offsets of $2,634,239,000. And in my efforts to reach Mr. Panetta again this morning, talking to Miss Barbara Chow of his office, talking about offsets perhaps from extending current fees of the Nuclear Regulatory Commission, there is a question as to whether that fits into this year or not.

When my colleagues from the other side of the aisle have been talking about the importance of education, I will not take a back seat on education funding to anybody in this Chamber or anybody in this Congress or anybody in this country. The education issue was very heavily stressed in the Specter family when I was growing up because my parents had so little of it. Both immigrants, my mother only went to school through to the eighth grade; my father had no formal education; but my brother, my two sisters and I have been able to share in the American dream because of educational opportunity. And I am determined to see that for America today and for America tomorrow.

There is another public policy consideration. Equality is in the eye of the beholder in how we get there. And that is the commitment which the Congress has made to a balanced budget, which the President has agreed to. That is why we are searching for these offsets. When comments are made about grandchildren, I concur totally on educational opportunity. But I am also concerned about not paying our bills that we run up on a credit card today, as we have for so many, many years with a national debt which exceeds $5 trillion and annual deficits which exceed $200 billion. So that is what we are struggling to do.

Comments were made about summer jobs. One of the Senators on the other side of the aisle said that he talked with the assistant district attorney in Boston who pointed out that crime increased when school closed. I do not know why you have to talk to anybody special to find that out. I was an assistant district attorney many years ago. The city of Philadelphia has a lot of similarities to Boston. And I saw that when school was out crime went up, and I did not have to find that out that particular summer. It was the summer of 1960 when I saw that.

I have been as concerned as my colleagues on both sides of the aisle about summer jobs, and the add-backs which are in the committee report provide for $635 million for summer youth jobs, which is what President Clinton had asked for in the add-back request.

When there is talk about the importance of school-to-work by my colleagues on the other side of the aisle, I agree with that, too, and we have added back in the bill currently pending from the committee $182 million for school-to-work programs, which is the President's request.

When you talk about the vital factor of title I compensatory education, again we have met the President's request on the add-backs putting in $1,278,887,000 billion.

So that we are struggling to find enough money in offsets which will enable us to proceed, to maintain the objective of a balanced budget by having offsets. It is something which Leon Panetta is committed to do, searching for offsets. I repeat the quotation of the President when I talked to him in Wilkes-Barre on February 16 that there were offsets and we are still trying to identify them. And this business about an emergency, if that is sufficient to avoid a 61-vote determination, that all anybody has to do in any amendment which is offered by any Senator is to say it is an emergency situation.

The logic is that if it is determined to be an emergency by the President and by the Congress, then that is an emergency and it is an exception to the Budget Act. But the question remains as to what kind of a vote it is which determines whether there is such an emergency.

There are extensive parliamentary considerations as to the ruling of the Chair and overturning the ruling of the Chair by a majority vote, and I would like to see us not engage in that kind of parliamentary maneuvering. I would also not like to see us engage in jeopardizing portions of this bill which provide for emergency relief for the terrible floods which ravaged my State of Pennsylvania and many, many other States.

That is why I am hopeful that we can come to terms and find the necessary offsets so that we maintain the commitments which I think, realistically stated, remain on both sides of the aisle to balance the budget and not to undercut that, but where we do add to education and summer jobs and school-to-work programs, programs that I totally subscribe to, that we do so in a way which comports with our responsibility on a balanced budget and meets that with offsets.

At this point, I am going to continue my work on the offsets. That concludes the essence of what I have to say. I know of no other Senator seeking recognition, Mr. President, so 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. KOHL. 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. KOHL. Mr. President, I come here as an original cosponsor of the Daschle-Harkin education amendment. With this amendment, we have the opportunity to answer a daunting question for school administrators, teachers and parents across the country: How much does this Congress value education?

With this amendment, we can make the right choice. By passing it, we can prove to our children and their teachers that Congress will back up its words extolling the virtues of a good education with actions that will provide a good education.

This amendment does not represent empty promises. It brings education funding back to last year's level and is paid for with real spending cuts, not with the fund contingent on some uncertain future event.

Last week, the Appropriations Subcommittee for the Departments of Labor, Health and Human Services, and Education heard from the Secretaries of these agencies. As a member of that subcommittee, I was stunned by the extent that education and job training programs have been hampered by the sharp cuts in the current continuing resolution and by disruptive Government shutdowns.

Despite these warnings, the Appropriations Committee reported a new continuing resolution containing over $3 billion in cuts to education and job training resources. My own State of Wisconsin will be hit with a $20 million cut in education, including almost $1.5 million less for Goals 2000, $2 million in vocational education cuts, $4.5 million in cuts to the Safe and Drug-Free Schools Program, and a debilitating $12 million cut in title I, which is the money that goes to our most disadvantaged young students.

Supporters of this continuing resolution will argue that there is over $3 billion in education money provided, contingent upon Congress passing entitlement reform. Mr. President, school administrators cannot bank on some unknown budget breakthrough that may happen in 2 or 3 weeks or perhaps not even at all. I hope we do get a breakthrough on a budget deal, but these school officials need to make budget decisions for the coming school year right now.

Let us present our school officials, our parents and their children with real solutions and not illusions. Our amendment takes the education priorities identified under the contingency account and pays for them right now. Real offsets are provided for real restorations in the title I program, school to work, drug-free schools, Goals 2000, higher education and Head Start.

Mr. President, no one believes that balancing the budget is easy, but people do question the priorities of the 104th Congress. People do question why the Pentagon was given $7 billion in spending it did not even ask for or need when, in fact, education is slated for huge cuts. People do question why we would shortchange education when noncontroversial offsets exist to pay for continuing funding at last year's level.

I am a strong advocate of balancing the budget. To get to that goal, I know we have to consider cuts in programs that we all support, and I am willing to do so in every area, except in core education programs.

Reducing our spending on education is perhaps the most unbalanced and unfair act that this Congress can take. We have already saddled our children

with Government debt topping $5 trillion. It is unconscionable at the same time to take away the tools that will allow them to earn money to pay off that debt.

When I ran my own business, Mr. President, the people I hired were the best people with the best education. What was true for our chain of stores at that time is true in the national and international marketplaces as well. Study after study has shown that the wages and quality of life of workers are directly related to their educational achievement. In the international economic arena, the country with the best educated work force will inevitably get the high-paying, high-technology jobs in the future.

To leave the next generation with huge debts is disgraceful. To leave them with an education deficit as well, I believe, is criminal. Skimping on education funding runs counter to almost every stated goal of this Congress. How can we reach a sustained balanced budget without giving the next generation the tools that they need to grow the economy? How can we reform welfare into a work program without giving our young people the skills they need to get and hold good jobs? How can we address the income disparity in our country if we deny students the quality education that will allow them to improve their standard of living?

I believe that our choice today is stark. We want to give our children the education they need to keep this country's economy healthy and to keep their standard of living decent. I hope that the Senate will make the right choice—to choose the future and pass the Harkin education amendment. Thank you, Mr. President.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, while the distinguished Senator from Wisconsin is on the floor, I would appreciate it if he would be willing to have an exchange of views and respond to a question or two on some of the statements which he just made.

Mr. KOHL. Go right ahead.

Mr. SPECTER. At the outset, I express my admiration for the work that the Senator has done. We have worked very closely together on a number of committees, including the Terrorism Subcommittee. I note his comments and concern, which I have heard before, about the balanced budget.

When the Senator says that there are offsets, it is my analysis, backed by staff, that the amendment offered by Senator DASCHLE does not have offsets for the full amount of $3,098,637,000. In the efforts which Senator HARKIN and I have made to try to find offsets, we have come to a figure of $2,634,239,000.

There is, in Senator DASCHLE's amendment, a provision for a declaration of emergency which seeks to take this amendment out of the provisions of the Budget Act requiring 60 votes. A concern that I have is that we will structure a bill here which will not be acceptable to both the Congress and the President.

We will have another closure of the Government if we send to the House of Representatives a bill which is based on the emergency determination without offsets. I think it is not highly probable—it is virtually certain it will be rejected and we are not going to have this issue resolved. I very much lament the fact that we are here on March 12, looking at a March 15 deadline.

I have spoken earlier, before the Senator came to the floor, about the efforts I had made with Mr. Panetta in trying to get this matter resolved earlier, and calls going back over several months, and referencing a letter I had written him about that. So that, if faced between the choice on finding hard budget offsets which come to, say, roughly $2.63 billion, what would the Senator's response to that be, contrasted with the pending amendment?

Mr. KOHL. Yes. It is my understanding that the offsets for the education amendment are not controversial and they were agreed upon during previous budget negotiations and have been scored by the CBO. What I have is $1,359,000,000 from the privatization of the uranium enrichment offset, $1,320,000,000 from extending the NRC commission fees, and $292 million from the sale of the strategic petroleum reserve.

So those are the offsets that have been agreed upon and have been scored. So I am satisfied and comfortable that we are not only adding back, as you point out, over $3 billion in education funding, but we are also providing an equivalent amount of cuts.

Mr. SPECTER. The facts that I have differ to some extent of significance. What we have come to in offsets of $2,634,000,000 is $1.3 billion, where I agree, as to the sale of the Uranium Enrichment Corporation. Then there is $292 million from the sale of oil from the strategic petroleum account and $526 million from the FAA rescission, $159 million of unobligated balances from Pell grants, and $166 million from unused budget authority in the committee allocation, $200 million in year-round youth training, which is back to the fiscal year 1995 level, and $25 million from the unemployed trust fund.

I think it is useful to talk about these in specifics so that our colleagues who may be watching will have some of the specifics. But with respect to the Nuclear Regulatory Commission, I had thought when I called Mr. Panetta this morning and finally talked to Ms. Barbara Chow—and she brought up the subject—that would be more than enough, $1.3 billion. But there are no savings from that account until 1999. I think that is why Senator DASCHLE has inserted in this amendment the emergency provision, which he hopes will take his amendment out of the limitations of the Budget Act.

So, I guess my question would be, or the point of discussion really, not so much a question, but debate as a dialog on where we are heading here, that if those offsets do not exceed $2.634 billion, you do not really get the $3.09 billion that Senator DASCHLE wants. And we look to send a bill to the House of Representatives which will be tough enough to get if there are hard offsets.

What would Senator KOHL's response be?

Mr. KOHL. Well, I think that we are debating whether or not the offsets that I have offered are legitimate. I think for the most part they are. They are legitimate, I think, to the extent that we are missing, perhaps, just a relatively small portion to get to $3.1 billion. I think we need to work a little harder to get there, because it is a question of priorities.

If we do not feel the priority, then we will not find it. You never do. You have to feel the priority, or those of us who feel strongly about it feel strongly enough so that we feel we have to fund those offsets so that we can in fact make this priority one of educational needs a reality and not find a way to not accomplish it.

Mr. SPECTER. Mr. President, I agree totally——

Mr. KOHL. I did offer, as I say, something like $3 billion, very close to $3 billion, in cuts that have been debated and agreed upon. This Uranium Enrichment Corporation cut from extending the Nuclear Regulatory Commission fees, and the $292 billion from the sale of the strategic petroleum reserve, this totals up to $3 billion, very close to the $3.1 billion we are talking about in terms of education.

Mr. SPECTER. The problem is the $1.3 billion from the Nuclear Regulatory Commission is not realizable until the year 1999. But I agree with what Senator KOHL said about working hard to try to find them. But if we do not find them, I do not believe it is realistic to send to the House legislation which is based upon anything but hard cuts which come within the timeframe that we are talking about here.

I thank my colleague for engaging in this discussion.

Mr. KOHL. I thank my colleague.

Mr. KERRY. Mr. President, if I could just pick up where the colloquy between the Senator from Wisconsin and Pennsylvania left off, I would like to emphasize what I think is the most important point, which is that over the 7-year period there is a sufficient offset. The Senator from Pennsylvania is correct that you do not get it every single year and you do not have it necessarily in the up front, but we are talking about a 7-year budget, and over that 7-year budget there is a sufficient offset.

Now, if there is not, assume for the purposes of argument there is not, my question to the Republicans is: Are we going to offer that as a show stopper, or are they prepared to put the money where their rhetoric is and, in fact, fund education to the level that it ought to be in this country?

Now, if there are not sufficient offsets, are we being told by the Republicans that out of a $1.5 trillion budget,

$1.3 trillion or so of which is actually revenue funded, we cannot find a sufficient amount of money to guarantee that the disadvantaged school communities in this country will get funded? That Head Start will be funded? That school to work is going to be funded? That summer jobs are going to be funded?

Look, this is a statement about priorities. There has been no trouble funding the B–2 bomber in the year 1996; there has been no trouble funding the freedom-to-farm bill, which finds an extraordinary amount of money being given away to the mining interests in this country, extraordinary amount of money being given away to the timber industry, extraordinary amount of money being given away to people to not grow crops. So we are going to pay people in America not to grow a crop, but we are not going to pay people in America to grow a child? Unbelievable choice of priorities. Unbelievable choice of priorities. Pay people not to grow something out of the ground, but do not pay for this kid that is already alive that needs Head Start, hot lunches, or decent education? That is the choice on the floor of the U.S. Senate.

The Senator from Tennessee, Senator THOMPSON, the Senator from Arizona, Senator MCCAIN, Senator FEINGOLD, and I were able to identify 60 billion dollars' worth of cuts that we thought were pretty reasonable that we could come to. Now everybody here will agree they are reasonable, but it certainly is fairly indicative of something, that the Senator from Arizona, a Republican, the Senator from Tennessee, a Republican, two divergent areas of the country for Democrats, the State of Wisconsin and Massachusetts, could all agree on 60 billion dollars' worth of cuts.

What kind of things did we find? We found the closing of the Uniformed Services of the University of Health Sciences, increasing the burdening sharing of the Republic of Korea, terminating the advanced neutron project, consolidating and downsizing overseas broadcasting by capping our funding to Radio Free Europe to perhaps only $75 million per year, putting other fiscal restraints on it, eliminating certain travel authorizations, reducing some of our export enhancement program for corporations that make millions of dollars.

We have people in the U.S. Senate who a few weeks ago voted to continue to fund extraordinary amounts of money to multimillion-dollar corporations making a profit, to help them sell their products overseas. How do you balance the equities of funding a profitmaking American corporation to sell its product overseas but not fund a nonprofitmaking entity that is trying to raise our kids for the future here in this country? I think the choice is very, very clear.

I said yesterday in my comments on the floor and I repeat again, obviously money is not the whole solution. We all understand that. Clearly, we need reform in our school systems. We need testing. We need to know when a student gets a diploma they can actually find the Capital of the United States on a map or recite the basics of American history, or do basic math. Regrettably, we have people in America who are content to pass kids on from one grade to the other without even an assurance that they can do that. That is disgraceful. That ought to change. A large part of that is a matter of personal accountability within the school system. But there is not any one of us who has not traveled to school systems in our States where they do not have computers, where they are not wired to the network, where they do not have state-of-the-art laboratories for science, where they do not have language laboratories, where they do not have modern reference books for their libraries, where their libraries do not even stay open, where the whole school shuts at 2:30 in the afternoon.

Mr. President, it seems to me that if we are going to talk about values in the United States of America we ought to start living them here on the floor of the U.S. Senate in our votes. This is a value-oriented vote.

What is extraordinary to me in this measure is that children in the United States are being held hostage to the whole budget process. This is a game that is being played; one more political game. What is the game? The game is that all of this money that is being talked about as an add-back is not an add-back at all. It is a contingency. It is going to be there if something else happens. It is not going to be there because we think our kids need it. It is not going to be there because it absolutely ought to be there, and schools ought to be able to plan on what they will spend next year. It will be part of the great political game in Washington because the section in the bill that does the add-backs, section 4002, says none of this money can be spent, even if we pass this today, unless there is a future agreement that is passed between the President and the Congress regarding all of the fiscal years of the budget agreement.

In other words, we could pass this today and some people can go home and say, ''Aren't I terrific, because we just added back money to education,'' but it will not be added back at all unless Medicare is cut, Medicaid is cut, taxes are cut to the level that the House of Representatives is currently holding everybody hostage to. That is not serious legislating, Mr. President.

What we have done is offer an amendment that is real, that offers real money, that brings us back not to the level that many of us in the U.S. Senate think we ought to be back to with respect to spending on education, but at least gets us back to hold us harmless from last year.

It is a tragedy that in the United States of America, recognizing what is happening to our workers, recognizing what is happening to the whole workplace where people's ability to be able to get ahead is tied to their ability to get an education, where countless numbers of our workers now are the victims of the downsizing and of this new information age that we live in, where people are working harder and harder and harder just to pay the bills and to make ends meet, here we are debating add-backs that do not even get us to last year's level of commitment to education. It is astonishing, absolutely astonishing.

There is not an educator in America who will not document the need to have sufficient basic skills to be able to move into the information world. All of us are on the floor constantly talking about the virtues of technology. You look at the entire history of this country from World War II, 75-plus percent of the productivity increases in America since World War II have come from advances in technology. Every one of us understands that in order to continue to compete to advance our productivity we will continue to diminish the labor of human hands in the workplace.

Now, if we are going to increase that labor with respect to services or with respect to the new technologies, people have to have the skill level. Mr. President, they are not getting it in our school system in America today sufficiently. They could. Let me share quickly an experience from a school in Boston. This came to me from the principal of the school, Thomas Gardner School. He wrote and said,

> The staff and the parents of the Thomas Gardner School were devastated to learn recently that the title I funding for 1996/1997 school year will be taken away as a result of Federal funding cuts. After working so diligently in implementing an Inclusion Program at the school and receiving the Boston School Improvement Award in the Fall of 1995 for being the second most improved school in the city, it is a rude and sad awakening to all of us that with the loss of our Title I Grant, our efforts to establish a superior educational environment may have been in vain.
>
> Without the $213,000 that we received this year from Title I, two full-time and one part-time teachers will not be with us next year. The loss of these teachers will result in our having to relinquish the Inclusion Program which has been so successful and return to the traditional classroom setting. This will seriously disturb our school climate, ultimately reducing our students' self-esteem which we at the Gardner School have worked so hard to increase. This will also gravely affect the students in our Bilingual Program because we are losing both a literacy and an English as a Second Language teacher. Not only will the students suffer with the loss of the program but this will also cause low morale amongst the staff. Since my announcement of this tremendous loss of money, I can already see that there is an air of dismay and anxiety in the building because a number of staff members are wondering if they are going to be displaced. This affects teaching and learning because it breaks the spirit of the school community—the teachers, the parents and the students.
>
> Our new computer system, which was funded by Title I money, helped us accomplish a

very difficult task during the 1994/1995 school year. During that year there was a significant rise in the Metropolitan Achievement Reading/Math Percentile test scores. With this success, we planned to move forward with Title I money so that every classroom at the Gardner School would have Computer Assisted Instruction next year.

The teachers and parents of the Gardner School and the other 22 Boston schools which stand to lose a total of 3.5 million dollars in Title I funding next year, strongly protest the insensitive and unjustifiable cuts in Title I funding proposed by Congress.

Mr. President, that is one example. I know that can be replicated in schools all across this country. But what really leaps out at me here, above all, is this contradiction: ''During that year, there was a significant rise in the Metropolitan Achievement Reading/Math Percentile test scores.''

That is what we are trying to achieve, what we are talking about, what we are struggling about. They had planned to put it in every classroom. That is what we are talking about. Every classroom in America ought to have this. We ought to want to do that before we build the next bomber, before we put out the next set of missile systems, or whatever it is. We ought to want every classroom in this country—and we ought to make a commitment—to have that computer capacity. We know it is more than just computers. It is guidance counselors, books, the whole atmosphere of the school, its safety, its drug-free schools. Why are we cutting drug-free safe schools by 57 percent? That was the original effort. Now the Senator will come back and say we are going to add back that money. As I pointed out, it is not a real add-back, unless we get all the other cuts that will come with the rest of the budget agreement. So we are holding children and the education goals of this country hostage to the politics of Washington. They do not come first; the politics are coming first.

Let me share another quick letter. This is from the mayor of the city of Boston:

I am writing to alert you to an urgent situation facing economically disadvantaged youth next summer—the elimination of the Federally-funded summer jobs program for 1996.

As you may know, funding for the Summer Youth Employment and Training Program was eliminated in both the Senate and House appropriations bills for 1996—

Why would we eliminate them? What is it that sets a priority in the first place to eliminate this? Why is our time being consumed to come back here and have to struggle to put back into a bill money for summer jobs for youth? What U.S. Senator believes that kids are better off wandering around the streets of our country in the dead of night in the summer because they have not had a constructive day? Who believes that? Why was it taken out in the first place? Why are we struggling to do that here at the last moment?

Well, maybe it ties everybody up and it ties up the energy of the Senate. But it is surely not a great statement about the priorities of this country. The mayor writes:

In Boston, as across the nation, the JTPA IIB program provides constructive activities for young people and keeps them from idling in the streets during the hot summer months. Through the program, thousands of young people gain work experience, build academic and employment skills, and earn money through service at neighborhood-based community organizations and downtown government agencies.

The program also includes specialized units emphasizing life skills, academics and the arts, and tailored efforts for young people with special needs, including employment for deaf/hard of hearing youth; English as a Second Language instruction for refugee/immigrant youth; and counseling for court-involved youth.

Mr. President, we have a provision in our Tax Code that encourages companies to take a deferral and reduce their taxes for moving their jobs overseas. Here we are fighting to put back money at the expense of that program so kids right here at home can have a job during the summer. That is a pretty fundamental choice.

Let me share one last example of what is at stake here. This information comes to me from New Bedford, MA, one of the highest unemployment sectors of Massachusetts, perennially, which has been hard-hit now by the loss of industrial jobs and jobs in the fishing industry.

There is a program there that started, a Head Start program in New Bedford. It has been about a year going on. It actually has a two-part program called People Acting in Community Endeavors. In 1994, because of the capacity to do this inexpensively and keep the administrative costs down and run a whole program, they bought a building, in order to create a second outreach program of Head Start for kids who need it. And 294 children are participating in the New Bedford Head Start program as of a year and a half ago. That program provides nutrition and educational services to a multicultural community. Now we learn, according to the budget cuts that have been proposed here, that there will be a 50-percent reduction in that funding, which adds to their now $6.5 million debt and to other cuts in the CDBG title I. So you are not only going to wind up laying off teachers, you are going to wind up cutting the program.

Mr. President, it just does not make sense. I know there are colleagues of mine on the other side of the aisle, like the Senator from Vermont, Senator JEFFORDS, and others, like the Senator from New Hampshire in the chair, who care enormously about education, who are committed to this. I do not think that the U.S. Senate should have that hard a time finding a way, out of this $1.5 trillion budget, to guarantee that we provide what is needed, not what we sort of want to find to provide, but what the country desperately needs in order to be able to provide structure for these kids. We cannot just come to the floor of the U.S. Senate and be bombastic about illegitimacy, births out of wedlock, and run around saying how the values of the country are imploding and then forget that the three great teachers of values are the schools, parents, and religion.

There are too many kids today who grow up without contact with any one of those. It is no wonder that we have sociopaths raised in this country who are prepared to shoot another human being just to wear their Levi jacket or their Reebok sneakers. If we are going to be real in our talk about how you inculcate values into young human beings, let us recognize the lessons of what taught all of us.

Let us affirm some structure in those children's lives. Let us somehow find a way in the Senate to guarantee that the 36 percent of all the kids in America who are born out of wedlock are going to somehow find some teacher in their life, a mentor, one-on-one, some outreach, some affirmation that will give them an opportunity to believe that they too can make it in this country because, if we do not do that, it is an absolute certainty that we will continue to fill our jails, our substance abuse programs, our shelters, and we will continue to bemoan the loss of the country that all of us care about and want to have.

That is what is at stake in this debate. That is what this amendment is about. And I hope we can find it in ourselves to strip away the politics, to strip away the sort of the scorecard, if you will, of who wins and loses. We all win. We all win. Most importantly, the children of America will win, if we can find a way to sufficiently guarantee the resources for our education system are adequate. I hope we are going to do that today.

Mr. President, I ask unanimous consent that the two letters I used be printed in the RECORD.

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

BOSTON PUBLIC SCHOOLS,
THOMAS GARDNER SCHOOL,
Allston, MA, March 12, 1996.

The staff and the parents of the Thomas Gardner School were devastated to learn recently that the Title 1 funding for the 1996/1997 school year will be taken away as a result of federal funding cuts. After working so diligently in implementing an Inclusion Program at the school and receiving the Boston School Improvement Award in the Fall of 1995 for being the second most improved school in the city, it is a rude and sad awakening to all of us that with the loss of our Title I Grant, our efforts to establish a superior educational environment may have been in vain.

Without the $213,000 that we received this year from Title I, two full-time and one part-time teachers will not be with us next year. The loss of these teachers will result in our having to relinquish the Inclusion Program which has been so successful and return to the traditional classroom setting. This will seriously disturb our school climate, ultimately reducing our students self-esteem which we at the Gardner School have worked so hard to increase. This will also gravely affect the students in our Bilingual Program

because we are losing both a literacy and an English as a Second Language teacher. Not only will the students suffer with the loss of the program but this will also cause low morale amongst the staff. Since my announcement of this tremendous loss of money, I can already see that there is an air of dismay and anxiety in the building because a number of staff members are wondering if they are going to be displaced. This affects teaching and learning because it breaks the spirit of the school community—the teachers, the parents and the students.

Our new computer system, which was funded by Title I money, helped us accomplish a very difficult task during the 1994/1995 school year. During that year there was a significant rise in the Metropolitan Achievement Reading/Math Percentile test scores. With this success, we planned to move forward with Title I money so that every classroom at the Gardner School would have Computer Assisted Instruction next year.

The teachers and parents of the Gardner School and the other 22 Boston schools which stand to lose a total of 3.5 million dollars in Title 1 funding next year, strongly protest the insensitive and unjustifiable cuts in Title I funding proposed by Congress. We urge everyone who agrees that funding for education is the most valuable investment we can make today to join our protest.

CATALINA B. MONTES, Ed. D.,
Principal.

BOSTON CITY HALL,
Boston, MA, December 14, 1995.

Hon. JOHN F. KERRY,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR KERRY: I am writing to alert you to an urgent situation facing economically disadvantaged youth next summer—the elimination of the federally-funded summer jobs program for 1996.

As you may know, funding for the Summer Youth Employment & Training Program (JTPA-IIB) was eliminated in both the Senate and House Appropriations Bills for 1996, while the new workforce development legislation will go into effect at the earliest on June 1st, 1997. This situation leaves the summer program unfunded in 1996.

Your strong support has helped counter efforts to reduce and eliminate the summer youth program in the past, and again your help is needed to preserve this important opportunity for young people.

In Boston, as across the nation, the JTPA IIB program provides constructive activities for young people and keeps them from idling in the streets during the hot summer months. Through the program, thousands of young people gain work experience, build academic and employment skills, and earn money through service at neighborhood-based community organizations and downtown government agencies.

The program also includes specialized units emphasizing life skills, academics and the arts, and tailored efforts for young people with special needs, including employment for deaf/hard of hearing youth; English as A Second Language instruction for refugee-immigrant youth; and counseling for court-involved youth.

Operated by Action for Boston Community Development, Inc. over the past three decades, the program has provided thousands of low-income youth with their first work experiences and has strengthened hundreds of community-based organizations throughout our neighborhoods. Over the past few years, the integration of education into the program has reinforced the connection between school and work that has been missing from the academic experience of so many of our young people.

As the budget reconciliation process goes forward, please support the restoration of the summer jobs program for 1996. Thank you for your efforts on behalf of the young people in our communities who need and deserve a chance to work and learn during the summer.

Sincerely,

THOMAS M. MENINO,
Mayor of Boston.

Mr. DODD. Mr. President, I rise today in strong support of this amendment to increase real education funding for our Nation's children.

Over the past year, this Congress has eliminated billions of dollars for educating America's young people. And this CR would continue that process by slashing $3 billion from vital education programs. This moves us toward the single largest cut in education spending in our Nation's history.

And, there are real children behind these cuts: $137 million would be slashed from Head Start, affecting more than 20,000 3- and 4-year-olds; $679 million would be cut from math and reading programs, affecting 700,000 children; $266 million cut from the Safe and Drug-Free School Program; affecting 23 million kids.

And all funding for summer youth jobs would be cut, leaving half a million American teenagers with nothing to do this summer.

In my State of Connecticut, $9 million in Federal education funding will be lost. And most of those cuts come in the title I program, which provides remedial education for thousands of Connecticut's poorest and most disadvantaged children.

These cuts make it near impossible for schools and colleges across this country to plan ahead.

School districts do not know how many new teachers or new aides to hire. Educators are faced with appalling choices—which programs and what children will receive meager Federal benefits.

And all this comes at a time when public schools are making real progress in solving the myriad problems that face them; at a time when a good education is more essential than ever to guarantee our children the ability to compete in the global economy.

But instead of increasing funding, or at the least, maintaining current levels, this Congress is intent on pulling the rug out from underneath America's children.

This CR would wreak severe havoc on America's schools, on America's education programs, and most of all on America's children.

This is no way to run the Government and this is no way to balance the budget.

CUTS ARE NOT BACKED UP WITH REAL MONEY

To add insult to injury, while the majority party claims they are adding back funds for education, there is little real money in these appropriations.

These add backs are conditional on the Congress and the President agreeing on future cuts in Medicare and Medicaid and other essential programs; the same cuts that we haven't been able to agree upon over the past year.

So the only way we could increase money for education is by taking desperately needed funds away from America's most vulnerable citizens, the elderly and children. It is like robbing Peter to pay Paul and it is unacceptable.

This is the ultimate example of smoke and mirrors. The Republicans go to the voters and say ''We're serious about education,'' when in fact they provide hardly any real money to fund Federal education programs.

The Democratic amendment proposes real offsets and real spending cuts that would allow Congress to maintain its commitment to education.

This is the real way to balance a budget, by matching spending increases with real spending cuts.

THE GOP BALANCED BUDGET STRATEGY

To be honest, I have given up trying to understand the rationale of the majority party's budget cutting strategy.

First, they shut the Government down, costing the taxpayers over a billion dollars.

Then they continue this dangerous and chaotic policy of haphazardly passing CR after CR, all of which cut desperately needed funds for education, technology and crime programs, the environment, and the list goes on and on.

Now, realizing the folly of their ways, realizing that the American people don't want these draconian spending cuts, realizing that they cannot blackmail President Clinton into accepting their demands, the majority party proposes to restore a fraction of education funding—that is conditional on cutting money for essential programs that serve America's youngest and oldest citizens.

This is a foolhardy and dangerous approach, particularly in the face of earlier budget agreements, passed in a bipartisan manner, to protect education as a national priority.

All Americans can agree on the enormous importance of education for the future of our children, our families, and our country.

In fact, a recent Gallup Poll showed 75 percent of Americans support expanding Federal aid for education.

We must draw a line against these cuts in education and give our children the educational opportunity they need to succeed.

Mr. KERREY. Mr. President, I rise as a cosponsor of the Daschle-Harkin amendment. This amendment adds back $3.1 billion for vital education programs such as title I, Head Start, School-to-Work, and Education Technology.

I have often said that children will do as we do and not as we say. If we want our children to value learning and discovery, we just value them as well and demonstrate by our actions here in the Senate that we are willing to invest in their education and their futures by providing the money necessary to ensure a quality learning experience for all our children.

Recent polls show that education is a national priority among all Americans. These polls reflect what I have been hearing from Nebraskans—that Americans want their tax dollars to go to a strong education system—a system that will work for all its citizens. They are willing to spend more if they get more for their money. We must be willing to invest in education and spearhead a national commitment to achieve results in every school, rich and poor.

As I examine the programs that will receive additional funding under this amendment, I am struck by the fact that these dollars will be providing opportunities for our young people to do exactly what we all as parents admonish them to do—prepare themselves to live meaningful and productive lives. Under this amendment, we add back money to Head Start to enable our youngest citizens to enter school prepared to learn; to title I to allow our economically disadvantaged youth the opportunities afforded more affluent students; to vocational, school-to-work and summer jobs for youth programs to train, and educate our young people for the future workplace; and to technology programs such as STAR schools to provide exciting resources for all our students regardless of geographical limitations.

All of these programs are vital to my State of Nebraska, as they are in States throughout our country. I hear daily from Nebraskans who are concerned about the cuts to education being considered by Congress. They understand the serious budget considerations with which we are faced. However, they urge us to set our priorities in much the same way they prioritize their own budgets, and to secure our future by investing in our youth.

To those who argue that money will not solve our schools' problems, I will counter that we should put real money on the line here, not just spare change. It is past time for us to stop wishing our schools get better and start doing something about it. We are losing too many of our young people of all economic backgrounds to drugs, despair, and underachievement. We must be willing to invest in education just as we have been willing to invest in our national defense when our Nation's security has been at stake, because in a very real sense, our national security is at stake here.

Mr. President, as is so often the case when we are fighting for increased funding for discretionary programs such as these, it is becoming more and more difficult to secure the dollars necessary to make a difference. I am convinced that unless we are willing to commit to reforming our entitlement system, we will be unable to adequately fund vital education programs such as these.

I urge my colleagues to support the Daschle-Harkin amendment. By doing so, we will demonstrate our commitment to our children and their future.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I have listened very carefully to the very eloquent statements of my colleagues on the other side of the aisle with respect to education. There is nothing that I disagree with.

I ask my colleagues on the other side of the aisle to remember that the first vote this afternoon will move us from the macro responsibilities we have with respect to education to the micro responsibility we have for the District of Columbia. I hope when the fourth cloture vote comes up, on the D.C. appropriations bill, that my colleagues on the other side of the aisle will remember their responsibilities to the education of the children of Washington, DC, and will express that same compassion and vote for cloture so that we can move that conference report, which will do so much for the children of Washington, DC, on to the President.

I want to remind everyone that we are coming to a crisis point. First of all with respect to the budget of the District of Columbia as they are fast approaching the point of bankruptcy, and will reach it very quickly, if we do not pass that bill. That bill is locked up because we are arguing about a small provision included in the conference agreement that deals with education on a very controversial issue. But one which has been worked out between the House and Senate conferees which allows the District of Columbia, if they so desire, to have a very small voucher program for the purposes of allowing kids to have an option of the school that they will attend. It is done in a way that is only a local decision. It is not anything which has been characterized on the other side as shoving it down the throats of the people of DC.

So I urge you to keep in mind that we have this responsibility and that we are now over halfway through the school year. If we do not do something quickly, we will lose the whole school year. In fact, we will be into the next school year as far as planning goes and the inability to really enact anything which will help those kids.

So I urge you to use compassion and express it today in the vote for the District of Columbia in order for those young people to get the tremendous advantages that will occur by virtue of the reform which is contained in that package. Do not deny the city the opportunity to start its education reform over one issue which has become a national symbol, for what reason I do not know because it has nothing to do with what would be a federally-imposed voucher system on a community, or a State, or the country.

I urge you, please, when that vote comes up, vote for cloture today. Otherwise, we are going to find ourselves embroiled in even a greater conflict over the same DC appropriations bill in the large omnibus appropriations bill we are considering. The simple way to get out of the mess is to vote for cloture, and to get the DC bill out so we do not have to have the fight within the comprehensive package which is facing us today.

So, Mr. President, I again urge all of my colleagues to support the cloture motion which we will be voting on as soon as we come out of our weekly Tuesday luncheons.

Mr. President, I yield the floor. 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. GREGG. 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. GREGG. Mr. President, I want to speak briefly—about 10 minutes—about where we are on this piece of legislation, and then later in the day I will be offering an amendment relative to the amendment offered by the Democratic leader.

We have heard a great deal of discussion from the other side of the aisle. We have heard from both Senators from Massachusetts, from the Senator from Minnesota, and I believe the Senator from Michigan. There must be something about States that start with the letter M. But we have heard a great deal from the other side of the aisle about how, if we do not proceed on this course, if we do not add in this additional $3 billion-plus into—I guess it may be more than that—education, that all sorts of disaster and plague will occur with the educational system of the United States.

One must ask the question, how can that sort of representation be made in light of the history of the educational experience over the last 15 to 20 years? We know, I think, as a country because we have seen—and we have had enough experience with it now over the last 15 to 20 years—that putting more into education is not necessarily the way to resolve the underlying problem in education. Yet, there is no question that more money in some instances significantly improves education. Take, for example, title 94–142, the IDA accounts for handicapped disability education. Yes, there is no question, to put more money into those accounts would certainly assist us in helping those individuals to be educated. It would take the pressure off our local school systems. Later in the day maybe I will even offer an amendment that will try to address that.

But the concept generally of putting more dollars into education will improve education is, I think, one that has been fundamentally disproved. There is study after study. In fact, the University of Rochester reviewed something like over 400 different studies and concluded after looking at those 400 different studies that there is very little correlation between the significant

increase in dollars spent on education and the improvement in education.

If we look at the academic performance of our students over the last 10 to 15 years, where we have seen a significant decline in our students' ability to score well in internationally evaluated exams, especially in the math-science area, while at the same time we have seen a significant increase in dollars in education, I think we must conclude that there is very little direct correlation between the amount of money you spend and the type of education you get. Yes, there is a correlation, but it is not a formula that says 1 equals 1—for every new dollar you spend in education you get an equal increase in quality. In fact, the formula for increasing and improving education is much more complex than that, and it involves, I think, primarily maintaining individual and parental involvement in education, maintaining local control over education, especially at the principal level and at the teacher level, with parent input, and allowing the school systems to have an activist approach from the community rather than have them told how to educate their children by either the State government or the Federal Government.

Buried within this amendment is the funding, of course, for Goals 2000, which takes us in exactly the opposite direction from local control, the basic theory of Goals 2000 being that there should be a national agenda, a national curriculum in fact designed to control the manner in which local education is delivered and which as a practical matter would probably be the most single debilitating event in the panoply of debilitating events that have impacted our education system were it carried to its true goals and fruition, which is basically to have a nationalization of the education curriculum in this country. So not only do we not necessarily get better education by spending more dollars in some instances, but in this instance by spending more dollars we get worse education because what we are going to get is more Federal control over education and the loss of local control which is, I happen to think, the essence of good education.

But the real core problem here is not the application of these dollars. It is the illogic of putting forward the increase in these dollars while at the same time being unwilling to face up to the underlying threat to our students which far exceeds anything else that they may be threatened by relative to their future which is the deficit of this country and the fact that we are passing on to the next generation of Americans who are today in school a Nation which is fiscally bankrupt.

We hear from the other side that, well, if we will just put more money into that program and more money, and give me another program and put more money into that program, and give me another program and put more money into that program, we will correct all the ills of our society and manage this country in a much more efficient way, which begs the fundamental question of, who is going to pay for all this that is being spent? Who is going to pay for all these additional dollars that are being spent?

I would be willing to consider the amendment brought forward by the Senator from South Dakota, the Democratic leader, if he and his party and his President at the same time had the responsibility to come forward and say, well, we are going to pay for this by controlling those discretionary accounts in the Federal Government which are driving us into these tight fiscal times. I would be willing to consider it under those terms. But we hear nothing from the other side. In fact, we have heard a rejection from the other side of any attempt to try to bring under control those functions of the Federal Government, specifically the entitlement programs, which are forcing us to contract our ability to spend moneys in the area of education that we might otherwise wish to spend. In fact, the irresponsibility of the other side is so excessive now that you have the President of the United States, having once agreed to welfare reform, which is one of the core entitlements which we should be getting under control, now rejecting a plan which was passed out of this Congress, this House of the Congress by 87 votes in favor of it. While the President at the same time has claimed that this was going to be the essence of his Presidency, or an essence of his Presidency, that he would reform welfare as we know it, change it fundamentally, now he has rejected a plan which once he accepted and which the Senate accepted by an 87-vote majority.

Then we have the same administration and the leadership on the other side of the aisle rejecting a plan brought forward by the Governors of the States, all 50 Governors in unison, saying let us use this as a way to bring under control this entitlement program, welfare. They are rejecting that program. And then when the Governors came forward as a unified body, all 50 Governors, Democrats and Republicans, and said let us correct the entitlement program, Medicaid, once again we hear from the other side of the aisle, no, we cannot do that because we will be giving up control here in Washington; we will be giving it back to the Governors; we cannot afford to do that so we are not going to correct that.

When you have the trustees of the Medicare trust fund coming forward and saying, if you continue to spend money the way you are spending money today, the Medicare trust fund is going to go bankrupt in the year 2002—now it is going to be bankrupt in the year 2001—trustees who were appointed by the President of the United States who serve in his Cabinet, you have the President of the United States and the other side of the body walking away from that issue as if it does not exist, either turning a blind eye to that problem and not being willing to address that problem or wishing to use the politics of fear and scare tactics against senior citizens in alleging that any proposal to address fundamentally the improvement in Medicare is a proposal to undermine the quality of Medicare. It is totally inappropriate for the administration and the other side of the aisle to say that.

So where are the proposals from the other side which would bring under control that function of the Federal Government which is going up at such a rate that it is leading the Nation into bankruptcy and is forcing us to have to limit our capacity to put funds into those accounts which many of us feel we might like to do such as special education in the area of IDA, 94–142, or chapter 1, which is also a good program. Where is the other side in coming forward with proposals on the entitlement accounts, because until they come forward with proposals on the entitlement accounts, they have no credibility on this issue.

When they bring forward an amendment which simply says spend the money and uses some fallacious offsets, when they bring forward such an amendment and at the same time fail consistently to address the underlying problem which is driving the fact that we do not have the resources necessary to address accounts which we think are appropriate in the discretionary side of the budget because of the rate of growth of entitlements, then they have no credibility.

That is what I find disingenuous in the arguments from the Senators from Massachusetts, Minnesota, and Michigan because there appears to be no program that they are not willing to spend more money on, but there appears to be no proposals to bring under control those programs which are bankrupting this Government and our children's future, which is what it comes down to as the bottom line, of course. Passing on to our children a finer education is something we all wish to do. There are ways to improve our educational system, and money does not happen to be the only way to do that. But there are things we could do here at the Federal Government level that would obviously improve our children's educational system. But passing on to our children a better education system is going to do very little good for them if at the same time we pass on to them a Nation that is bankrupt, where their opportunities for prosperity are dramatically limited because their Government was irresponsible and unwilling to address the core problems of expenditures growing so fast that they were outstripping the country's capacity to fund them, such as the entitlement programs of Medicare, welfare, and Medicaid.

So when the other side comes forward with these proposals, I think you have to take them with a grain of salt. You have to recognize that this is an election year; that they are going to continue to propose ideas to spend

money without being accountable until they feel that they have identified all constituencies necessary to build the voting majority. But I hope the American people will be a little more sophisticated; that they will understand this issue is about how you make the Federal Government responsible, how you pass on to our children not only excellent education but a chance for a prosperous and fulfilling lifestyle, and that that second part of the exercise involves addressing the issues of how this Government spends its money in the entitlement accounts, something about which, unfortunately, the other side of the aisle has decided to bury its head in the sand and the President of the United States has decided to join them.

I thank the Chair for his courtesy. I note the absence of a quorum.

The PRESIDING OFFICER. Will the Senator withhold that suggestion?

Mr. GREGG. Yes.

The PRESIDING OFFICER. Does the Senator yield the floor?

Mr. GREGG. I withdraw my suggestion.

RECESS

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

Thereupon, at 12:29 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. COATS).

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1996—CONFERENCE REPORT

CLOTURE MOTION

The PRESIDING OFFICER. The clerk will report the motion to invoke cloture on the conference report to accompany H.R. 2546, the DC appropriations bill.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the conference report to accompany H.R. 2546, the D.C. Appropriations bill:

Bob Dole, Trent Lott, Jesse Helms, Phil Gramm, Judd Gregg, Dirk Kempthorne, Strom Thurmond, Olympia Snow, Bob Smith, Dan Coats, Larry E. Craig, John Ashcroft, Thad Cochran, Jon Kyl, Mark Hatfield, Robert F. Bennett.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the conference report to accompany H.R. 2546 be brought to a close? The yeas and nays are ordered under rule XXII, and the clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 56, nays 44, as follows:

[Rollcall Vote No. 25 Leg.]

YEAS—56

Abraham	Faircloth	Lugar
Ashcroft	Frist	Mack
Bennett	Gorton	McCain
Bond	Gramm	McConnell
Bradley	Grams	Murkowski
Breaux	Grassley	Nickles
Brown	Gregg	Pressler
Burns	Hatch	Roth
Byrd	Hatfield	Santorum
Campbell	Helms	Shelby
Coats	Hutchison	Simpson
Cochran	Inhofe	Smith
Cohen	Jeffords	Snowe
Coverdell	Johnston	Stevens
Craig	Kassebaum	Thomas
D'Amato	Kempthorne	Thompson
DeWine	Kyl	Thurmond
Dole	Lieberman	Warner
Domenici	Lott	

NAYS—44

Akaka	Ford	Moseley-Braun
Baucus	Glenn	Moynihan
Biden	Graham	Murray
Bingaman	Harkin	Nunn
Boxer	Heflin	Pell
Bryan	Hollings	Pryor
Bumpers	Inouye	Reid
Chafee	Kennedy	Robb
Conrad	Kerrey	Rockefeller
Daschle	Kerry	Sarbanes
Dodd	Kohl	Simon
Dorgan	Lautenberg	Specter
Exon	Leahy	Wellstone
Feingold	Levin	Wyden
Feinstein	Mikulski	

The PRESIDING OFFICER. On this vote, the yeas are 56, the nays are 44. Three-fifths of the Senators not having voted in the affirmative, the motion is rejected.

WHITEWATER DEVELOPMENT CORP. AND RELATED MATTERS—MOTION TO PROCEED

CLOTURE MOTION

The PRESIDING OFFICER. Under rule XXII, the clerk will now report the motion to invoke cloture on the motion to proceed to Senate Resolution 227.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Senate Resolution 227, regarding the Whitewater extension:

Alfonse D'Amato, Trent Lott, Jesse Helms, Phil Gramm, Judd Gregg, Dirk Kempthorne, Strom Thurmond, Jim Jeffords, Olympia Snowe, Bob Smith, Dan Coats, Larry E. Craig, John Ashcroft, Thad Cochran, Jon Kyl, R. F. Bennett.

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate be brought to a close? The yeas and nays were ordered under rule XXII.

The clerk will call the roll.

The bill clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 53, nays 47, as follows:

[Rollcall Vote No. 26 Leg.]

YEAS—53

Abraham	Bennett	Brown
Ashcroft	Bond	Burns
Campbell	Grassley	Murkowski
Chafee	Gregg	Nickles
Coats	Hatch	Pressler
Cochran	Hatfield	Roth
Cohen	Helms	Santorum
Coverdell	Hutchison	Shelby
Craig	Inhofe	Simpson
D'Amato	Jeffords	Smith
DeWine	Kassebaum	Snowe
Dole	Kempthorne	Specter
Domenici	Kyl	Stevens
Faircloth	Lott	Thomas
Frist	Lugar	Thompson
Gorton	Mack	Thurmond
Gramm	McCain	Warner
Grams	McConnell	

NAYS—47

Akaka	Feinstein	Lieberman
Baucus	Ford	Mikulski
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boxer	Harkin	Murray
Bradley	Heflin	Nunn
Breaux	Hollings	Pell
Bryan	Inouye	Pryor
Bumpers	Johnston	Reid
Byrd	Kennedy	Robb
Conrad	Kerrey	Rockefeller
Daschle	Kerry	Sarbanes
Dodd	Kohl	Simon
Dorgan	Lautenberg	Wellstone
Exon	Leahy	Wyden
Feingold	Levin	

The PRESIDING OFFICER. On this vote, the yeas are 53 and the nays are 47. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I ask unanimous consent that I might be permitted to speak for up to 5 minutes.

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

Mr. D'AMATO. Mr. President, today we have seen what is the first of probably a number of votes to attempt to curtail the filibuster against moving forward with the Whitewater investigation.

Let us be clear and set the record straight. I have offered publicly, and I offer again on the Senate floor, an opportunity to answer the question of whether or not the committee is looking to continue the investigation into the political season and to do so by incorporating an indefinite time agreement. I can state, we are willing to limit—not that I am happy about it—since the setting of arbitrary time limits, as stated by the former Democratic majority leader, Senator Mitchell, is a mistake. Senator Mitchell came to this conclusion to prevent the possibility of lawyers from stalling and keeping matters from coming forth. However, recognizing that we are in a unique situation, this Senator has indicated before and I indicate publicly now that we would be willing to terminate the committee's work, even if it is not finished, within 4 months. It will take us, I believe, at least that period of time since there is a trial which is taking place right now in Little Rock, AR. There are witnesses who are unavailable to us who are testifying there. I believe that their presence, at least the opportunity to attempt to bring them forward, is important.

Mr. President, let me quote something. Let me read it to you.

No arguments about politics on either side can outweigh the fact that the White House has yet to reveal the full facts about the land venture, the Clintons' relationship with Mr. McDougal's banking activities, Hillary Rodham Clinton's work as a lawyer on Whitewater matters, and the mysterious movements of documents between the Rose Law Firm, various basements and closets, and the Executive Mansion. The committee, politics notwithstanding, has earned an indefinite extension. A Democratic filibuster against it would be silly stonewalling.

That is what we have seen today. Every single Democrat came in here and voted to stonewall at the direction of the White House.

Let us not make any mistakes about who is calling the shots here. It is the White House. Now, that is not a statement in terms of the stonewalling or being silly. That is a quote from the New York Times—the New York Times. They are certainly not an organ or a mouthpiece of the Republican Party.

Let me quote today's Washington Post—today's Washington Post:

Lawmakers and the public have a legitimate interest in getting answers to the many questions that prompted the investigation in the first place and those that have been raised in the course of it by the conduct of many administration witnesses . . . If Democrats think that stalling or stonewalling will make Whitewater go away, they are badly mistaken. The probe is not over, whether they try to call it off or not.

Now, that is the Washington Post today, certainly not a mouthpiece of the Republican Party.

Let me read to you from the current issue of Time magazine, just a small part.

The question of whether specific laws were broken should not obscure the broader issue that makes Whitewater an important story. How Bill and Hillary Clinton handled what was their single largest investment says much about their character and integrity. It shows how they reacted to power, both in their quest for it and their wielding of it. It shows their willingness to hold themselves to the same standards everyone else must—whether in meeting a bank's conditions for a loan, taking responsibility for their savings, investments and taxes, or cooperating with Federal regulators. Perhaps most important, it shows whether they have spoken the truth on a subject of legitimate concern to the American people.

That was written by James Stewart, a Pulitzer Prize winning journalist. Mr. Stewart has just written a major book, ''Blood Sport,'' about the Clintons' investment in Whitewater.

I come right back to the final question: What are my friends afraid of? What is the White House afraid of? Why are they reluctant to allow the committee to conclude its work? What are they hiding from the American people?

I believe that the American people have a right to these answers. No amount of criticism as it relates to what the committee has done to date will obfuscate the fact that they are continuing to stonewall. It is not silly. It is incorrigible. It is wrong. And it does not bring credit to this institution or to either political party or to the process.

Once again, I lay forth the opportunity to settle this so that we do not have to have speeches and debates and say that we can conclude the committee's work in 4 months.

Mr. President, I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The majority manager of the bill is recognized.

Mr. SPECTER. I thank the Chair. Mr. President, I have sought recognition to outline a second-degree amendment which will be offered——

Mr. DODD. Will my colleague yield at this point? Can we get 5 minutes to respond, on this matter that has been raised for the purpose of debate, for the ranking minority member, appropriate to give him a chance to respond to Senator D'AMATO?

Mr. SPECTER. I would yield for that purpose on a unanimous-consent request that when the response is concluded I be recognized.

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

Mr. SARBANES. I thank the Chair.

Mr. President, I am going to be very brief.

It would be expected that the assertions would be made that have just been made. The fact is that Senator DASCHLE offered a perfectly reasonable proposal with respect to this inquiry dealing with Whitewater, and that was to provide an extension into early April. The inquiry was supposed to end at the end of February. That was provided for in the resolution which the Senate passed. The reason that was done was in order to keep this inquiry out of the election year so it would not be subject to a public perception that it was being carried on for political reasons.

Now, that concern paralleled a concern that was expressed by the Republican leader, Senator DOLE, in 1987, when the Iran-Contra inquiry was undertaken. That was in a Congress controlled by Democrats. It was an inquiry into the activities of a Republican administration. There were Democrats who wanted to carry it on indefinitely through the election year. Senator DOLE, at that time the minority leader, was very insistent that it would have a fixed timeframe that would keep it out of the election period. The Democratic Senate responded to that and, in effect, agreed that the inquiry would be brought to an end in the latter part—in fact, in the fall—of 1987, and later we moved that date up in order to keep it even more out of the election year.

Now, Senate Resolution 120 provides that the two leaders should get together and discuss any proposal for extending the committee, and I think that ought to be done.

The proposal before us is for an indefinite time period. The proposal which my colleague from New York has just put forward, the 4-month proposal, is virtually the equivalent of an indefinite time period. I think there needs to be some reasonableness here, and I think the reasonableness was reflected in the proposal put forward by Senator DASCHLE, the minority leader, which would have provided that the committee could continue its work into early April and have a month after that in order to do its report.

Now newspapers across the country are beginning to editorialize about this matter. These are newspapers ''outside of the beltway'' raising questions. For instance, the Tulsa paper says:

How far must taxpayers go? How much must they pay to keep this charade going? The vote in the Senate to extend the investigation probably will be along party lines. If it does, the extra $650,000 should come from the coffers of the Republican party, not from the taxpayers. It is the Republicans, not the taxpayers, who stand to benefit. The Whitewater probe is shaping up to be the longest, most costly fishing trip in American history.

These are not my words. I am now quoting what is being said out across the country. Of course, what that does, it substantiates the observation I made that if this thing is prolonged through the election year, it will be increasingly perceived as a political endeavor and it will lose its credibility as a consequence, or even further lose its credibility.

The Milwaukee paper said:

Last week, Senator Moseley-Braun asked a good question of Senator D'Amato, chairman of the Senate committee that is investigating the Whitewater affair. Could these hearings, she asked wearily, go on into perpetuity? Although D'Amato was really at a loss for words, he could not provide a satisfactory answer to that question, but somebody should.

They then go on to make the point that this thing has been dragged on long enough.

The Sacramento Bee headline said, ''Enough of Whitewater.''

Senator Alfonse D'Amato, the chairman of the Senate Whitewater Committee and chairman of Senator Bob Dole's Presidential campaign in New York, wants to extend his hearings indefinitely, at least one presumes until after the November elections. In this case, the Democrats have the best of the argument by a country mile. With every passing day, the hearings have looked more like a fishing expedition in the Dead Sea.

Now, Senator DASCHLE, I thought, made a very accommodating proposal. There has been nothing back from the other side to which one can attach the rubric of reasonableness. It seems clear to me that as long as they continue to press for an indefinite period or something that is virtually equivalent to it, we ought to resist it because it simply makes it more transparent that this is a political exercise.

Mr. DODD. Will my colleague yield?

Mr. SARBANES. Certainly.

The PRESIDING OFFICER. The Senator's time——

Mr. DODD. Mr. President, might I ask unanimous consent for 2 additional minutes?

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

Mr. DODD. Mr. President, I will seek the floor in my own right. I wish to just make a comment here in responding to the suggestion of our colleague from New York that the Democrats here voted against an open-ended $600,000 appropriation hearing process because of the White House pulling strings. No one suggested that our Republican friends who voted unanimously to continue this were somehow having strings pulled at all, nor would I make that suggestion.

But certainly the fact that at this juncture we find ourselves in a stalemate ought to suggest, particularly when you consider it was only a few short months ago that this body voted almost unanimously for these hearings to be conducted—this was not a partisan issue. As in most cases, it was bipartisan to get this underway. It was almost unanimous, I believe.

Mr. SARBANES. Ninety-six to three.

Mr. DODD. Ninety-six to three, in fact, for the resolution to terminate the hearings, to call for the termination on February 29. It is unfortunate we have come to this where you have a request unprecedented in the annals of Congress—unprecedented, Mr. President—for an open-ended hearing with an additional $600,000. That brings the pricetag of this investigation to in excess of $30 million in this country.

That is the reason people are upset, frankly, that kind of open-ended appropriation, no end in sight and, of course, no substantiation of any unethical or illegal behavior. When you add that to the fact that we have had virtually no hearings occurring on major issues affecting people's lives in this country, like Medicare, Medicaid—we are going to have an extensive debate on education today; we are going to be cutting $3 billion in education programs—there were hardly three or four hearings on all of education, as the Presiding Officer knows.

Yet, we had 50 hearings on White water and 10 or 12 hearings on Waco and Ruby Ridge and almost none on education, none on Medicare, none on health, and you want to know why people are angry? That is why they are angry in this country.

We spoke up and said, ''Look, 5 weeks, $185,000.'' That is plenty of time to complete this process. We are not saying stop it today. We are saying take another 5 weeks and wrap up the business of this committee. That is a reasonable, reasonable proposal, and I think it is regrettable we have a position taken of 4 months now which takes us virtually into September—when we eliminate the August recess—September, October, a handful of days before the election.

It is patently political. It is so transparently political that an infant can see through it, and most of the American people have. That is why we object to this request of an open-ended proposal with $600,000. I hope that the majority Members, at least some of them, will step forward and offer to sit down and resolve this matter so we can get the work done and not allow it to spill over into the campaign.

I thank my colleague from Pennsylvania for providing us some time.

The PRESIDING OFFICER. Who yields time?

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The majority manager of the bill is recognized.

Mr. SPECTER. I thank the Chair. Mr. President, as I had started to say earlier before yielding to my distinguished friend from Connecticut, I did not know he was going to mention Ruby Ridge, or I might not have yielded to him. What is wrong with Ruby Ridge?

Mr. DODD. I just say to my colleague, I think there is a value in having those hearings. My colleague did a good job. My point is, if you do it to the exclusion of other hearings, then it seems to me we are off on the wrong track. My colleague did a good job.

Mr. SPECTER. I thank my colleague for that comment.

BALANCED BUDGET DOWNPAYMENT ACT, II

The Senate continued with the consideration of the bill.

Mr. SPECTER. Mr. President, as I said, I had sought recognition to talk about a second-degree amendment, which shortly will be offered on behalf of myself and Senator HARKIN, which has been crafted very carefully after very, very extensive discussions among many parties. I thank the distinguished chairman of the committee, and I thank the distinguished chairman of the Budget Committee, Senator DOMENICI, for his cooperation. I thought we might save some time by talking about the amendment for a few minutes while some final language change is being incorporated to accommodate some concerns which have arisen.

There had been extensive discussion yesterday and today—I did not hear it yesterday because I was traveling in my home State of Pennsylvania—but I heard the discussion this morning about the need for education. I think there is a consensus in America about the importance of education, about the priority of education and about our doing everything we possibly can to stretch Federal dollars as far as we can along the education line. I know that is something the distinguished Presiding Officer, the Senator from Vermont, feels very strongly about.

What we have done is structured an amendment with offsets, where we preserve the balanced budget so that we do not encumber future generations with more deficit spending. The amendment, while raising funds for education, job training, and head start, which is a very high priority, obviously, second to none—but it also is offset so as not to encumber future generations with our spending money that they have to pay for—another high priority also second to none. These are very top priorities.

What we are submitting is an amendment in the second degree which will provide additional funding for education, Head Start and job-related issues.

We have heard from many, many mayors and many, many commissioners in local government. A comment was made this morning about summer jobs being a very important anticrime program, which is widely recognized, not really disputed at all. This amendment would add $635 million for Summer Youth Employment Programs in the Department of Labor, a high priority item.

We are adding $333 million in additional funds for the Dislocated Worker Retraining Program, which brings the total to $1.2 billion, a very, very important item in an era where there is so much downsizing, where we have seen so many layoffs, we have seen so much anxiety in America, and people in the prime of their working lives losing their jobs which they have held for 10, 15, 20, 30 years but still with many good years ahead of them. So the Dislocated Worker Retraining Program will have that additional funding which also impacts upon base closures, something which is very important to my State and very important all over the country.

We are adding $182 million in additional funds for the School-to-Work Program jointly administered by the Departments of Labor and Education. This brings the School-to-Work Program to a total of $372 million.

We are adding $137 million to restore fully the Head Start Program for the 1995 level. We will be adding $60 million in additional funds for the Goals 2000 program, bringing the total in the bill to $350 million. This is a matter which has produced some controversy, but I think that ultimately we may be in a position to eliminate strings so that we do not have the objection of too much Federal intervention and too much Federal control.

I personally believe that education ought to be left to the local level, but the idea of standards and goals is one which has great merit. Those standards and goals can be figured out at the local level; they do not need to come from Washington.

The Secretary of Education has testified of his willingness on behalf of the administration to give up some of the bureaucracy and some of the councils. Last September, the subcommittee had a hearing on Goals 2000, where we listened to people who were opposed to the program and might even be able to strike an accommodation of the disparate points of view by eliminating some of the Federal strings. Perhaps if the States do not wish to take Goals 2000 money, as some have so stated, that the funds might go directly to the local level.

We will be adding $814.5 billion in additional funds for title I Compensatory

Education for the Disadvantaged Program, bringing the total to $7.3 billion. This is a very, very healthy, substantial contribution to that very important program.

We will add $200 million to the Drug Free Schools Program, bringing the total in the bill to $400 million. We would have liked more, but that is a very substantial increase.

And $10 million in additional funds has been added for the educational technology program, bringing the total in the bill to $35 million; $82.5 million in additional funds for vocational educational basic grants, bringing the total in back to last year's level.

If the Chair will indulge me for one moment, I have an additional item which I would like to comment upon.

We have added an additional $32 million in State student incentive grants program and with respect to the Perkins loans, an additional $58 million has been added, bringing the total to $158 million. We have worked this out as we have proceeded to try to get all of these items in order, Mr. President.

We have offsets which we have worked out for some $1.3 billion in the sale of the U.S. Enrichment Corporation, and $92 million from the sale of oil from the strategic petroleum reserve oil, $616 million from the FAA rescission, $159 million from unobligated balances in the Pell grant program, $166 million of unused budget authority in left in the committee allocation, $200 million in year-round youth training, and $25 million in the unemployed trust fund, AFDC jobs rescissions.

I want to thank my distinguished colleague, Senator HARKIN, for his cooperation, and thanks especially to the staff who worked around the clock last night, and counsel, for drafting, producing this bill, really, at the very last minute.

I think I am in the position now with the final additions having been made, Mr. President, to send this bill to the desk—before doing so, I want to add one addendum. That is that Senator HARKIN and I have discussed our agreement, having crafted this as carefully as we have, to try to accommodate education, that this accommodates the total program and if there are any other amendments—any Senator can offer any amendment at any time—that Senator HARKIN and I are unified in opposing any additional amendments.

It is always easy to add money, which we would all like to do, but without offsets it is impossible to do. And we have added as much as we think can be done. So that our agreement is that this is an excellent appropriations bill for education, and we are going to stand behind it. And that is it. If any additional amendments are offered, Senator HARKIN and I are unified in our determination to reject them because this is a comprehensive bill.

AMENDMENT NO. 3473 TO AMENDMENT NO. 3467

(Purpose: To revise provisions with respect to the Departments of Labor, Health and Human Services, and Education)

Mr. SPECTER. Mr. President, on behalf of Senator HARKIN and myself, I send this second-degree amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER] for himself and Mr. HARKIN, proposes amendment numbered 3473 to Amendment No. 3467.

Mr. SPECTER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. SPECTER. A summary has been given. I now yield to my distinguished colleague from Iowa.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The minority manager is recognized.

Mr. HARKIN. I again want to express my appreciation to Senator SPECTER for his leadership in this area and for working not only with me personally but our staffs working very closely together to craft this amendment.

This really does bring us to the point—maybe it is not all of what every one of us wants. I mean, we never get that around here, but at least it fills the need for getting the money out now to the school districts so that they know what to do next year.

For summer youth, there are all the things that Senator SPECTER spoke about that we have to get through. We have the offsets to pay for it.

Again, I want to thank Senator SPECTER for all of his diligent work in this. I want to again join Senator SPECTER in thanking our staffs. I know they worked long hours in putting these numbers together and working with Senator DOMENICI and Senator HATFIELD and Senator BYRD on our side. So I think it is a well-crafted amendment, and I agree with Senator SPECTER that it deserves the support from both sides of the aisle.

Mr. President, let me just in way of talking about this amendment talk a little bit about the past weekend in Iowa. Right now all of the basketball tournaments are taking place in the State. There is a lot of anxiety about who is going to win and who is going to lose. I would like to deviate a little bit, if I could, from the debate on this amendment, just for a moment, Mr. President, to recognize the newly crowned State champions in what we call the premier high school tournament in Iowa, the annual Girls State Basketball Championships. Winfield-Mount Union in class 1A, Sibley-Ocheyedan in class 2A—I saw that; it was a great game—Carroll in class 3A, and that was also a great game that I got to see. I missed the last game because I was not there for it, but it is my alma mater, West Des Moines Dowling girls, who won the State championship in class 4A.

So I just want to say to all the teams that competed in the tournament, congratulations on your accomplishments, and to the winners, congratulations on winning.

I might add, this week the best high school boys basketball teams make their annual trek to Des Moines for the final winner tournaments for the boys basketball games. So, again, there is a lot of anxiety in the State right now about who is going to win and who is going to lose.

But I must say, Mr. President, the anxiety extends well beyond the gymnasium. In school after school in Iowa and across this country, school administrators and school boards are worrying about which teachers will lose their jobs and which students will not get title I reading assistance. They are contemplating what vocational education activities will go by the wayside and how to deal with the cuts for the safe and drug-free schools program.

The list goes on. In January, I worked as a title I teacher at Johnson Elementary School in Cedar Rapids. I learned firsthand the value of title I, and my concern about the cuts were heightened.

Late last month this article appeared in the Cedar Rapids Gazette: ''6 Schools to Lose Remedial Reading: Cedar Rapids District Sites Expected $350,000 Cut in Federal Funds.''

Mr. President, if we do not pass this amendment to that Senator SPECTER and I have joined on, if we do not pass this, nine teachers in Cedar Rapids will lose their jobs; 350 students who need extra help with reading at six elementary schools in Cedar Rapids will not get it next year.

In Council Bluffs on the other side of the State, five teachers will lose their jobs, 113 fewer students will be helped. Of equal concern is the fact that the district will lose the investment they made to train three teachers in reading recovery, a short-term, intensive, one-on-one teaching technique that is showing great promise of quickly bringing first graders up to grade level in reading.

The Iowa Department of Education estimates that across the State 7,300 fewer students will get title I assistance and 200 teachers will be laid off if this amendment is not adopted.

This scenario will be repeated in every State and school district across the country. Secretary Riley estimates that 40,000 teachers will be laid off nationwide as a result of the $1.1 billion cut in title I.

Mr. President, the sixth national education goal calls upon us to ensure that by the turn of the century every adult American will be literate and will possess the knowledge and skills necessary to compete in the global economy. But the deep cuts in job

training programs will not lead us toward this goal. It signals a fast retreat.

Next year, without this amendment, funding for dislocated worker training will be cut by 29 percent, and summer jobs for youth is totally eliminated. These cuts could not come at a worse time. You can hardly pick up a newspaper or turn on the evening news without seeing yet another story about worker dislocations caused by downsizing.

Last year, Federal JTPA funds assisted 105 workers who lost their jobs at Tyson Foods in LeMars, IA, and 85 individuals formerly employed by MCI in Sergeant Bluff, IA. The planned cuts in retraining for dislocated workers means next year 300 fewer Iowans will benefit from such assistance.

However, the number of worker dislocations has not abated in my State. FDL Foods has announced layoffs in Dubuque and Eveready Battery is closing its plant in Red Oak, IA. Unfortunately, with cuts of this magnitude in job training, many of these people will not get the assistance they need.

Mr. President, the bill before the Senate restores many of these cuts, but only if we pass some other bill in the future to pay for them. That is the underlying bill. That is a mistake. Schools cannot budget based on a contingency. School districts need to know now what they will receive next fall. In Iowa, the final deadline for making decisions on teacher hires is April 30, but many districts are already making those decisions. Without a firm commitment now, across the country thousands of teachers will get the pink slip for next year.

Mr. President, we should pay for this up front, not based on some contingency that might happen, but pay for it now. That is what this compromise bipartisan amendment does that Senator SPECTER and I are introducing. Again, Senator SPECTER and our staffs have worked long and hard to craft this compromise. It is certainly not everything that I would like or anyone else would like, but it is a giant leap from where we are. The offsets were difficult to come by this late in the fiscal year, but we did it. I wish we could do more, but I believe this is an honest and reasonable effort to avoid devastating cuts in education and job training. I urge all of my colleagues to support it.

Mr. President, Iowa's schools stand to lose almost $12 million in education funds next year. Title I will fall by $8.6 million. These cuts would be devastating to my State. Those are not my words. In a February 27 news article announcing the plan to cut title I from Cedar Rapids' Van Buren School, this is what the school's principal, Mary Lehner, had to say: ''It's just going to be devastating for kids. I am very concerned about those students who need the extra help with those reading skills.''

These concerns are not only being expressed by school officials but by business owners. Mr. President, I got an interesting letter here from a business owner in Carroll, IA, Mr. Tom Farner, of the Farner-Bocken Co. It is interesting what he said:

It has come to our attention that the Federal Government is planning to cut title I Reading Program by 17 percent. We feel this will hurt the quality of our labor force not only for the State of Iowa but in the Carroll region. Our business does not require a lot of skill but it does demand for our employees to be able to read picking labels and invoices.

Mr. President, I ask unanimous consent this letter from Mr. Tom Farner be printed in the RECORD, along with other pertinent correspondence from Iowa constituents.

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

FARNER-BOCKEN CO.,
Carroll, IA.

SENATOR HARKIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR HARKIN: It has come to our attention that the Federal Government is planning to cut the Title I Reading Program 17%. We feel this will hurt the quality of our Labor Force not only for the State of Iowa but in the Carroll region. Our business does not require a lot of skill but it does demand for our employees to be able to read picking labels and invoices.

Our company is a part of a food buying group called Pocahontas Foods with companies all over the United States. I just attended a show in Colorado Springs where the owners of the companies got together to discuss issues and problems that we face in our industry. One of the main problems talked about was the percentage of errors on orders that are delivered to customers. They were discussing that their percentage rate was around 70–75% and that 80% was great. Our companies percentage rate is between 80–85%. This demands the skills of people to read labels, invoices, etc.

Reading is a very essential tool for people to survive in today's fast growing world and economy. Let's not jeopardize our children's future by cutting back on Title I.

Please vote no to cutting back Title I.

Sincerely,

TOM FARNER.

CARROLL, IA
February 26, 1996.

Senator Tom Harkin,
U.S. Senate,
Washington, DC.

DEAR SENATOR HARKIN: It has come to our attention that the Federal Government is planning to cut the Title I reading program by 17%. This will mean drastic cuts in our local program. This also means a reduction of teachers, not as many students in need of reading assistance will be served. To me, this makes no sense. Why cut back on education when Title I has a proven track record? What will this mean for our students? I am a second grade teacher in a Catholic School near Carroll. I also have a son in the Title I program. I see the benefits on both sides, as a parent and a teacher. These teachers are so very good at what they do; each student is made to feel a success! Why make these children pay for these cutbacks? Because, ultimately, that is what will happen. If they do not get the help they need when they're young, you will be investing in them in the future in welfare and other government programs. Please, save yourself the money now and do not cut back on education. It is our future and your future that you are playing with. Thank you for your consideration.

Sincerely,

MARY ANN BRINCKS.

KATHY BEHRENS
Carroll, IA, February 20, 1996.

DEAR SENATOR HARKIN: I am writing to you in regards to the proposed funding cuts to the Title 1 Program. As a Title 1 teacher, I personally witness the value of this program and I encourage you to vote against the proposed cuts.

In our Title 1 program students are given individual, small-group instruction. These are the kinds that would fall through the cracks if not given the extra reading instruction with a reading specialist. So many of these kids' parents are ''too busy'' to spend the extra time at home.

I realize that Title 1 funds are under question as to whether or not the funds are being used properly. I can tell you that in our school district the Title 1 program is using the funds very wisely. We have six teachers who serve approximately 190 students at 5 buildings. If the proposed cuts were to take effect, 60 students would not receive the help they need.

I sincerely believe that this proposed cut would turn a nation of readers into a society of illiterate children. Please vote ''no'' for the proposed budget cuts!

Sincerely,

KATHY BEHRENS.

LINDA WETTER,
Floyd, IA, February 26, 1996.

TOM HARKIN,
Hart Senate Office Building,
Washington, DC.

DEAR MR. HARKIN: I am writing in regard to the government plan to cut funding for the Title 1 program for our schools.

As a parent of a son with a learning disability, I have learned over the past five years how important this program is. My son, with the help of this program is finally gaining the confidence to reach out and set his goals high—not to accept this disability as a life sentence, but to overcome it.

I have spent years telling my son that this learning disability is not his fault—that everyone learns differently and that the extra help he needs is available to him.

Please do not let him or his future or our countries future down. There MUST be another place to make a cut back.

Remember—a learning disability does not discriminate—it could affect your family too—a son, a daughter or maybe a grandchild.

Please reconsider and keep my son's future bright. Do not add to his burden. His future is in your hands.

Thank you for your time. Your help in this matter is greatly appreciated.

Sincerely,

LINDA WETTER.

CLINTON, IA,
February 25, 1996.

Senator TOM HARKIN,
Des Moines, IA.

DEAR SENATOR HARKIN: I am writing this letter as a concerned parent and teacher, regarding the cuts in Title I funding. I cannot believe that the government would even consider cutting the funds of such a beneficial program.

As a Reading Recovery Title I Teacher, I believe that many disadvantaged children would not make it in the regular classroom without the support of the Title I teacher. I can think of one family in particular that I have dealt with personally. One brother is in third grade and did not receive the benefits of Title I in the early grades. Now as a third

grader, he is being tested for special education. I am serving his first grade brother in my Reading Recovery program and can see that he is making tremendous gains—he's reading. I believe that the Title I program has saved him from special education, and will help him to live a better life. How many other lives has Title I changed?

I know I speak for many parents and teachers when I say that we would really appreciate your support in seeing that the funding is not cut for the Title I program.

Sincerely,

CYNTHIA S. CRAMER,
Title I Teacher.

Senator HARKIN,
U.S. Senate, Washington, DC.

DEAR SENATOR HARKIN: It has come to my attention that the Federal Government is planning to reduce the Title I reading program funds. As a mother of a student who has participated in this program in 1995, I am asking you to please reconsider this action.

This intervention program in 1st grade has helped my child considerably with his reading capabilities. Because of the program, he is able to keep up in his current class without continued help. I know the program gave him a positive attitude toward school and has helped his self esteem. With a good start in the early years, all children will benefit tremendously in the future. Our children are the future!

Please reconsider the cut in funds for the Title I reading program. It has been a valuable asset to our son and to our school.

Sincerely,

LOIS M. BEHRENS,
Mother.
JOHN E. BEHRENS,
Father.

RENEE GENTER,
Carroll, IA, February 21, 1996.

DEAR SENATOR HARKIN: My name is Renee Genter and I am the mother of a title one reading student. Recently I was informed the Federal Government is planning to cut back 17% of our local schools reading program, which is very upsetting to my husband and I. We are the parents of four wonderful little boys who unfortunately have problems with reading. Our oldest child who is eight years old has struggled with reading since he started school. About two years ago we were introduced to the title one reading program and it has been a life saver to our son. At one point he was feeling different from the other children in his class and now he is able to read in the same level as his classmates, which has done wonders for his self-esteem. Knowing that some of our other children will have the same problems and knowing that the program may be canceled makes me wonder what are we to do about extra help for them. I am writing in hopes that the Government will change its plans for cutting back on such a great program. I know I am not alone on these feelings. Parents and our school programs are our only help for our children and their children. Thank you for taking the time to read my letter. I hope we can make a difference. Our children are depending on us.

Sincerely,

RENEE GENTER.

CARROLL COMMUNITY SCHOOL DISTRICT,
Carroll, IA, February 13, 1996.

DEAR BUSINESS LEADER(S): It has come to our attention that the Federal Government is planning to cut the Title I reading program 17%. This will mean drastic cutbacks in our local program, both in the public and parochial schools. The equivalent of two teachers may need to be cut, which will mean we will not be able to serve the number of students we have in the past. It will be unfortunate if some students in need of reading assistance could not be served due to lack of funding. We, as educators, are very aware of the importance of having employees in your business with good reading skills. We believe our program can help accomplish that.

As a business person in this community, we are asking you to send a short note to the legislators who represent you. You might want to mention how Title I can benefit your business and your concern about what will happen if such drastic funding cuts occur.

The legislators and their addresses are:

Senator Harkin, U.S. Senate, Washington, D.C. 20515

Senator Grassley, U.S. Senate, Washington D.C. 20515

Rep. Tom Latham, House of Representatives, Washington, D.C. 20515

Thank you for your efforts in this matter. Unless we voice our opinions, this funding cut will be passed. We are sure that you feel as we do—Our children and their futures are very important!

Sincerely,

TITLE I STAFF.

Mr. HARKIN. Mr. President, it is not just the teachers who are saying this, but business people say they need people who can read. Although they may not need highly skilled people, at least they have to be able to read and understand.

Mr. President, our amendment will provide the offsets to pay for the increases in education and training programs recommended by title IV of this legislation. Again, we believe we have to provide for these now, not at some possible point in the future, as is in the underlying bill. The last thing we need to do is get mired down in the same old stuff that has already shut down the Government twice before.

I urge my colleagues to support this amendment, to match the desire to avert the education cuts with the resources to make sure the cuts will not happen. We need to make sure that the add-ons are paid for now so that teachers will not lose their jobs, children will continue to get title I services, and workers will get the training assistance they need to remain competitive.

In closing, Mr. President, I want to thank Senator SPECTER for his work in this area and thank our staffs for putting this together. No one likes to make cuts, but we have made these offsets, and I believe the offsets are good and the money will go to all of the things that Senator SPECTER mentioned: Summer youth employment program, dislocated workers, school to work, Head Start, Goals 2000, of course title I, which I talked a lot about, drug-free schools, educational technology, Perkins loan and SSIG for higher education.

Mr. President, I ask unanimous consent that Senator WELLSTONE be added as a cosponsor of this amendment.

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

Mr. SPECTER. Mr. President, I thank my distinguished colleague from Iowa for his comments. I believe this is a well-crafted bill that accommodates education while maintaining the balanced budget principle. As Senator HARKIN has pointed out, people now in school districts know what they can do by way of planning if this finally becomes law.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Ms. MOSELEY-BRAUN. Mr. President, the need to balance the Federal budget must be driven by more than just numbers; it must also reflect sound priorities. Our budget must not only be fiscally responsible; it must also reflect the priorities of the American people.

A survey conducted in January found that 82 percent of Americans oppose cutting education spending.

A different poll in January found that 67 percent of voters rank the quality of education in public schools as their top priority.

Last year, 75 percent of Americans polled said that aid to education should be expanded.

Unfortunately, the omnibus appropriations bill before us today does not reflect these priorities. It makes more than $3 billion in Federal education and job-training programs—programs that provide opportunities for America's children and students—contingent on a future budget agreement. The bill essentially says to our children and students: Your education will be a priority later—maybe.

The Daschle-Harkin amendment doesn't wait—because today's children will grow up regardless of whether or not there is a budget agreement, and tomorrow's economy will not be any kinder to them if there is not.

It is easy to understand why so many Americans make the quality of education one of their top priorities. Education is related in a positive way to almost every index of domestic and social well-being.

The average earnings of a college graduate are 75 percent higher than those of someone with only a high school education, and 150 percent higher than the earnings of a high school dropout.

Sixty-two percent of small children whose parents have not completed high school live in poverty. By contrast, only 4 percent who have at least one parent with a high school diploma live in poverty.

More than 80 percent of prison inmates are high school dropouts.

The American people place such a high priority on education because education is an essential investment in our future. A quality education has always opened the door to the American dream—the chance to achieve as much as your ability, talent, and brains will take you.

Education is much more than a private benefit to individual students. Education funding is an investment in America. Quality education affects the

entire community, and it is as much a part of our national defense as any missile system. As Laura Tyson said, a country's people are its most precious resource.

Yet, under this bill, if the contingency funds do not become available, the bill:

Cuts the Safe and Drug-Free Schools Program—which helps to provide a safe environment conducive to learning—by almost 60 percent;

Cuts the Title I Program—which provides basic assistance to low-income children and school districts—by 10 percent;

Cuts Goals 2000—which helps fund innovative, locally driven efforts to raise the quality of education—by 22 percent.

The bill also targets programs that make it possible for more Americans to afford a higher education. Without the contingency funds, the bill cuts the Pell Grant Program by 6 percent, the Perkins loans by 37 percent, and the State student incentive grants by 50 percent.

The cost of college has risen more than 230 percent in the last 15 years. Yet, according to the Department of Labor by the year 2000, 52 percent of all new jobs will require more than a high school education. Diminishing access to higher education is not one of the priorities of the American people, and it should not be one of the priorities of this Congress.

This bill also cuts billions from programs that provide young people with summer employment and job training, and that help prepare dislocated workers for new careers. Without the contingency funds, this bill cuts the JTPA Program by 25 percent, training for dislocated workers by 29 percent, and the summer jobs program by 100 percent.

Education and job training programs are about knowledge, about competitiveness, and about being able to adapt to a changing economy. I am reminded of a quote from one American philosopher, who wrote: ''In times of change, learners inherit the Earth, while the learned find themselves beautifully equipped to deal with a world that no longer exists.''

The Daschle/Harkin amendment reflects that philosophy by truly putting the $3.1 billion for education and job training back into the budget.

Thirty-five percent of the American people believe that education funding should be Congress' No. 1 legislative priority. Let us not let them down—or the 82 percent who oppose education cuts period—by failing to enact this amendment.

Mr. BINGAMAN. Mr. President, I rise in support of the Harkin education amendment. This amendment aims to restore funding for the Department of Education, and for all education and training to fiscal year 1995 levels.

This amendment is fully paid for. It adds back funds to the fiscal year 1996 appropriations with offsets scored by CBO. This amendment, unlike the Republican addbacks, do not depend on future contingencies at an unspecified time in the future of a congressional-Presidential agreement on an overall budget. This will allow schools, now in the process of planning their budgets for next year, to know the funding level for which they can budget.

The amendment represents addbacks that both parties agree to: $151 million for education reform; $1,279 million for title 1; $208 million for school improvement programs; $82 million for adult and vocational education; and $10 million for education research and statistics. This will provide funds for Goals 2000; title 1; safe and drug-free schools; charter schools; vocational and adult education; education technology; Head Start; dislocated workers; adult training; school-to-work; summer jobs for youth; and one-stop career centers.

The Harkin amendment would maintain the fiscal year 1995 level of $18.4 billion for Department of Education funding except Pell grants, and funds for Pell grants, including the fiscal year 1995 surplus carried forward to fiscal year 1996, would also remain level.

This amendment maintains fiscal year 1995 levels of funding for education by identifying offsets, not by adding anything to the deficit.

These addbacks support programs needed by everyone, and especially those in New Mexico. Title 1 supports teaching basic reading and math skills to disadvantaged students. Every school district in New Mexico would be hurt if these funds are not restored. Albuquerque public schools alone would lose almost $2 million if House cuts are not restored.

Education reforms funds support school-industry cooperation in developing programs that teach students going directly to work from school those skills they need to perform a job; and Goals 2000 supports professional development and raising standards of literacy to internationally competitive levels. The grant awards in New Mexico for these programs have provided great local control and pride and initial signs of success. Vivian LaValley of Bernalillo High School was here last Thursday describing her School-to-Work Program and it was very impressive.

The need for such Federal support is sorely felt both by my constituents and other leaders across the country. In 2 weeks Lou Gerstner of IBM and Gov. Tommy Thompson of Wisconsin will host the Nation's Governors and business leaders in an education summit to discuss the need for education standards and technology. The addbacks provided in this amendment provide States and communities the resources they need to pursue these efforts as they see fit.

For the last 6 years the Federal Government, on a bipartisan basis, has increased funding for education each year. Congress was right to do so. As our future depends increasingly on the competitiveness of our work force in the global economy, improving our education performance and investing in education should be top U.S. priorities. Unfortunately this amendment does not increase funding for education. But it does provide at least level funding for education.

Mrs. MURRAY. Mr. President, I rise in support of the Daschle-Harkin amendment restoring funds cut from education. This amendment stands for something; it stands for a continuing commitment to learning for all Americans.

One program the amendment would restore is the School-to-Work Program. I would like to tell you how this program has helped one student in my State to turn her life around and avoid the effects of violence.

Mr. President, we all hear about the epidemic of violence in America. The people most affected by this epidemic, and the people who sometimes end up contributing to the problem, are our young people. Too frequently, a young American's world of love, tenderness, and growth is replaced by a world of hate, abuse, and death.

The homicide death rate in Washington State has more than doubled since 1970, for children between 15 and 19 years old. Significant numbers of younger children are also becoming victims of homicide in recent years.

Juvenile drug and alcohol offenses have declined in my State since 1991, but were too high to start with. Violent crimes are on the rise among youth, and more young people are being incarcerated than ever before.

Mr. President, I want to make sure we do not misplace the blame for this epidemic, however. Adults are the ones capable of making the changes that will prevent adult violence and child abuse.

Adults are also capable of preventing youth violence. Young people tell me: Adults don't seem to care about them; they don't have access to youth activities; they can't get summer jobs; adults don't set a good example for kids; adults don't encourage positive behaviors—so young people get attention by exhibiting bad behavior.

This should not be allowed to happen, because it has an immediate effect on the lives and psyches of our young people, and a longer term effect on the economy and social fabric of our Nation.

The good news is: Adults can do something about these problems, and adults set good examples every day. Just being willing to talk with, and listen to, young people is a great start.

Last week, as part of his ongoing response to this problem for young people, the President hosted a White House Leadership Conference on Youth, Drug Use, and Violence. He brought together people from around the country to talk about problems and solutions for today's youth.

Mr. President, one of the people in attendance at the conference was a former high school dropout from Washington State, who has turned her life

around through a program in vocational skills training.

This young woman is named Jessica Shillander. She spent her young life in a two-parent family, but later experienced a difficult family breakup. After this happened, this soon got very difficult for Jessica, and she had to prove how capable and resilient she really is—a thing we shouldn't ask from any child in America.

Jessica was kicked out of her mother's home as a seventh grader. Not surprisingly, she almost immediately got involved with gangs, drugs, and an abusive boyfriend almost twice her age.

Jessica dropped out of school, and if it were not for the help of caring adults, and a special program funded with Federal School-to-Work funds, she would not be the success story she is today.

However, due to a dropout retrieval program run by the New Market Vocational Skills Center in Tumwater, WA, Jessica started having success in school.

At New Market, Jessica felt the support from adults which allowed her to improve her academic and job skills. Thanks to the program, Jessica has almost graduated. She has turned away from violence.

She is now working a paying job as a student advocate, and looks forward to a career helping young people. Last week she spoke to applause at the White House Conference, letting adults and youth learn from her story.

This dropout retrieval program would not be possible without Federal School-to-Work funds. Run through the vocational skills centers in Washington State, the program is unique in the country. High school dropouts—kids from lower- and middle-class working families—get special assistance to get them involved in instruction which is relevant to their lives.

If they need help with transportation, or child care, or just need someone to care enough those first few days back at school to give them a wakeup call or see that they get an alarm clock or work clothes—the help is there.

And, like most Americans, these young people respond well to high expectations and a caring attitude—they need less help as they become more confident in their own abilities. These programs have an average placement rate of 90 percent—either in jobs, higher education, or the military.

At a time when our world is more complex than ever, when all employees, young or old, are finding the working world more difficult, when all schools need to be more relevant, Congress is about to cut the very School-to-Work funds that make Washington's School-to-Career program possible.

Here's Jessica's reaction: ''School-to-work transition needs to begin as early as kindergarten, to help all students find value and self-worth. I want all students to have this opportunity.''

Mr. President, I just held four children's forums in my State, in Yakima, Vancouver, Spokane, and Tacoma. In every one of these meetings, adults and young people came out in the winter weather to confirm that all schools need to be more relevant, and that School-to-Career programs are exactly the kind of thing this country needs more of.

But, instead, we are here today debating an amendment to restore these funds after they have been cut. This is folly. We must invest in our future, not bankrupt it. The Daschle-Harkin amendment will restore School-to-Work funds for programs like the one that helped Jessica.

I believe, as did President Franklin Roosevelt, that ''The only real capital of a nation is its natural resources and its human beings.'' America cannot continue to act like a business having a fire sale, we must continue the investments which will give our country a future. Education is paramount among these. I want my colleagues to support the Daschle-Harkin amendment in this light.

Mr. GRAMS. Mr. President, I wish to speak as in morning business for up to 10 minutes.

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

EXTENSION OF SPECIAL COMMITTEE TO INVESTIGATE WHITEWATER

Mr. GRAMS. Mr. President, I wanted to say how disappointed I am that the Senate failed in a vote a few minutes ago to end the filibuster of our resolution to continue the Whitewater hearings.

The question before the Senate today should have been whether or not we would authorize additional funding for the continued investigation into Whitewater. Unfortunately, the current filibuster that is underway prevents us from even considering this question or voting on either the resolution or the Democratic alternative.

I recognize that some of our colleagues who have not closely followed the course of this investigation could reasonably believe that enough time and money has been spent on the matter, and under ordinary circumstances, they might be right.

Should we not have the opportunity to openly and honestly debate—and vote—on this issue? We may have disagreements over the need to continue the Whitewater investigations, but shouldn't those disagreements be argued and resolved in the light of full public scrutiny? I believe they should.

Unfortunately, that is not the situation we face today. But that should not come as any surprise; after all this filibuster simply follows the course of action directed by the White House.

Whatever its motivation, the White House has refused to fully cooperate with this investigation. For months, they have delayed the production of documents, presented witnesses who exhibit suspiciously selective memories, and raised dubious questions of privilege in order to withhold potentially damaging evidence. All for the purposes of downplaying the significance of Whitewater and running out the clock on this investigation.

Let us review the facts. Nine people have been convicted for crimes relating to Whitewater, and seven more—including Arkansas Governor Jim Guy Tucker and the Clintons' business partners, Jim and Susan McDougal whose trial has begun in Little Rock—are currently under indictment.

The President and the First Lady have both been compelled to testify separately before grand juries on the subject of Whitewater.

Yet, the White House still refuses to make full, prompt disclosures in response to our requests. And in those refusals rest the real Whitewater scandal.

Just as important as the actual and alleged crimes committed in Arkansas during the 1980's is the potentially criminal coverup going on in the White House today.

Our chief frustration centers around the stark difference between the claims the First Family makes in front of the cameras and the actions taken by the White House behind closed doors.

The President and the First Lady have repeatedly pledged full cooperation with this investigation, but as a Washington Post editorial puts it, ''they have a weird way of showing'' that cooperation.

It has been clear from day one that a concerted and coordinated effort has been made on the part of the White House, associates of the President, and Clinton appointees to thwart the work of the special committee.

You can think of Whitewater as a jigsaw puzzle with a timeclock—a puzzle that did not come in a box or with a picture to work from. You begin assembling the scattered pieces, but when you think you are done, something does not seem quite right.

Maybe it is the holes at the edges of the puzzle or the extra pieces you are holding that don't seem to fit anywhere. With time ticking away, you look around to see if anything is missing, when you find them in someone else's hands.

And as all the pieces begin to fit together, you still have no idea what you'll end up with, but you realize that the puzzle is bigger than you had ever imagined.

It sounds incredible but look at the obstacles we have had to face.

Withheld records. Last summer, the committee requested the phone records of Margaret Williams and Susan Thomases for the time period immediately following the death of Vince Foster. By December, we had received them, but only after making four separate requests and issuing a subpoena.

The records detail a phone tree between Williams, Thomases, and the First Lady on the night of Foster's death, leading to the removal of documents from Foster's office. But it took months to get them.

Last minute surprises. On November 3, Deputy White House Counsel Bruce Lindsey was deposed by the special committee. Not until the eve of his deposition did Lindsey supply the committee with Whitewater documents, and then, 12 days later, discovered another 80 pages of information.

with this new information, the special committee decided to depose Mr. Lindsey again, when, surprise, he once again provided additional documents on the eve of a deposition.

And just a few weeks ago, when we least expected it, boom—more documents from Bruce Lindsey.

Missing and redacted notes. On February 7 of this year, the White House released a redacted version of notes taken by then-White House Communications Director Mark Gearan from Whitewater response team meetings led in 1994 by White House Deputy Chief of Staff Harold Ickes.

But only on the day of Gearans' deposition was the unredacted version released—3 days before Gearan was scheduled to testify. When questioned, Gearan gave little explanation for why these, shall we say, colorful notes were not turned over in response to a committee subpoena for Whitewhater documents issued over 3 months ago.

Overlooked documents. Upon receiving confirmation from the Gearan notes about Ickes' role in Whitewater, the committee requested any additional notes that might have been taken by Ickes.

Sure enough, less than 48 hours before Ickes was scheduled to testify, over 100 pages of notes and documents appeared on our doorstep, accompanied by the dubious explanation that the documents were mistakenly overlooked.

To top if off, how can one forget the long delayed discovery of Mrs. Clinton's billing records in the White House book room. Coincidences? Hardley.

The White House knows exactly what it is doing, Make no mistake about it.

Publicly, they claim to be the most forthcoming administration in history. And they point to the tens of thousands of pages of documents they have turned over as evidence.

Only after you leaf through the piles, and see first hand the fragments, the redactions, and the irrelevant information the White House has provided do the pieces of the puzzle begin to fit together in the image of a stone wall.

I've often compared it to looking for a needle in a haystack—the trouble is, when we ask for the needle, the White House gives us the haystack. And now, they want to say ''Times up. We win.''

Mr. President, when we started this investigation, our purpose was to examine the reasons for the taxpayer-financed $60 million failure of one Arkansas savings and loan. But what we have uncovered, in Washington and in Arkansas, is enough to make any ethical person cringe—and still, many questions remain.

It is these findings and unresolved questions which lead me to wonder why our Democratic colleagues have chosen to filibuster this investigation, rather than let us gather the facts and complete our job.

There has already been a great deal of speculation in the public's eye over issues related to Whitewater and the death of Vince Foster. We cannot afford to leave these questions—or to give the American people reason to doubt the integrity of our efforts.

Mr. President, we have a choice. We can either continue our investigation and get to the bottom of this whole affair or we can give up. We can begin dismantling the White House's stone wall piece by piece or we can throw our hands up in the air and allow the Senate to become just another part of a potential Whitewater coverup.

Mr. President, we cannot allow that to happen.

We have a responsibility to uncover the truth to every taxpayer whose hard-earned dollars bailed out Madison Guaranty, to every citizen who questions the honesty and integrity of their Government, to every American who believes in the saying, long forgotten in Washington, about ''the truth, the whole truth, and nothing but the truth.''

If it takes us days, weeks, or months to wipe the Government clean from the tarnish of Whitewater, then that is what we must do. The Senate cannot continue to wash its hands of this responsibility. The investigation must continue. If it takes us days, weeks, or months to wipe the Government clean from the tarnished Whitewater, then that is what we must do. The Senate cannot continue to wash its hands of this responsibility. The investigation must continue.

Now, I know my colleagues argue many points, but I believe they ignore the merits. They argue time and money, but they ignore the facts. They say, ''What is the big deal about Whitewater?'' But, again, they ignore the fact that nearly two dozen friends and associates of the Clintons have become casualties of Whitewater being sent back home in disgrace, charged or convicted of crimes related to Whitewater, or even worse.

And, also, they charge that the investigation is political, but they ignore the fact that it would be more political to end this investigation without getting the answers. It is political, but the politics are being played by the White House and our Democratic colleagues in not allowing this investigation to continue. If there is nothing to fear, why not get the job done and put it behind us?

Thank you very much, Mr. President. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

BALANCED BUDGET DOWNPAYMENT ACT, II

The Senate continued with the consideration of the bill.

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

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

AMENDMENT NO. 3473

Mr. DASCHLE. Mr. President, I commend the distinguished Senator from Iowa and the distinguished Senator from Pennsylvania for their work in bringing us to this point on one of the most important aspects of this omnibus appropriations bill, the education amendment. Yesterday we offered an amendment with an expectation that we could restore full funding to the 1995 level. This legislation does that. There was some miscalculation as to the funding level required to bring us to fiscal 1995 levels for title I. As I understand it, the question relating to how much funding would be required to do just that has been resolved.

I am satisfied that this does restore the fiscal 1995 level for title I, as well as for the other educational priorities identified in the underlying amendment. So, clearly, this agreement is a very significant development. It ought to enjoy the support of both sides of the aisle. I hope we can get unanimous support for it. It removes what I consider to be one of the most important impediments to bringing us to a point where we can get broad bipartisan support for final passage of this bill.

So, again, I thank the leadership of the Senator from Iowa, and certainly the Senator from Pennsylvania. I hope that all of our colleagues can support it. I hope we can work together on a bipartisan basis to reach similar agreements on other outstanding differences related to this legislation, including funding levels for the environment, crime, and technology. We also need to remove the contentious riders the House included in their version of the bill. I believe that if we did that this afternoon, we could put this bill on the President's desk before the end of the week and, at long last, resolve the many problems we have had with these appropriations bills.

I yield the floor, and 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. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

The question is on agreeing to the amendment of the Senator from Pennsylvania. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 84, nays 16, as follows:

[Rollcall Vote No. 27 Leg.]

YEAS—84

Abraham	Exon	Mack
Akaka	Feingold	McConnell
Baucus	Feinstein	Mikulski
Bennett	Ford	Moseley-Braun
Biden	Frist	Moynihan
Bingaman	Glenn	Murray
Bond	Gorton	Nickles
Boxer	Graham	Nunn
Bradley	Grassley	Pell
Breaux	Harkin	Pressler
Brown	Hatfield	Pryor
Bryan	Heflin	Reid
Bumpers	Hollings	Robb
Burns	Hutchison	Rockefeller
Byrd	Inouye	Roth
Campbell	Jeffords	Santorum
Chafee	Johnston	Sarbanes
Cochran	Kassebaum	Shelby
Cohen	Kennedy	Simon
Conrad	Kerrey	Simpson
Coverdell	Kerry	Snowe
D'Amato	Kohl	Specter
Daschle	Lautenberg	Stevens
DeWine	Leahy	Thomas
Dodd	Levin	Thurmond
Dole	Lieberman	Warner
Domenici	Lott	Wellstone
Dorgan	Lugar	Wyden

NAYS—16

Ashcroft	Gregg	McCain
Coats	Hatch	Murkowski
Craig	Helms	Smith
Faircloth	Inhofe	Thompson
Gramm	Kempthorne	
Grams	Kyl	

So, the amendment (No. 3473) was agreed to.

AMENDMENT NO. 3467

The PRESIDING OFFICER. The question is on agreeing to the Daschle amendment No. 3467, as amended.

So the amendment (No. 3467), as amended, was agreed to.

Mr. SPECTER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I rise today in support of Senator HATFIELD's proposal in the omnibus bill before us to remove restrictions on U.S. funding of international family planning. These restrictions are part of the foreign operations bill which was folded into the last CR. Senator HATFIELD's initiative is a necessary and welcome step: necessary because the restrictions risk the lives and health of women and children in the developing world; welcome because the United States should not be forced by these ill-conceived restrictions to abdicate its proven leadership in international family planning.

Voluntary efforts to limit population growth must remain a principal priority of U.S. foreign assistance. The failure to fund adequately international family planning efforts in the developing world has dire consequences. The restrictions currently on the books will result in 4 million unwanted pregnancies in developing countries. Of these unwanted pregnancies, an estimated 1.6 million will end in abortions. Thus, these restrictions have as a direct and alarming consequence a result contrary to their purported purpose of trying to minimize abortions. The restrictions do not decrease abortions, they increase them. Other statistics speak for themselves. In Russia, a lack of family planning services has made abortion the chief method of birth control. The average Russian woman has four abortions over her lifetime. In countries with effective family planning, though, such as Hungary, abortion rates have dropped dramatically.

But this debate is not just about abortion. A lack of adequate family planning and population efforts leads directly to a severe degradation of the lives and health of mothers and children. U.S.-funded programs, rather than promote abortion, seek to promote safe contraception, thus allowing women to space their pregnancies, a step crucial to the health of the mother and the survival of the child. If the CR funding restrictions are left in place, 8,000 more women will die in pregnancy and childbirth, including from unsafe abortions, and 134,000 more infant deaths will occur. Inadequate family planning also contributes to dangerous strains on already heavily taxed environments, while unbridled population growth has a serious impact on education efforts in countries where money for such programs is scarce. Such a strain on education is an indirect cost of these restrictions, but one with dire long-term consequences.

It is worth emphasizing that prohibitions on U.S. funding for abortions have been on the books since 1973.

USAID has consistently sought to prevent abortions by offering viable alternatives, alternatives available only through adequate education. AID's programs are widely recognized as the most efficient and effective population planning programs in the world.

These shortsighted restrictions endanger the long-term goals of improving the lot of women and children in the developing world, with potentially catastrophic results.

Mr. President, I ask unanimous consent to have printed in the RECORD an article from the Christian Science Monitor of February 9, 1996.

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

CONGRESSIONAL EFFORT TO CURB GLOBAL ABORTION MAY BACKFIRE

(By George Moffett)

WASHINGTON.—A CONGRESSIONAL move to limit abortion and family planning may have a dramatic unintended consequence: It could actually cause the global abortion rate to rise.

Encouraged by the Christian Coalition and anti-abortion groups, Congress last month made deep cuts in United States funds for family-planning programs abroad. But demographers, and even some anti-abortion activists, are warning that the cuts for family planning will lead to more unintended pregnancies—and that more, not fewer, abortions are likely to result.

''We embraced the probability of at least 4 million more abortions that could have been averted if access to voluntary family-planning services had been maintained,'' Sen. Mark Hatfield (R) of Oregon told his Senate colleagues this week. ''These numbers are as disturbing as they are astounding, particularly to those of us who are faithfully and assertively pro-life.''

The US has been barred from funding abortion services overseas since 1973. But anti-abortion activists in the US urged Congress to cut support for family-planning programs concerned that such programs indirectly promote abortion.

''Population control that has to do with education and the use of contraceptives was not the issue,'' says Rep. Sonny Callahan (R) of Alabama, chairman of the House Appropriations subcommittee that deals with foreign aid. ''The issue is trying to stop the US from providing any money that might be used for abortions.''

''Our concern is that services for abortion are being provided by family-planning agencies,'' adds a spokesman for the Christian Coalition, based in Chesapeake, Va.

Lawmakers trimmed funding for population assistance by 35 percent in a foreign-aid bill that was incorporated into a ''continuing resolution'' to keep the federal government running until mid-March.

In addition to budget cuts, the legislation imposes unprecedented restrictions on family-planning programs funded by the US Agency for International Development (AID), AID is now barred from obligating any money before July 1 and only small monthly parcels thereafter process that leaves only 14 percent of the amount appropriated in 1995 available for use in fiscal year 1996, and which, AID officials complain, will confound the process of long-term planning.

Republican sources on Capitol Hill say cuts in family-planning funds are part of an across-the-board drive to reduce federal spending. As for restrictions on how the money is spent, says one House source, they reflect the new balance of power in the 104th Congress in favor of those who believe that family-planning agencies promote abortion—a charge family planning advocates hotly deny.

Family-planning advocates cite evidence indicating that cuts in family-planning services will lead to sharp increases in abortion. They point to Russia, where the absence of family-planning services has made abortion the chief method of birth control. The average Russian woman has at least four abortions over a lifetime.

''The framers of the family-planning language in [the continuing resolution] ensured, perhaps unintentionally, that the gruesome experience of Russian women and families will be replicated throughout the world, starting now,'' Senator Hatfield says.

Conversely, where family-planning services have been introduced, as in Hungary, the abortion rate has dropped dramatically.

Some 50 million couples around the world now use family-planning services paid for by US government funds. The one-third budget cut could mean one-third that number, or 17 million couples, will lose access to family planning. If funds are not found from other sources, according to projections by Population Action International, a Washington-based advocacy group.

''More than 10 million unintended pregnancies could result annually,'' says Sally Ethelston, a spokeswoman for the group. ''That could mean at least 3 million abortions, at least half a million infant and child deaths, and tens of thousands of maternal deaths.''

Without family-planning services, more pregnancies will occur among younger women, older women, and women who have not spaced pregnancies by at least two years,

which is considered the minimum time needed to protect the health of mother and child.

The US has taken the lead since the 1960s in funding family-planning programs in poor nations. Since then, global contraceptive use has risen fivefold; fertility (the average number of children born to a woman during her reproductive years) has dropped by one-third; and the rate of global population growth has begun to slow.

Even so, the world grows by 1 million people every 96 hours, and the populations of most poor nations are projected to double within 20 to 30 years. AID officials say the cuts will retard the incipient family-planning movement in Africa, where population growth is fastest. ''If this proves to be something that does increase abortion, we'd take another look at our position,'' says the Christian Coalition spokesman.

Mr. JEFFORDS. I urge my colleagues to support lifting these restrictions on programs with vital U.S. interests. I yield to the Senator from South Carolina.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

AMENDMENT NO. 3474 TO AMENDMENT NO. 3466

(Purpose: To provide funding for important technology initiatives with an offset)

Mr. HOLLINGS. Mr. President, I have an amendment at the desk and ask, on behalf of myself, Senator DASCHLE, Senator KERRY, Senator LIEBERMAN, Senator BINGAMAN, Senator ROCKEFELLER, Senator LEAHY, Senator LAUTENBERG and Senator KERREY, the clerk to please report it.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] for himself, Mr. DASCHLE, Mr. KERRY, Mr. LIEBERMAN, Mr. BINGAMAN, Mr. LEAHY, Mr. ROCKEFELLER, and Mr. KERREY proposes an amendment numbered 3474 to amendment No. 3466.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. HOLLINGS. Mr. President, this is the technology amendment. I ask unanimous consent that I be able to yield to the distinguished Senator from California, who wishes to make a brief statement as in morning business.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. I thank the Chair, and I particularly thank Senator HOLLINGS.

Mr. President, I ask unanimous consent that I be permitted to speak as in morning business for up to 10 minutes.

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

(The remarks of Mrs. FEINSTEIN pertaining to the introduction of S. 1607 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. HOLLINGS. I have been informed by the Parliamentarian, since the Daschle education amendment has passed, that the present amendment on technology needs to be conformed. I ask unanimous consent the Parliamentarian conform it in accordance with the Daschle amendment in the bill as it now appears.

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

Mr. HOLLINGS. Mr. President, this amendment restores funding for five important technology programs that are significant investments in our country's future. They focus on three critical areas: Economic growth, education, and cost-effective environmental protection. The spending we propose in this amendment is fully offset, and the Congressional Budget Office has scored that offset at providing more than is needed for the programs we restore.

The distinguished Senator from Iowa has been the principal sponsor also of the offset, which deals with accelerated collection by the Federal Government. We, as cosponsors, are indebted to him for his leadership. Otherwise, the distinguished Senator from Maryland, Senator MIKULSKI, has really led the way for our Environmental Protection Technology Program.

Specifically, the amendment invests five important technology programs. It restores funding for four of them: A $300 million add-back for the Department of Commerce's Advance Technology Program, which contracts with industry to speed the development of new breakthrough technologies; $32 million more for the Telecommunications and Information Infrastructure Assistance Program at the National Telecommunication and Information Administration; an additional $4.5 million for the Technology Administration at the Department of Commerce, including $2.5 million to honor commitments under the United States-Israel Science and Technology Commission; and a $62 million addition for the Environmental Technology Initiative at the Environmental Protection Agency, an important effort to develop innovative and cost-effective ways to protect the environment. These add-backs total $398.5 million.

In addition, the amendment specifies that $23 million that is already in title I of the committee amendment is to go to the Education Department's Technology Learning Challenge Program. These five programs promote innovative new technologies—technologies, Mr. President, that can improve schools, protect the environment at lower cost, and create new industries and jobs to replace employment lost through never-ending downsizing and layoffs. We must invest now to benefit from those new technologies tomorrow. This amendment does that job.

The amendment fully offsets these add-backs through a provision that would significantly improve the collection of delinquent Federal debts. It puts the squeeze on deadbeats who have not repaid money owed to the Federal Government. The Congressional Budget Office has scored this provision as raising $440 million in fiscal year 1996—more than enough to cover the add-backs.

Mr. President, I want to turn first to investment in new job-creating technologies. I particularly want to focus on the Advanced Technology Program at the Department of Commerce. The Advanced Technology Program contracts with companies on a cost-shared basis to speed the development of new breakthrough technologies that offer great promise for the Nation but are too untested for the regular marketplace to fully fund. Just as other Federal research and development programs work through companies to develop the technologies needed for Government missions such as defense and space, the Advanced Technology Program works with companies in support of the critical Federal mission of promoting long-term economic growth and job creation.

The amendment now before the Senate provides $300 million for the ATP. The $300 million level is significantly below the $341 million available for the program just last year in 1995. Currently, H.R. 3019 provides no 1996 funds for this important program, although the committee amendment's unfunded title IV would provide $235 million to support existing awards.

Mr. President, I want to talk about several points in this important program.

First, we are talking here about jobs. The Advanced Technology Program supports a vital mission of Government—promoting long-term economic growth. The voters know that America faces tough economic times. Foreign competition remains fierce, American companies continue with never-ending downsizing, and voters are understandably anxious and upset. It is ironic indeed that the Government spends billions in research and development dollars each year for defense security, but we are still debating the R&D efforts to promote economic security.

Increasingly, new industries, jobs, and wealth will go to those who are fastest at developing and then applying new technologies. And if we are to save as many jobs as possible in existing industries, they too need to be technologically competitive. The ATP works to turn promising laboratory ideas into practical breakthrough technologies—technologies that the private sector itself will develop into new products and processes. And, we hope, technologies that American companies and American workers will turn into products before our overseas competitors do so.

The Federal Government has long worked with industry to speed the development of important new technologies. Industry-government partnerships helped start entire U.S. industries—from the telegraph and agriculture to aircraft and biotechnology

to computers and the Internet. These government investments paid off enormously for the Nation and its workers.

We won the race to develop those technologies. But will we win others? I started the ATP because I saw our competitors overseas moving to develop and commercialize American ideas before we could, in areas such as superconductivity.

And the race continues. Numerous small ATP winners tell us that their foreign competitors are often no more than 12 to 18 months behind them. This is not surprising. While American firms have difficulty getting private capital for long-term research that will not pay off quickly, other governments invest heavily in programs to support civilian technology. This year, the Japanese will spend $1.4 billion on national technology research programs for industry. The European Union is investing $14.4 billion over 5 years in 20 specific areas of research and technology, and individual European governments are investing additional R&D amounts to help their economies.

With the fall of the Berlin Wall and the explosive growth of foreign technology programs, we need not only Defense Department research programs but also economic growth programs such as the ATP. And given the economic insecurity facing the country, we should increase the ATP, not cut it. We need to help American industry accelerate the development of new technologies, new industries, and new jobs. If you want to let other countries win the technology race, then kill the ATP.

Second, Congress has a serious obligation to honor our commitments to companies and workers in ongoing ATP projects. The pending bill acknowledged this when it included $235 million in the unfunded title IV of the bill. I commend Chairman HATFIELD for including that provision. He put that in so that if Congress can find the money, then fiscal year 1996 commitments to some 200 current multiyear projects will be kept. Our amendment has an actual offset for that $235 million, as well as enough additional money to have a small new ATP competition in fiscal year 1996. Not passing our amendment will, in fact, abruptly reduce the ATP from its fiscal year 1995 level of $341 million to a fiscal year 1996 level of zero—a draconian move that will hurt companies across the country. It will particularly hurt the 100 companies in 25 States that won awards in fiscal year 1995 and now need fiscal year 1996 funding to continue their multi-year projects. These companies have hired staff and committed their own matching funds.

Third, I want to emphasize that over the years the ATP has actually enjoyed strong bipartisan support. The law creating the program passed during President Reagan's second term, and the ATP received its first funds during the Bush administration. Mr. Bush's Commerce Department wrote the rules for the ATP, and did a good job. President Bush himself requested budget increases, and in 1992 14 Republican Senators on a defense conversion task force endorsed it. See ''Report of the Senate Republican Task Force on Adjusting the Defense Based,'' June 22, 1992.

Unfortunately, in 1994 politics intruded because some Senators worried that ATP grants might be made in a political fashion. But this is the purest program you will find. Expert panels make the decisions—not the Secretary of Commerce, not the White House, not any Member of Congress. Several States that have no Democratic Senators or Governor do very well under the ATP, including Texas and Pennsylvania. The ATP now supports 276 research projects around the country, involving 757 research participants in 41 States. The ATP is not porked, has never been porked, and is not used for partisan purposes.

Fourth, the ATP is not corporate welfare. This program is not a handout to deadbeats. The purpose of the ATP is not to subsidize companies but to contract with the best companies to develop technologies important to the Nation as a whole. Companies also pay half the costs, hardly welfare. Moreover, no ATP funds are ever used to subsidize product development in companies; it supports only development work up to basic prototypes. More than half the awards go to small firms or joint ventures led by small firms.

Fifth, both the ATP itself and the larger principle of industry-government technology partnerships enjoy solid support and excellent evaluations. In terms of industry's views, I want to quote first an important July 1995 policy statement by the National Association of Manufacturers (NAM) about technology partnership programs in general:

> The NAM believes that the disproportionately large cuts proposed in newer R&D programs are a mistake. R&D programs of more recent vintage enjoy considerable industry support for one simple fact: They are more relevant to today's technology challenges. . . . In particular, partnership and bridge programs should not be singled out for elimination, but should receive a relatively greater share of what federal R&D spending remains. These programs currently account for approximately 5 percent of federal R&D spending. The NAM suggests that 15 percent may be a more appropriate level.

Groups explicitly endorsing the ATP include the Coalition for Technology Partnerships, a group of over 100 companies and other research organizations, and the Science and Technology Working Group, representing over two dozen scientific and engineering societies and other organizations. These groups see the ATP as an important investment in America's future prosperity and strength.

In addition, the General Accounting Office [GAO] has conducted two reviews of the ATP in the past year. Despite some assertions to the contrary, they speak highly of the program. GAO found that the ATP had succeeded in encouraging research joint ventures, one of its purposes; that ATP winners did indeed often have trouble getting private funding because the research was too far from immediate market results; and even those companies that would have continued their research without ATP awards would have done so much more slowly or at a lower level of effort.

A January 1996 report conducted by Silber and Associates provided further positive comments from industry. Of the companies surveyed, many maintain that the ATP has been the lifeblood of their company's innovative research efforts, permitting them to venture into arenas new to U.S. industry.

Sixth, while the ATP is still new, it already has generated some real technical successes—successes that in the years ahead will create jobs and broad benefits for our Nation. Later, I will submit for the RECORD a detailed list of accomplishments, but for now I want to mention three particular cases.

With help from ATP, Aastrom Biosciences of Ann Arbor, MI, has developed a prototype bioreactor that can grow blood cells from a patient's own bone marrow cells. In 12 days, the bioreactor will produce billions of red and white cells identical to the patient's own—cells that then can be injected into the patient to boost the immune system. The benefits from this system will be astounding. Now that the basic technology has been proven and patented, Aastrom has received $20 million in private funds to turn the prototype into a commercial product.

With ATP help, the Auto Body Consortium—consisting of eight auto suppliers, with support from Chrysler, General Motors, and the University of Michigan—have developed a new measurement technology to make assembly-line manufacturing more precise. The result will be better fit-and-finish in car production, resulting in lower manufacturing costs and lower car maintenance costs. The new system is now being tested.

Diamond Semiconductor of Gloucester, MA, used its ATP award to develop a new, risky technology for helping to reliably use much larger semiconductor wafers—the slices of silicon on which computer chips are built. Diamond Semiconductor's equipment can be used to make 12-inch wafers, holding many more chips than the old 8-inch wafers. Now that the technology is proven, a much larger company, Varian Associates, has invested in turning this system into a commercial product.

Finally, there is one other key point. The President supports this program and opposes any effort to abruptly terminate it. It is a fact that when he vetoed the earlier fiscal year 1996 Commerce, Justice, State conference report he cited two main reasons—cuts in the COPS Program and elimination of the ATP. ATP funding is needed in order to get the President's signature and get on with finishing appropriations bills for this current fiscal year. The sooner

we resolve the ATP issue, the sooner we get on with solving this protracted budget impasse.

Mr. President, the ATP is one of our most investments in long-term economic growth and jobs. For that reason, we need to pass the pending amendment and fund the ATP.

INFORMATION INFRASTRUCTURE ASSISTANCE

Mr. President, this amendment also adds $32 million to the current bill's $22 million for fiscal year 1996 funding for NTIA's Telecommunications and Information Infrastructure Assistance Program [TIIAP]. The fiscal year 1995 figure was $42 million.

TIIAP is a highly competitive, merit-based grant program that provides seed money for innovative, practical information technology projects throughout the United States. TIIAP helps to connect schools, libraries, hospitals, and community centers to new telecommunications systems. Examples include connecting schools to the vast resources of the Internet, improved health care communications for elderly patients in their homes, and extending emergency telephone service in rural areas. Projects are cost shared, and have yielded nearly $2 of non-Federal support for every Federal dollar spent. Many of the awards go to underserved rural and inner-city areas.

In fiscal year 1995, NTIA received 1,811 applications, with proposals from all 50 States, and was able to fund 117 awards.

With the recent enactment of the Telecommunications Act of 1996, more communities that ever will be faced with both new information infrastructure challenges and opportunities. Schools, hospitals, and libraries all need help hooking up and applying this technology to their needs. The money this amendment would provide for fiscal year 1996 will enable dozens of additional communities to connect to, and benefit from, the new telecommunications revolution.

TECHNOLOGY ADMINISTRATION

Our amendment also would add $4.5 million to the $5 million that H.R. 3019's title I provides to DOC's Technology Administration [TA] appropriations account. Of that additional amount, $2 million will help TA and its Office of Technology Policy [OTP] maintain its role in coordinating the new-generation vehicle project, organizing industry benchmarking studies, and serving as the secretariat for the United States-Israel Science and Technology Commission. The other $2.5 million is for a new activity endorsed by the Committee amendment's title IV—actual joint projects between the United States and Israel in technology and in harmonizing technical regulations so as to promote high-technology trade between the countries.

ENVIRONMENTAL TECHNOLOGY AND EDUCATIONAL TECHNOLOGY

Mr. President, I will let others speak in greater detail about two of the programs covered in this amendment—environmental technology and educational technology. But I want to mention them briefly here.

The amendment contains a $62 million add-back to support activities under the EPA's environmental technology initiative [ETI]. The program has two main purposes—to help accelerate the development, verification, and dissemination of new cleaner and cheaper technologies, and to accelerate efforts by EPA and state environmental agencies to rewrite regulations so that they do not lock in old technologies. Innovative environmental technologies offer a win-win opportunity—high levels of protection at lower costs for industry. In the process, we also can help a growing U.S. industry that exports environmental protection technology and creates jobs here at home. The $62 million will help with these important activities.

In the case of educational technology, title I of the committee amendment to H.R. 3019 already provides additional funds for educational research and technology, and I commend members of the Appropriations Committee for that step. Our amendment would simply clarify that of those funds now in title I of the bill, $23 million is for the highly regarded technology learning challenge grants.

This is a competitive, peer-reviewed program. Under this program, schools work with computer companies, software companies, universities, and others to develop innovative software and computer tools for improving basic classroom curricula. The challenge grants are seed money for alliances of educators and industrial partners to develop new computer applications in reading, writing, geometry and other math, and vocational education. In short, we are developing new ways to use computers to improve learning.

In the first competition, held last year, the Education Department received 500 proposals and was able to make only 19 awards. Clearly, there are many more outstanding, valuable proposals out there. The $23 million of fiscal year 1996 funding would allow more of these important projects.

THE OFFSET: IMPROVED DEBT COLLECTION

Before concluding, Mr. President, I want to mention briefly the offset that this amendment provides to pay for these technology program add-backs. As mentioned, CBO has scored this proposal as providing $440 million in fiscal year 1996 funds, more than enough to offset the $389.5 million in add-backs included in the amendment.

The offsetting funds come from a upgraded Federal process, created in this amendment, for improving the collection of money owed to the Government and for denying certain Federal payments to individuals who owe such money to the Government. In short, we will not give certain Federal payments to people who are delinquent in paying their debts to the Government, and we will give Federal agencies new authority to collect such debts.

The Government estimates that the total amount owed to the Government—including both nontax debt and tax debt—in 1995 was a staggering $125 billion. The Internal Revenue Service already has authority under law to withhold Federal tax returns for delinquent Federal debts, and the Treasury Department's Financial Management Service may hold back certain nontax Federal benefits for delinquent Federal debts.

So far, the Treasury Department has collected over $5 billion in bad debt through reductions—offsets—in Federal tax credits. But there is a larger problem. Many other Federal agencies do not have the resources to invest in debt collection, or their mission does not include debt collection, or they face too many restrictions in using the available tools. On March 22, 1995, the President's Council on Integrity and Efficiency, which is composed of agency inspectors general, reported on the need for a Governmentwide system of reducing Federal payments to delinquents.

Based on this problem, legislation has been proposed by a bipartisan group of legislators, acting with the support of the administration. In the House, the main bill is H.R. 2234, the Debt Collection Improvement Act, introduced by Congressman HORN, Congresswoman MALONEY, and others. The Senate companion bill is S. 1234, introduced by our distinguished colleague from Iowa, Senator HARKIN. Finally, a version of this proposal was included in the House version of last year's budget reconciliation legislation, H.R. 2517. So this idea of improving Federal debt collection enjoys strong bipartisan support.

As included in our amendment, the debt-collection proposal has several key provisions. First, the Treasury will be able to reduce certain Federal payments to individuals who owe the Government money. Veterans Affairs benefits would be exempt from this offset process. Other benefit payments such as social security, railroad retirement, and black lung payments will reduce after a $10,000 combined annual exemption. Other agencies can cooperate in this process by giving information to the Treasury regarding delinquent debt, although steps will be taken to protect the legitimate privacy of individuals.

Second, Federal agencies will have access to the computerized information and can dock the pay of Federal employees who owe the Government money.

Third, people who have delinquent Federal debts will be barred from obtaining Federal loans or loan guarantees.

Fourth, the Social Security Administration, the Customs Service, and the legislative and judicial branches of the Federal Government will be authorized to use debt collection tools, such as credit bureaus and private collection agencies.

Mr. President, this is a sound proposal for collecting money from deadbeats and docking their Federal payments until they pay the funds they owe. It is fair, and it simply improves the process for carrying out debt-collection authorities agencies already have.

CONCLUSION

Mr. President, America's success at home and abroad is like a stool that rests on three legs. First, our strength and success depend on our military power, which is now undisputed in an age where we are the world's only superpower. Second are our values, of family and country. They are strong and can be stronger still. The third leg, though, is our economic strength. And here we face serious challenges. As the New York Times has recently documented, too many Americans live with growing economic insecurity. Layoffs abound, and many of the jobs that once went to Americans have gone overseas.

Accelerating the development of new high-technology industries and jobs is not a complete solution. We also need a vigorous trade policy to pry open foreign markets and reduce unfair dumping of foreign products. We need better education and training for all Americans. We need to make real progress, not phony progress, on the Federal deficit, so that interest rates can fall further.

But technology policy is one key step in national economic recovery and strength, and the four programs this amendment supports are key parts of an effective, nonporked national technology policy. We know that earlier technology cooperation between industry and Government has helped create entire American industries—from agriculture to aircraft to computers and biotechnology. Much of Government's support came through the Defense Department, which was appropriate during World War II and the cold war. But now the Berlin Wall has fallen, and now our Nation's greatest challenge is economic, not military. We therefore need to strengthen civilian programs to stimulate technologies important to the civilian economy and civilian jobs. To do less is to condemn our Nation and its workers in the long run to second-rate status and more, not less, economic insecurity.

For these reasons, I urge our colleagues to pass this important amendment.

Mr. President, at this point I want to make a few additional points about the importance of technology and the Advanced Technology Program in particular. To begin with, we must remember that our strength as a Nation is like a three-legged stool. We have the one leg—the values of the Nation—which is unquestionably strong. We have sacrificed for the hungry in Somalia, for democracy in Haiti, for peace in Bosnia. We have the second leg, Mr. President, of military strength, which is also unquestioned. But the third leg—that of economic strength—has become fractured over the past 45 years in the cold war—intentionally, if you please, because we sacrificed to keep the allies together in the cold war. So we willingly gave up market share trying to develop capitalism not just in Europe, but particularly in the Pacific rim, and it has worked. The Marshall Plan has worked. With the fall of the Berlin Wall, however, now is the time to rebuild the strength of our economy.

Our problem is, right to the point, that you can willingly—for national defense, military security—conduct research without any matching funds whatever. You can go right to the heart of it and give out the money. But all of a sudden, Mr. President, when we come to the matter of economic security—which is really the competition now in global affairs—we hear criticism even though the ATP requires matching funds, a dollar of private money for every dollar of Government money we expend. The law requires 50 percent from industry. The track record is 60 percent of the money by industry itself. Yet when they come with it, all of a sudden we hear talk about pork.

Let me take up the matter of pork because that is the reason we are into this particular dilemma. The program at hand is working in most of the 50 States with hundreds of different contracts awarded. They are awarded over for 3- and 5-year periods, and they have led into commercialization, which we will soon touch upon.

Senator DANFORTH and I set this up in the late 1980's. I was chairman of the Commerce Committee at that particular time. We wanted to make sure, back in 1988—the Trade Act of 1988 is where it was added—we wanted to make sure that it would not be exactly what is it accused of being today, namely, pork. So we set down various guidelines in the particular measure itself, and it was implemented in a very, very successful way by, I should say, President Bush's administration. No. 1, the industry has to come and make the request. It is not the Government picking winners or losers. It is the industry picking the winner. They have to come with at least 50 percent of the money.

Thereupon, the experts in technology and business, including retired executives selected by the Industrial Research Institute, have to peer review the particular proposals. Mr. President, they have to look it over and make sure that the submission would really pass muster. I know it particularly well because my textile industry came with a request for computerization that they thought was unique. But it did not pass muster and was not given the award. They do not have an Advanced Technology Program award. Incidentally, I guess they heard ahead of time about my discipline of not making any calls. I never made a call to the White House or anybody in the Commerce Department in favor of any proposal. I would rather, at the markup of the appropriations bill, have turned back efforts on the other side of the Capitol to try to write in these particular projects.

So we have protected the authenticity of the program as being nonpork. Thereupon, having passed peer review, highly ranked proposals have to go to a source selection board. The source selection board are civil servants, as we all know, of no political affiliation. On a competitive basis, they make the decision, not Secretary BROWN, not President Clinton, not Senator HOLLINGS, or any other Senator or Congressman, but, rather, that is the way these awards have been made. There have been no violations of it. We are proud of its record. That is why it has the confidence of the National Association of Manufacturers. That is why it receives the endorsement of the Council on Competitiveness, and every particular industry group you can possibly imagine have come forward and said this is the way to do it. That has to do with the pork part. The other part with respect to the long-range financing for long-term technologies has to be understood.

Back at that particular time, when we were writing the legislation years ago, Newsweek reported an analysis predicting that maintaining the current hands-off policies toward industry and research, namely, the matter of commercialization of our technology, could cause the United States to be locked into a technological decline. They said, and I quote, that it would add $225 billion to the annual trade deficit by the year 2010 and put 2 million Americans out of work.

There are various other articles we had at that particular time, and witnesses. I quote particularly from Alan Wolff:

> In 1990, a Wall Street analyst commented to a group of U.S. semiconductor executives that the goal of people investing in stocks is to make money. That is what capitalism is all about. It is not a charity. I can't tell my brokers, ''Gee, I am sorry about your client, but investing in the semiconductor industry is good for the country.'' While the individual was stating a truth, obviously, he was touching on a fundamental dilemma confronting U.S. industry today in light of the investor sentiment expressed above. How is a company to maintain the level of investment needed to remain competitive over the long term, particularly if there is no prospect of a short-term or short-run payoff, or foreign competition has destroyed the prospect of earning a return on that investment?

That is the points that answers a charge sometimes made with respect to two recent GAO reports. Critics of the Advanced Technology Program quote GAO's statement where it said that half of those who had been given awards, when asked if they would have continued their research without the awards, said they would have continued. But by way of emphasis, these critics do not mention the next GAO finding, namely, that none of them said they would have ever continued as

quickly or with the same degree of investment. With Government assistance, they are able to expedite their research and therefore have been able to meet the foreign competition. But note that GAO reported that half the winners said they would not have continued their research without Government assistance. They would have abandoned it.

We would have lost valid, good research projects without this Advanced Technology Program. I think the emphasis should be made at this particular time that GAO has made a favorable report, and that the program is doing exactly what was intended to do. It confronts exactly the particular dilemma we find ourselves in with respect to the operation of the stock market. It can go up 171 points one day and come back 110 points the next day. They look for short-term turnarounds and everything else of that kind, and does not focus on the long-term, including long-term technologies. That is why the working group headed by the distinguished Senator from New Mexico, Senator BINGAMAN, calls for the various securities law reforms. So we can do away, perhaps, with the quarterly report and actually meet the long-term investment competition that we confront, particularly in the Pacific rim.

Again, I want to emphasize that expert panels make the decisions, not the Secretary of Commerce. Several States that have no Democratic Senators or Governor do very well in the ATP, including Texas and Pennsylvania. The Advanced Technology Program now involves some 760 research participants. It supports 280 projects around the country and in some 41 States.

The Advanced Technology Program is not corporate welfare. It is not a handout to deadbeats. The purpose of the Advanced Technology Program is not to subsidize companies but to contract with the best companies to develop technologies important to the Nation as a whole. Companies must pay, as I pointed out, at least half of the amount when they come and may apply to the Advanced Technology Program. The ATP itself is the larger principal of industry-Government technology partnerships which enjoy solid support and excellent evaluations.

In terms of industry's views, I want to quote first an important July 1995 policy statement by the National Association of Manufacturers:

> The National Association of Manufacturers believes that the disproportionately large cuts proposed in newer R&D programs are a mistake. R&D programs of more recent vintage enjoy considerable industry support for one simple fact: They are more relevant to today's technology challenges. In particular, partnership and bridge programs should not be singled out for elimination, but should receive a relatively greater share of what Federal R&D spending remains. These programs currently account for approximately 5 percent of Federal R&D spending. The National Association of Manufacturers suggest that 15 percent may be a more appropriate level.

The figure we have in the particular amendment is $41 million less than the fiscal year 1995 level—$131 million less than the original 1995 level that existed before rescissions. We propose that there be a cut, not even a freeze. Of our $300 million, we are trying to bring up some $235 million to honor commitments to projects that have already received their awards and now need to complete them. We do not want to cut them off in half completion.

Let me commend the distinguished chairman of our Appropriations Committee, Senator HATFIELD of Oregon, in realizing and confronting this problem. He did not have the money. He put the $235 million in title IV, but he said, ''Look, if we can possibly find the money in offsets in title IV, then this should be completed.'' It is not a way for the Government to do business and build up the confidence that is so much besieged this day and age. The Government is trying to build up these partnerships and work together in research with industry and with the college campuses. It is wrong to take valid programs that have no objection to them, no pork, no waste, fraud, and abuse, and only tremendous success, and then come with a fetish against them because they appear as pork to some on the other side of the Capitol, and then to walk lockstep like it is part of a contract.

We had, in qualifying this program, by way of emphasis, a series of hearings back in the 1980's. We also had soon after that particular time the Competitiveness Policy Council, with many members appointed by President Reagan. He appointed the former head of the National Science Foundation, Erich Bloch, who was designated chairman of the Council's Critical Technologies Subcouncil. They endorsed the ATP.

I ask unanimous consent that the critical technology subcouncil listing of these outstanding individuals be printed in the RECORD.

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

COMPETITIVENESS POLICY COUNCIL

CRITICAL TECHNOLOGIES SUBCOUNCIL, 1993

Chairman Erich Bloch, Distinguished Fellow, Council on Competitiveness.

David Cheney, Staff Director.

MEMBERSHIP

Eleanor Baum, Dean, Albert Nerken School of Engineering, Cooper Union.

Frederick M. Bernthal, Deputy Director, National Science Foundation.

Sherwood L. Boehlert, U.S. House of Representatives.

Michael G. Borrus, Co-director, Berkeley Roundtable on International Economics.

Rick Boucher, U.S. House of Representatives.

Lewis M. Branscomb, Professor, Harvard University.

Daniel Burton, Executive Vice President, Council on Competitiveness.

Dennis Chamot, Executive Assistant to the President, Department of Professional Employees, AFL–CIO.

John Deutch, Professor, MIT.

John W. Diggs, Deputy Director for Extramural Research, Department of Health and Human Services.

Craig Fields, President and CEO, MCC.

Edward B. Fort, Chancellor, North Carolina Agricultural and Technical State University.

John S. Foster, Consultant, TRW, Inc., and Chairman, Defense Science Board.

William Happer, Director, Office of Energy Research, U.S. Department of Energy.

Joseph S. Hezir, Principal, EOP Group, and former Deputy Assistant Director, Energy and Science Division, OMB.

Richard K. Lester, Director, Industrial Performance Center, MIT.

John W. Lyons, Director, National Institute for Standards and Technology.

Daniel P. McCurdy, Manager, Technology Policy, IBM.

Joseph G. Morone, Professor, Rensselaer Polytechnic Institute, School of Management.

Al Narath, President, Sandia National Laboratories.

Richard R. Nelson, Professor, Columbia University.

William D. Phillips, Former Associate Director of Industrial Technology, Office of Science & Technology Policy.

Lois Rice, Guest Scholar, Brookings Institution.

Nathan Rosenberg, Director of Program for Technology & Economic Growth, Stanford University.

Howard D. Samuel, President, Industrial Union Department, AFL–CIO.

Hubert J.P. Schoemaker, President and CEO, Centocor, Inc.

Charles Shanley, Director of Technology Planning, Motorola Inc.

Richard H. van Atta, Research Staff Member, Institute for Defense Analyses.

Robert M. White, Under Secretary for Technology, U.S. Department of Commerce.

Eugene Wong, Associate Director of Industrial Technology, Office of Science & Technology Policy.

Mr. HOLLINGS. Mr. President, in August 1992, we also had the National Science Board itself. I will read a couple of things and not put it in its entirety into the RECORD, which we would be glad to do. But the National Science Board concluded:

> Stronger Federal leadership is needed in setting the course for U.S. technological competitiveness. Implementation of a national technology policy, including establishment of a rationale and guidelines for Federal action, should receive the highest priority. The start of such a policy was set forth 2 years ago by the President's Office of Science and Technology Policy, but more forceful action is needed by the President and Congress before there is further erosion in the United States technological position.

They made the recommendation to expand and strengthen the Manufacturing Technology Centers Program, the State Technology Extension Program, the National Institute of Standards and Technology, and I quote, ''Further expand NIST's Advanced Technology Program.'' That was very important, therefore, the National Science Board and its findings at that particular time.

Going back to 1987 for a moment, Mr. President, we led off our original series of technology hearings that year with the distinguished entrepreneur, technologist, professor, industrial leader, dean at the University of Texas Business School, Dr. George Kosmetsky,

who had helped create the Microelectronics Technology and Computer Corporation down in Austin, TX. We followed his testimony with the Council on Competitiveness.

I will read just part of a Council on Competitiveness statement written not long after that particular time.

The United States is already losing badly in many critical technologies. Unless the Nation acts today to promote the development of generic industrial technology, its technological position will erode further, with disastrous consequences for American jobs, economic growth, and national security. The Federal Government should view support for generic industrial technology as a priority mission. It is important to note that this mission would not require major new Federal funding. Additional funds for generic technology programs are required. Other Federal R&D programs, such as national prestige projects, should be redirected or phased in more slowly to allow more resources to be focused on generic technology.

Of course, Mr. President, these themes were included and touched upon in our hearings and legislation, and we have been more or less off and running since then.

We have, finally, by way of endorsement, the Coalition for Technology Partnerships. It has over 130 members, a combination of companies, trade associations, different companies themselves, such as the American Electronic Association, and several universities that work with industry on ATP projects.

Mr. President, I ask unanimous consent to have printed in the RECORD at this particular point a letter from the Coalition for Technology Partnership along with the listing of membership.

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

COALITION FOR
TECHNOLOGY PARTNERSHIPS (CTP),
Washington, DC, July 6, 1995.

HON. ERNEST F. HOLLINGS,
Russell Senate Office Bldg.,
Washington, DC.

DEAR SENATOR HOLLINGS: The undersigned members of the Coalition for Technology Partnerships respectfully ask for your support of the Advanced Technology Program (ATP). We understand that the Senate Commerce, Science, and Transportation Committees will be marking up the FY Department of Commerce Authorization bill in late July. We are concerned by the House Science Committee and the House Appropriations Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee vote to eliminate the ATP and are writing to outline our views on this essential program.

The Coalition for Technology Partnerships applauds your efforts to cut the federal budget deficit and to streamline the federal government, but we caution against sacrificing technology partnerships, such as the ATP, that are essential to our international competitiveness.

The ATP has enjoyed wide-spread industry support and participation. The basic mission of the ATP is to fund research programs with a significant potential for stimulating economic growth and improving the long-term competitiveness of U.S. industry. The ATP is already achieving this goal, by cost-sharing research to foster new innovative technologies that create opportunities for world-class products, services and industrial processes. ATP research priorities are set by industry. The selection process is fair, and based entirely on technical and business merit. Half of all ATP awards and joint ventures go to small business directed partnerships. Today, as indication of the success of this program, quality proposals in pursuit of ATP funds far outstrips available funds.

The real payoff of the ATP is the long-term economic growth potential for the companies involved with the program, and the creation of new jobs. The ATP is a model of industry/government partnerships which benefits the nation as a whole, again by leveraging industrial capital to pursue new technologies. Without ATP, these technological opportunities would be slowed, or ultimately forfeited to foreign competitors more able to make key investments in longer-term, higher risk research, such as is the focus of ATP.

We urge you to adequately fund the Advanced Technology Program as you begin mark-up of the authorization bill. The ATP is essential, cost effective and timely for the economic growth of our country. Please contact either Taffy Kingscott at 202/515–5193 or Tom Sellers at 202/728–3606 if you have any questions or if we can be of any assistance.

COALITION FOR TECHNOLOGY PARTNERSHIPS

The Coalition for Technology Partnerships has been formed by a group of small, medium and large businesses, trade associations and technical societies on the principle that technology partnerships between government and industry reflect the realities of today's budget climate and technology development mechanisms.

Advance Circuits, Inc.
Advanced Machining Dynamics.
Aerospace Industries Association.
Air Conditioning & Refrigeration Institute.
Alaska Technology Transfer Assistance Center.
American Electronics Association.
American Concrete Institute.
Amoco Performance Products, Inc.
Andersen Consulting.
Aphios Corporation.
Apple Computer.
Applied Medical Informatics (AMI).
Arizona State Univ.-College of Engineering & Applied Science.
Armstrong World Industries, Inc.
Array Comm., Inc.
Atlantic Research Corporation.
Babcock & Wilcox.
BioHybrid Technologies Inc.
Biotechnology Industry Organization.
Brunswick Composites.
CALMAC Manufacturing Corporation.
The Carborundum Company.
Clean Air Now.
CNA Consulting Engineers.
Coal Technology Corporation.
Columbia Bay Company.
Council on Superconductivity.
Cubicon.
Cybo Robots, Inc.
Dakota Technologies, Inc.
Dell Computer.
Diamond Semiconductor Group.
Dow Chemical Company.
Dow-United Technologies Composite Products, Inc.
Dragon Systems, Inc.
DuPont.
Edison Materials Technology Center.
The Electorlyser Corporation.
Energy BioSystems Corporation.
Erie County Technical Institute.
Fairfield University-Center for Global Competitiveness.
FED Corporation.
Foster-Miller, Inc.
FSI Corporation, Inc.
GenCorp.
GeneTrace Systems Inc.
Hercules, Inc.
Higher Education Manufacturing Process Applications Consortium.
Honeywell Inc.
IBM Corporation.
I-Kinetics.
Institute for Interconnecting & Packaging of Electronic Circuits (IPC).
Intermagnetics General Corporation.
Intermetrics, Inc.
Intervac, Vacuum Systems Division.
ISCO, Inc.
Joint Ventures Silicon Valley.
Kaman Electromagnetic Corporation.
Kopin Corporation.
Light Age, Inc.
Material Sciences Corp.
Matrix Construction & Engineering.
Maxoptix Corporation.
Merchant Gasses-Praxair, Inc.
Merix Corporation.
Mocropolis Corporation.
Milwaukee School of Engineering.
Molecular Tool.
Moog, Inc.
MRS Technologies, Inc.
MultiLythics, Inc.
Murray, Scher, & Montgomery.
Nanophase.
National Coalition for Advanced Manufacturing.
National Semiconductor.
National Storage Industry Consortrium (NSIC).
National Tooling & Machining Association.
Nelco International Corporation.
New Mexico Technology Enterprises Division.
Norfolk Shipbuilding & Drydock Corporation.
North Carolina Industrial Extension Service.
Ohio Aerospace Institute.
Optex Corporation.
The Pennsylvania State University.
Philadelphia College of Textiles & Science.
Photonics Imaging.
Physical Optics Corporation.
Planar Systems.
Praxair, Inc.
PS Enterprises.
Real-Rite Corporation.
Rensselaer Polytechnic Institute.
Rosemount Aerospace, Inc.
Sagent Corporation.
Semiconductor Equipment and Materials International.
SI. Diamond Technology, Inc.
Silicon Valley Group.
Silicon Video Corporation.
Society of the Plastics Industry, Inc.
Solar Engineering Applications, Corp.
Solarex.
South Bay Business Environmental Coalition.
Spectrian, Inc.
Suppliers of Advanced Composite.
Materials Association.
System Management Arts.
TCOM LP.
Technology Service Corporation.
3M.
Tektronix, Inc.
Texas Instruments.
Third Wave Technologies, Inc.
Thomas Electronics.
Tissue Engineering, Inc.
Touchstone Technologies.
Trans Science Corp.
Trellis Software & Controls, Inc.
TULIP Memory Systems, Inc.
United States Advanced Ceramics Association.
University of Pittsburgh.
University of South Florida.
UES, Inc.

United Technology Corporation.
Vysis, Inc.
Watkins-Johnson, Inc.
West Virginia High Tech Consortium.
West Virginia University.
XXsys.

Mr. HOLLINGS. Mr. President, I think I have covered some of the highlights. The real problem that we have here is, in essence, that now everyone is on the hustings out on the campaign trail talking technology, jobs, talk, talk. What we would hope is that the President would want to walk here this afternoon and that we could get an agreement not to increase ATP funding this year, not even have a freeze, but let us continue with these particular projects now ongoing and now starting to pay off, with the companies having done their fair share. The program has seen a substantial cut, but let us not have total elimination—where we have good industries working in partnership with the Federal Government successfully—and not cut them off halfway through a particular endeavor.

I yield the floor.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I appreciate the long and tireless commitment of the Senator from South Carolina to this issue, certainly items such as the Hollings Centers for Excellence, which involves working with industry and the Government in attempting to disseminate knowledge on how to better manufacture, and on which he has, appropriately, his name. But this proposal which he has brought forth today has a number of fundamental flaws.

The first flaw is that it has not been scored by CBO, so we really do not know how much it costs. The second flaw is that it does not seem to be offset. The third flaw is to the extent it is offset, the offset has not been scored. To the extent it is offset by the terms of the amendment itself, no offset occurs with this coming fiscal year.

So to the extent that this amendment generates costs this coming year, there is no offset. So it adds to the deficit.

In order to get around that, the Senator from South Carolina has invoked the emergency clause. The emergency clause was not, I do not think, ever conceived of to be used for the purposes of funding what amounts to corporate welfare. That is what this is. You know, a lot of people are walking around here saying ''corporate welfare, corporate welfare,'' looking for the face of corporate welfare. This is the face of corporate welfare. The emergency clause is for floods and other crises of significant proportions which are inordinate and which are unusual and which we need to respond to because there is an emergency.

But what we have here is a desire by the Senator to fund an undertaking which the committee decided not to fund, and in so doing he would be violating the budgetary rules because it would add to the deficit this year. In order to avoid a point of order, he has claimed it as an emergency.

I know, as many people know, that technology is an important part of our economy and that it creates a lot of jobs, especially in my part of the country, but I do not think that the Federal Government going out and picking winners and losers in the field of technology represents an emergency under any definition of what an emergency is. Even if you could agree with this program, the program itself has some very severe, fundamental flaws because it is a picking of winners and losers by the Government, for which the Government has never been very good at picking winners and losers in the area of technology. And I point out a large number of very significant failures of the Government in deciding where the appropriate technology of the time should be, such as the Synfuels Program, such as the Clinch River breeder reactor. And the list goes on and on.

But, even if you were to give the Government some credibility and the ability to go into the marketplace and pick winners and losers, which I happen to think is foolish on its face, but even if you were to give it that credibility, you could under no circumstances—under no circumstances—conceive of that as an emergency. That is like saying whether we lay out a four-lane highway or a two-lane highway determines an emergency. This is the business of the Government. This is the ordinary and common business of the Government. And to claim it as an emergency is, on its face, farfetched and hard to accept.

So just on the technical grounds that this clearly is not an emergency and therefore should not be raised to the level of an emergency—if we are going to do that, we might as well fund all functions of Government as an emergency and just ignore the concept of the deficit, ignore the concept of fiscal responsibility as put upon us by the Budget Act. On those grounds, I am going to strongly oppose this amendment.

I also happen to oppose it on substantive grounds in that I think this program is of questionable value. Let me list a few things here that have been funded under this program. I suspect they are good programs, but I want you to ask, are these emergencies? These are almost all experimental undertakings. We do not know if they have any commercial use at all. We do not know if anybody is going to benefit from them at all except people who happen to be doing the work and get paid. It is like going down to your local technology company and saying, ''Hey, we will hire a few folks for you to do this project.''

Is that an emergency? I hardly think so. Let me list some of these things: a Nobel x ray source for CT scanners; a flexible, low-cost laser machine for motor vehicle manufacturing; an ultra-high-performance optical tape drive using a short wavelength laser; adaptive video coding for information networks; and the list goes on and on and on—real-time micro-PCR analysis systems. Is it an emergency that we fund real-time micro-PCR analysis systems? Has this Government come to the point where that is defined as an emergency? I really have to say that, on the face of it, this is a bit hard to talk about with a straight face.

AMENDMENT NO. 3475 TO AMENDMENT NO. 3474

Mr. GREGG. So, I am going to send an amendment in the second degree which strikes chapter 3, which is the emergency language of this amendment, to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from New Hampshire [Mr. GREGG] proposes an amendment numbered 3475 to amendment No. 3474.

Mr. GREGG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

Strike chapter 3 of the pending amendment in its entirety.

Mr. GREGG. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from Massachusetts.

Mr. KERRY. Mr. President, the manager is rising. I do not want to be——

Mr. HOLLINGS. Mr. President, I ask the Senator to let me answer two or three points that I think should be clarified.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. With respect to emergency, I thought, Mr. President, that coming out of New Hampshire, my distinguished colleague would understand small business. I traveled that State extensively. If you have 20 or 30 employees and you have received a grant and you put up half the money and you are halfway through the particular project still soliciting finance on the open market and you have every promising indication that that is going to happen, and then all of a sudden the Government cuts it off and you know already from the very beginning that you had a need that could not be answered by normal banking sources, you are under an emergency.

It is not an emergency because of any particular technology. It is an emergency because of the situation facing these small companies. The Senator addresses his comments with respect to the technology. I am talking about $235 million needed to maintain contracts that have already been awarded after going through all of this, getting the financing, setting up the operation,

getting half way through and then facing a cutoff. That is an emergency. But the emergency designation in my amendment is not necessary, in a sense, because we do have a favorable offset and scoring, Mr. President. When the Senator says it is not scored, let me say that on March 12, today, we have a memorandum from John Righter of the Congressional Budget Office, on: ''The scoring of the Debt Collection Improvement Act of 1996, chapter 2, of a proposed amendment to H.R. 3019.'' I ask unanimous consent it be printed in the RECORD.

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

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 12, 1996.

MEMORANDUM

To: Patrick Windham, Senate Committee on Commerce, Science, and Transportation.
From: John Righter, Congressional Budget Office.
Subject: Preliminary scoring of the ''Debt Collection Improvement Act of 1996,'' Chapter 2 of a proposed amendment to H.R. 3019.

As you requested, I have prepared a preliminary estimate of the budgetary impact of the Debt Collection Improvement Act of 1996, a chapter within a proposed amendment to H.R. 3019, as provided to CBO on March 8, 1996. I estimate that the proposed legislation would reduce direct spending by about $525 million over the 1996–2002 period and would increase revenues by about $24 million over the same period. The following table provides my year-by-year estimates.

IMPACT OF DEBT COLLECTION IMPROVEMENT ACT OF 1996 ON DIRECT SPENDING AND REVENUES

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002
Changes in direct spending:[1]							
Estimated budget authority	−440	−20	−10	−10	−15	−15	−15
Estimated outlays	−440	−20	−10	−10	−15	−15	−15
Additional revenues:							
Estimated revenues	0	3	3	3	3	6	6

Under the Federal Credit Reform Act of 1990, the budgetary impact of a modification that alters the subsidy cost of existing direct loans or loan guarantee is calculated as the estimated present value of the change in cash flows from the modification. This amount is recorded in the budget in the year in which the legislation is enacted. Consequently, savings in direct spending for the existing loans and guarantees under federal credit programs affected by this proposal are shown in fiscal year 1996. In addition, the legislation would affect direct spending in future years by reducing the subsidiaries for mandatory loan programs by use of new collection authorities present in the proposal.

Changes in Direct Spending. The seven-year totals in estimated savings in direct spending include about $475 million for new and enhanced offset authorities, including the authority to offset a portion of Social Security Administration, Railroad Retirement Board, and Black Lung payments for recipients who are delinquent on a debt owed to the federal government and who are scheduled to receive more than $10,000 in federal benefit payments over a 12-month period. For example, assume an individual currently is delinquent on an education loan and is also expected to receive $12,000 in Social Security and other federal payments over the next 12 months. Under the proposed language, Treasury could offset as much as $166 of each monthly Social Security payment and transfer this money to Education in partial satisfaction of the recipient's delinquent loan. (The $166 results from dividing 12 into $2,000, which is the amount the recipient's total federal benefits exceeds the $10,000 exemption.)

The seven-year totals also include about $15 million for the removal of limitation on the collection of delinquent debts by the Social Security Administration and the U.S. Customs Service, as well as about $5 million for the expanded use of nonjudicial foreclosure of federal mortgages. The Rural Housing and Community Development Service at the Department of Agriculture and the Small Business Administration could use the latter authority to shorten their foreclosure process by about 6 to 12 months, thus decreasing their holding costs.

In addition, I estimate that the bill would reduce the projected subsidy cost for mandatory loan or loan guarantees that would be made in future years by about $30 million for the 1997–2002 period.

Additional Revenues. Additional revenues would result from adjusting the value of existing civil monetary penalties for changes in inflation. The bill would provide for an initial adjustment of no more than 10 percent within six months of enactment, with subsequent adjustments to occur at least once every four years.

Previous Estimate. As part of the President's plan to balance the budget, CBO provided an estimate of the Debt Collection Improvement Act of 1995 on December 13, 1995. CBO has provided estimates of other debt collection initiatives; however, the language in the President's Balanced Budget Act of 1995 is closest to the proposed amendment to H.R. 3019.

For the President's plan, CBO preliminarily estimated that the debt collection provisions would reduce direct spending by about $550 million over the 1996–2002 period, or about $65 million more than this estimate. The reduced savings result from the use of different sets of economic assumptions. For the President's plan, CBO was directed to revise and update its economic assumptions, which yielded a higher present value for the increase in collections of credit debt. For the proposed amendment to H.R. 3019, I have used the economic assumptions that underlie the Budget Resolution for Fiscal Year 1996, as required by law. Because the projected rate for marketable Treasury securities is higher in the economic assumptions used for the budget resolution, the present value of the collections is lower.

Please do not hesitate to contact me at 6–2860 if you have any questions.

Mr. HOLLINGS. I thank the distinguished Chair.

Mr. President, they have: ''Changes in direct spending, estimated budget authority, minus $440 million; estimated outlays, minus $440 million.'' So it has been scored, and the offset does produce real savings.

Now, we are back to the old wag, Mr. President, of winners and losers and winners and losers and winners and losers in the Government. Earlier, I tried to emphasize this issue in the most courteous fashion, but I will have to do it in the most direct fashion. Let me refer specifically to a key report, and I read this and quote it exactly, Mr. President: ''Report of the Senate Republican Task Force on Adjusting the Defense Base, June 25, 1992,'' by Senator WARREN RUDMAN, Senator HANK BROWN, Senator WILLIAM COHEN, Senator JOHN DANFORTH, Senator PETE DOMENICI, Senator ORRIN HATCH, Senator NANCY KASSEBAUM, Senator TRENT LOTT, Senator RICHARD LUGAR, Senator JOHN MCCAIN, Senator JOHN SEYMOUR, SENATOR TED STEVENS, and Senator JOHN WARNER.

I read from page 24:

The task force endorses two programs of the National Institute of Standards and Technology as important to the effort to promote technology transfer to allow industries to convert to civilian activities. These programs are the Manufacturing Technology Program and the Advanced Technology Program.

Now, Mr. President, the distinguished leadership over on my chairman's side of the aisle did not get into that litany then about picking winners and losers. Making that claim is pollster politics and pap. That is nonsense. It is not picking winners and losers. When we had the semiconductor problems and put in Sematech, it was not winners and losers. Industry came back in there. Then we get to the aircraft industry; we get to agricultural technology; we have the telecommunications technology. We can go right on down the list where Government has worked successfully in partnership, and we do not hear about picking winners and losers. And now here in the Advanced Technology Program comes the industry itself working with the Government, and using political statements to the effect of winners and losers and pork they just present symbols and labels and hope to kill the program that way. That is not debating it on its merits. The task force of my distinguished friends on the other side of the aisle, a dozen of them, found it was very, very important, including the majority leader. And it has not changed a bit. It is being administered properly, and no one contests that. No one wants to talk of the merit of the program or something that ask whether anything may have gone awry. They still want to use the symbols.

I yield the floor.

Mr. KERRY. Mr. President, I wish to join my colleague from South Carolina in supporting his amendment, and I regret the characterizations of my friend

from New Hampshire, the southern portion of which certainly has a significant amount of technology companies that are in partnership with the Federal Government.

It seems to me the arguments that are made by the Senator from New Hampshire fundamentally avoid the reality that we confront in the marketplace and that our companies are confronting in the marketplace today. It would be nice if we could just sit here and say the Government should not be involved in this or that and proceed along. But the reality is that the governments of every country against which we compete are deeply involved in major commitments to science, to technology, to research, to development, and even carry those commitments way out into the marketplace in order to effect pricing and the marketing of the products that come out of their companies. We are not living in a sort of pure Adam Smith world where everybody can sit around and say, gee, the Government should not be doing this, should not be doing that.

Every government of every industrialized country in the world is engaged in what most of us would consider to be unfair trade practices in subsidizing their companies' efforts to penetrate the market of one country or another.

We know that our own marketplace, as efficient as it is—and it is efficient, it is brilliant—but even in its brilliance, our marketplace does not always respond in the ways that we would like it to or as rapidly as we might like it to in the development of new products. In fact, from the great expenditures on defense of the late 1950's and on, we have seen a remarkable number of purely Government-created markets emerge, Government-created products emerge: Teflon, Gortex, digitalization, the Internet.

Here we are with the Internet itself, the fastest growing market in the United States today. Some 30 million people have access to it, and it is growing at 300,000 people a month. Who created it? The Government. The Government was able to create it because the Government was able to leverage investment or make a fundamental primary investment that no private dollar was willing to do because of the risk level.

Every one of us knows that in the capital markets of the United States, we have a relatively small amount of money that goes into pure venture capital. The last time I looked, which was some time ago, it was somewhere in the vicinity of $30 billion or so. That venture capital pool often does not go for some of the job-creating efforts that are critical on the cutting edge of technology.

Mr. President, I think we have learned enough in the last few years about our need to try to build the partnership, if you will, to guarantee that we are on the cutting edge of certain technologies. We saw that in the early 1980's. I can remember when we were deeply committed to energy and certain kinds of environmental research. We actually went so far—we, I was not in the Senate then—but the Senate went so far and we as a Nation went so far as to create the Energy Institute in Colorado. Professors literally gave up tenure at certain universities and went out to Colorado and invested in the notion that the United States of America was committed to major energy research.

What happened? Along came Ronald Reagan and a different attitude about Government involvement in energy. So we pulled the plug on the research institute. People were thrown back out into the street, and, lo and behold, what happened? The Japanese and the Germans picked up the leadership in photovoltaics and renewable energy resources, and all of a sudden, in the post-cold-war era, as the prior Communist bloc countries suddenly wake up to what they have done to the Danube River or to the region around Kijev where you can pick up ashes in your hand and there is not a living bush within a mile of their powerplants, they suddenly said, ''We have to do something about this.''

Where do they go? Not to the United States, because the United States had lost the technology lead. So they go to Germany and they go to Japan and they buy from them. Whose workers wind up benefiting?

That is a clear lesson, Mr. President.

What I am suggesting is this is not an enormous boondoggle or giveaway. This is a program that is set up with peer review. It is a highly competitive grant structure. It is one where there has to be some likelihood of a frontier that is going to provide new jobs under the definition of the critical technologies that most countries have recognized as critical technologies.

Lester Thurow, one of the eminent scholars and thinkers of Massachusetts at MIT, recently noted that we are living in an age where industrialized nations like the United States are not going to achieve economic growth by conquering new lands or amassing greater natural resources, or even through further revolutions in technology necessarily, which are the traditional pathways that countries have taken to greatness. He said we are going to have to do it by investing in human capital.

American business has demonstrated an impressive ability to develop new products and to invest in the technology that is needed to give us those new products. But the record of investing in workers has fallen far short of what is necessary to maintain the leadership position in today's global environment.

Mr. President, if we look at these add-backs, what we see is a combination of the best of both worlds: An effort to try to invest in technology and an effort to try to invest in human capital.

Let me just quickly underscore a couple of those areas, if I may.

Mr. President, the Council on Competitiveness finds that a 10-percent increase in workers' education levels yields almost a 9-percent gain in workplace productivity, more than twice the rate of run for the same investment in tools or in machinery. Every year of postsecondary education or training boosts the lifetime earnings of an individual by 6 to 12 percent.

So here we are wrestling in this country with the problem of diminished earnings of 80 percent of America—80 percent of America—that has not had an increase in their take-home household income in the last 13 years. We know you can have a 6 to 12-percent increase by investing in their skill levels in the transfer of technology to human beings. That is what the Senator from South Carolina and I and others are trying to do here.

In Massachusetts, we have been able to have about one-third of our work force employed in these kinds of endeavors, and we find that they are always more productive and they always pay higher wages.

Let me give you an example, perhaps, Mr. President. The ATP, the Advanced Technology Program, and the NTIA grants and the EPA envirotech and educational technology programs that would get an add-back under this make a direct difference in the lives of our citizens.

The Advanced Technology Program, for instance, helped Dr. Richard Yohannis of Data Medic in Waltham, MA, to create an automated medical data gathering and processing system that will improve the quality of care at Boston Children's Hospital and reduce at least $560,000 of administrative costs.

Private banks and venture capital groups would not finance this idea. So without the ATP's matching support, Dr. Yohannis' idea simply would not have become a reality. With it, we save $560,000 and we create jobs and provide better health care.

Another example: The National Telecommunications and Infrastructure Assistance Program is helping Massachusetts Information Infrastructure to begin to wire schools and libraries and local government entities to the information superhighway. NTIA now has more than 80 matching grant requests pending from equally deserving groups in the State of Massachusetts. Without the NTIA's support, the 352 MII sites around Massachusetts would simply still be on the waiting ramp on the information highway.

Now I ask a simple question. We just overwhelmingly adopted an amendment to raise the level of education in this country. Here is a grant that links those schools and our students in their math and science capabilities to the information highway, to the future, to jobs and to the world. I think that is an emergency.

The only reason it is required to be treated as an emergency is because our friends on the other side of the aisle,

most of them, do not think it is an emergency and do not want it at all. And instead of having a 50-vote decision on the floor of the Senate, which is what you get by defining it as an emergency, they want it to be 60 votes, so the hurdle is harder to get over.

This is not a fight over defining an emergency. It is not a fight over pork. It is a fight over the priorities of this country and whether or not we ought to be making a more significant commitment to science and to technology.

The Hollings amendment, gratefully, would secure a critical commitment to technology.

Let me give one last example. There are global demands for pollution control, for waste disposal and remedial cleanup goods and services ranges from about $200 to $300 billion. Here is a $200 to $300 billion market waiting for us.

In Massachusetts alone, the environmental industry is more than 1,500 companies employing about 55,000 people, and it generates more than $5.5 billion in sales.

But some of their efforts simply cannot be engaged in without the leverage of these dollars, either from a basic venture capital basis or banking basis or from fundamental risk taking in the marketplace.

It seems to me, Mr. President, that it is extraordinarily valuable for this country to encourage and leverage the transition of our workplace. When 40,000 workers are downsized from AT&T, and those workers find it difficult to find the same level of paying jobs and they wind up driving taxicabs or doing things at a whole different level than they were trained for, we do not just lose their technical skill, we lose their commitment, we lose their morale, we lose the fabric of our communities.

It seems to me that nothing should gain a greater focus from the U.S. Senate except for education as a whole than the effort to transfer science from the laboratory to the marketplace, to take it from laboratory to shelf as rapidly as possible.

This effort has proven its ability to do that. It is not pork. It is a fundamental commitment of this country to science and to technology itself. And I hope colleagues will join together in adding back this critical funding.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I rise in strong support for this amendment. I listened carefully to my colleague from Massachusetts and I agree with him completely. I will confine my remarks to the Advanced Technology Program, the ATP.

I have risen on this floor many times to talk about the importance of research and the importance of moving research into industry and then into use—that is, the importance of development, and the importance of Government's role in areas where private capital is not available even though maybe it should be.

I urge my colleagues to increase our investment in the ATP because that is what it is, an investment. And it is an investment that will yield a high return in high-wage jobs and in long-term economic growth.

We need a well-balanced Federal R&D budget. We need a Federal R&D budget that, of course, is strong in defense research, but not just defense, which seemed to dominate research for many years. We need strength also in civilian research, in basic research, and in applied research. And applied research includes the development of high-risk, high-payoff civilian technologies.

We know that new technology accounts for one-half of long-term economic growth. I repeat that. We know that new technology accounts for one-half of the long-term economic growth of this country.

We know that workers in high-technology industry are better paid than the average worker, in fact, on the average, 60 percent better paid. We know that past public investment, in semiconductors, in computers, in advanced materials, and in other technologies have paid for themselves many, many times over.

These technologies have been at the heart of our economic expansion. We know that the private sector is cutting back on long-term R&D in favor of shorter term, more product-oriented work.

In 1989, I proposed legislation to create what I called the ACTA, Advanced Civilian Technology Agency. It was going to be a counterpart to DARPA, the Defense Advanced Research Project Agency.

The purpose of ACTA was to help put U.S. industry on an even footing with competitors who had the benefit of teaming with their Governments.

Team Japan and Team Germany, for example, ensure that their companies quickly develop, produce, and market new products. They use tools ranging from R&D tax credits and low-interest loans to research consortiums. There is no single, magic silver bullet.

Congress decided against a new agency and instead created the Advanced Technology Program, ATP, within an existing agency. NIST has managed the ATP, I think by any measure, in an exemplary fashion. But now, after 6 years, some of my colleagues want to kill this promising young program, without, I think, even understanding what it is they are killing.

I think it would be very short-sighted to kill a program just as it is starting to have an impact. We have two recent studies of the ATP program. And they agree that the program has stimulated companies to join together, to collaborate, to form strategic alliances.

These partnerships are not easy for companies because they fear the loss of intellectual property rights, the loss of trade secrets, and the loss of control overall. But ATP has catalyzed changes in corporate behavior that could have profound effects on future R&D. The studies also agree that ATP has speeded up research, cutting months off of the R&D cycle. Global competition in high technology moves at a fast pace. And months can be critical sometimes.

Let us be clear on one thing—this is not just a Government program. ATP is industry-led. Industry picks the technologies. Industry puts up 50 percent or more of the resources. Industry takes the biggest risk. And to call this corporate welfare or picking winners and losers is just know-nothing nonsense. People who have claimed that have not looked at the program, or do not know what they are talking about, or have some other agenda, because this is not corporate welfare or picking winners and losers.

ATP helps fund precompetitive research—research that lies in the gap between basic research and commercial development. ATP focuses on high-risk potential breakthroughs, technical know-how that will benefit industry across the board, that will boost national competitiveness and that will improve our lives.

ATP partners with companies in 31 States. That shows how widespread it is, 31 States. The companies are working on quicker and easier genetic diagnostic tests, for instance, much smaller computer chips, better materials for fiber optics and more. You say, are these things important? Of course they are. And they can be multiplied over and over. We could have a whole list here today. Those are just three examples.

In my State of Ohio, for example, companies with ATP help are working on 15 different projects ranging from high-temperature, high-pressure tolerant enzymes for the chemical food and diagnostic industries to gene therapy for the treatment of cardiovascular disease.

Most of the projects are geared to moving U.S. manufacturing well into the 21st century. There are projects on ceramics, composites, long optical polymers, metal powders, superabrasives and extremely precise measuring technologies—all in the areas of breakthroughs that would have an enormous impact on our society and on our industry.

Let me take as an example the first of these—ceramics. People say, ''ceramics.'' They think of dishes and things that you hold water in, vases, things like that. But if we make a major breakthrough in high-temperature ceramics, so that we could coat turbine blades, or the inside of high-temperature engine chambers, we could raise operating pressures and temperatures. That would let us make far more efficient use of fuel. We could have smaller turbines and engines. We could make electric cars much more practical than they are now, when we have to store energy in lead acid batteries.

If we made a breakthrough in ceramics, we make a whole new industry possible. Breakthroughs in ceramics make

breakthroughs possible in engines and electric cars and a whole host of things. Each one of the technologies that I mentioned can have that kind of serendipitous effect on new industries and new research in our country.

These and other technologies that industry is developing with the help of ATP—not directly, but with the help of ATP—will not only create jobs and enhance productivity, but will make life healthier and the environment cleaner at much lower cost. We are just starting to see the benefits of the ATP in jobs and technologies coming to market.

Some of our friends on the other side speak of the need to tear programs out by their roots. That was one of the statements I heard the other day. For programs like ATP and for programs to bring educational technology to our students, that is a prescription for an economic wasteland. It will be an economic disaster if we start tearing programs like this out by their roots. We should, instead, be nurturing these programs so that we and our children and our grandchildren can enjoy their fruits.

Mr. President, the United States has grown to what it is today mainly because we have been a research-oriented nation and a curious people, a people willing to put money into inquiring into the unknown. We have moved into leadership in the world because of that type of curiosity, curiosity that has been exhibited by our companies, by our colleges, by our universities, indeed, by the Federal Government, in taking the lead in these areas.

If there is one thing this Nation should have learned throughout its history, and I think we have learned, it is that money spent on research almost always pays off beyond anything we see at the outset.

How can we not approve ATP? By my reckoning we should be expanding it further rather than considering cutting it out.

In closing, Mr. President, I urge my colleagues to support this amendment. I hope it passes for the good of this country and for the future of this country.

AMENDMENT NO. 3475 WITHDRAWN

Mr. GREGG. I ask unanimous consent that the yeas and nays be vitiated and that my amendment to strike be withdrawn.

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

So the amendment (No. 3475) was withdrawn.

Mr. GREGG. Mr. President, I ask that the yeas and nays be ordered on the underlying amendment of the Senator from South Carolina.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GREGG. I continue my opposition to this amendment. I do not think ATP is a program we can fund at this time. I think we should go with the initial proposal.

Mr. HOLLINGS. There are various Senators that wanted to be heard. I have agreed with the distinguished chairman, Senator GREGG, we ought to move as expeditiously as possible to a vote.

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. GREGG. 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. LEAHY. Mr. President, I rise in strong support of the Senator from South Carolina's amendment to restore funding for high-technology programs. I am proud to cosponsor this amendment to restore about $400 million to these critical investments. This amendment is fully offset and will not add to the deficit.

Unfortunately, the current bill cuts programs like the Advanced Technology Program that invest in our future. Some in this Congress are trying to abolish these high technology programs to claim they have ended a unnecessary, big-Government bureaucracy. Nothing could be further from the truth.

These high technology programs are more than necessary in today's world. They are essential.

The world has shrunk because of advances in technology and telecommunications.

Today, Americans do not just compete with each other, they compete with Japanese, Germans, New Zealanders, and the other citizens of our global economy. To meet the demands of this new world, we must develop and improve our expertise and infrastructure in advanced technology.

Moreover, these high-technology programs are not big Government.

Because these technology programs provide Federal seed money, private companies and public players have come together to form community-based projects. Many of these projects must have matching funds from the private sector. This requirement had led to innovative networks with groups that have never worked together before. There is no Government redtape restricting these partnerships. Instead, Government seed money is making these partnerships happen.

We should be promoting programs that foster these advanced technology initiatives. And that is exactly what this amendment does. For instance, this amendment adds $32 million in funding for the Telecommunications Information and Infrastructure Administration Program [TIIAP].

In today's world of innovative telecommunications, this program helps us keep up with this constant change. TIIAP develops partnerships with local governments, schools, hospitals, libraries and the business community to increase access to advanced information and communications.

Let me describe just a few of these innovative partnerships from around the country that have gotten off the ground because of TIIAP's help:

Youth service organizations in New Haven, CT and East Palo, CA are working together to link teenagers in the two cities to keep them off their streets and in their schools;

Physicians from big city medical centers in North Carolina are working together with rural hospitals to provide video teleconsultations and diagnostic images for emergency care;

And in my home State, Castleton State College has led a consortium of representatives from the private sector, local government and education to develop a telecommunications plan for west-central Vermont.

An TIIAP planning grant will bring these Vermonters together to develop a high-capacity telecommunications infrastructure to overcome the problems caused by their 15 local dialing areas.

TIIAP is about finding new ways to learn, to practice better medicine, and to share information. It spurs the growth of networks and infrastructure in many different fields of telecommunications with only a small Federal investment. It is essential and innovative.

This amendment also restores $62 million to the Environmental Protection Agency's Environmental Technology Initiative. This initiative supports private sector research and development that protects our environment and generates innovative products for the emerging environmental technology marketplace. This technology has the potential to create thousands of jobs by developing new ways to clean up polluted areas across the country.

For example, an EPA-supported technology was recently developed in Vermont for the ecological treatment of wastewater. Living Technologies and Gardiner's Supply in South Burlington, Vermont are on the forefront of a new technology that treats wastewater through a series of biological processes. The Environmental Protection Agency has played a fundamental role in joining quality environmental policy with good economics.

Mr. President, advanced technology will be the key to our educational and economic and economic success in the remainder of this decade and into the next millennium. We must keep our commitment to master technology or we will be mastered by it. I urge my colleagues to support this amendment to restore vital funding for advanced technology programs.

Mr. LIEBERMAN. Mr. President, I rise in support of my friend Senator HOLLINGS and praise him for proposing this technology amendent which I have cosponsored along with my colleagues minority leader DASCHLE, Senators KERREY, BINGAMAN, ROCKEFELLER, and KERREY. This amendment strives to preserve research programs in technology, education and the environment which are investments in our future.

Cuts in research and development, R&D are bad for America's future. Now is not the time to pull out of federal investments in these programs, including the Advanced Technology Program [ATP] and Technology Administration [TA], National Telecommunications and Information Administration [NTIA] which have a significant impact on high-wage jobs and maintaining U.S. leadership in the global economy. Now is the time to protect our investments, maintain our strong base, and build upon technology infrastructure so that America will remain an economic world leader.

Commerce's Office of Technology Policy recently issued a report which states:

Although the federal Advanced Technology programs represent only a small fraction of the federal R&D budget, they leverage money in the public and private sectors, causing an economic impact far larger than that suggested by the program budgets alone. Moreover, they are the only mechanisms focused specifically on providing a bridge between the federal R&D investment and the efforts of the private sector to remain globally competitive. These relatively small investments in federal partnerships play a central role in increasing the efficiency of government mission research and safeguarding the country's prosperity.''

An essential part of improving economic growth is technological change. A recent Council of Economic Advisors report tells us that half or more of the Nation's productivity growth in the past half century has been from technological innovation. Looking at a 15-year curve, the U.S. had growth in private sector R&D every year until the 1990's. That growth wasn't huge—we were way behind the rate of growth of competitor nations, but we had such a big lead after WW II that we could tolerate lower growth for awhile. But since 1991, the private sector has annually been cutting R&D spending. This year, the American Association for the Advancement of Science estimates that Congress is implementing a 30-percent cut in government non-defense R&D. For the second year in a row the United States placed first in the World Competitiveness Report in 1995, Japan, top-ranked in 1993, fell to fourth and Germany to sixth. But when you look into the fine print of the report, it isn't so rosy.

The United States ranks only 9th in the people category because of its 30th place showing on adequacy of its education system. The report also found the United States 40th in vulnerability to imports, was 40th in gross domestic savings, and it deteriorated to 29th in public funding of nondefense R&D.

We clearly lead the world in the mixed blessing of downsizing and have garnered major productivity gains as a result. But disturbing long-term economic warning signals remain despite all the profit-taking of the past 5 years. This is particularly true when you look at one of the basic long term building blocks of economic growth: research and development.

What are our foreign competitors doing? You guessed it. Japan has announced plans to double its R&D spending by 2000; it will actually pass the United States in nondefense R&D in total dollars not just share of GDP. This is an historic reversal. Germany, Singapore, Taiwan, China, South Korea, India are aggressively promoting R&D investment. Our lead in R&D has been our historic competitive advantage. If these trends continue, that lead will shrink. Competing advanced economies will be the winners if we cut technology programs that improve Government's efficiency and the taxpayer's return on investment.

To keep building and renewing our economy, we have to keep investing in it. The numbers here are so bad they should be giving us fits:

We have a 20-year downward trend in investment as a share of gross domestic product—we're at 11.2 percent for 1995, behind 47 competitor nations.

The net national savings rate, which factors in government deficits, averaged 2.07 percent as a percent of GDP from 1990 to 1994, compared to the 8.11 percent average in the 1960's. The household savings rate last year, which doesn't include the Government deficit, is down to 4.6 percent; Japan's is 14.8 percent, France's is 14.1 percent, and Germany's is 12.3 percent. Obviously, our overall investment rates are related to our R&D investment rate.

If you divide Government spending into investment and consumption categories, Government investments—items like education, R&D, and infrastructure—are increasingly dwarfed by major increases each year in entitlement consumption spending. Federal non-defense investment in the 1960's in these three categories was 23 percent of its outlays; it is now less than half that. These numbers tell us that we're slowly disinvesting in our economy. They tell us we may be starving our long term growth.

I would like to focus on the programs that are victims under the proposed Appropriations bill we seek to amend, the Advanced Technology Program [ATP] and the Technology Administration [TA], the National Telecommunications and Informations Administration [NTIA], education technology and environmental technology.

ATP—Investments in technology are investments in our future. ATP was enacted during the Bush administration to address technical challenges facing the American industry. Industry has already begun to benefit from this public-private partnership which aims to accelerate development of high-risk, long-term technologies. The nature of the marketplace has changed, and technological advances are a crucial component in maintaining our stature in the new world marketplace. Product life cycles are getting more and more compressed, so that the development of new products must occur at a more and more rapid pace. The market demands products faster, at higher quality and in wider varieties—and the product must be delivered ''just-in-time''. ATP funding is not a substitute for research investments that industry would have otherwise used for R&D.

This program has attracted top-notch small-to-medium size companies who have lauded ATP. In an independent study, Semiconductor Equipment and Materials International [SEMI], an association comprised of 1,400 small companies that manufacture materials and equipment for the semiconductor manufacturers, found that 100 percent of the companies who participated in ATP rated it very favorably. Nearly two-thirds of the companies surveyed by Industrial Research Institute, an association of over 260 research companies who account for 80 percent of industrially-performed R&D in the U.S., only a small number of which have received ATP awards rated ATP with very high marks.

The impact of the partnership activities amongst Government, industry, and academia is significant and far-reaching, according to a Silber and Associates study which interviewed every ATP industrial participant. I would like to share with you some of the company responses:

We would not have done this research without the award. It absolutely enabled us. . . .

We consider ATP a multiplier—by investing $3 million we gain access to $15 million worth of technology. . . .

We particularly like that it wasn't a grant, but a match. This eliminated companies who just wanted a government subsidy . . . promotes putting your money where your mouth is. We're seriously committed and have already invested $2 million.

ATP money encouraged us that a little company like us can be taken seriously. . . .

Leverage reduces cost and risk. . . .

Collaborations, cooperation, and learning to operate in a consortium with competitors were key outcomes. . . .

ATP has clearly acted as a catalyst to develop new technologies and to foster ongoing joint ventures within the industrial R&D. Clearly, we should continue to support this program and restore $300 million for it as proposed in this amendment.

TA—Cuts in Commerce's Technology Administration will severely handicap our government's ability to assess and strengthen the technology efforts of the American industry. How can we expect to improve U.S. economic competitiveness if we squeeze the ringmaster who oversees and assesses an important part of the U.S. R&D investment? TA requires an additional $2 million above the $5 million slated in the Conference report to peer review critical programs such as The clean car initiative, also known as the partnership for the new generation of vehicles, and to perform comprehensive competitive studies for many industrial sectors such as the chemical, semiconductor, banking and textile industry.

NTIA—The National Telecommunications and Information Administration's Telecommunication's and Information Infrastructure Assistance Program [TIIAP] serves a very important

purpose in connecting public libraries, schools and hospitals to state of the art telecommunications services and the Internet through its highly competitive cost-shared grant program. Last year, only 117 awards for 1800 applicants were given—that is fewer than 1 out of 15. To cut these programs that are in very high demand and essential in promoting education, reducing health care costs and providing more jobs is very short-sighted. The amendment restores $32 million which will enable TIIAP to provide 100–150 new awards. TIIAP programs are not a free ride and demand high community involvement to be successful.

I strongly support investments in education technology which will inspire our children to enhance their creativity and reading and math skills using the innovative tools of Internet. The Environmental Technology Initiative will secure a cleaner and brighter America for our children and grandchildren with lighter, more fuel efficient cars and innovative pollution control technologies.

To summarize, continued U.S. government investment in R&D is critical at a time when our competition is increasing its R&D support. The cuts in ATP, NTIA, TA and education and environment technology are unfounded and simply serve to starve our long-term prospects of developing high-wage jobs and maintaining U.S. leadership in the global economy.

Now is not the time to drop out of the global R&D race and shift toward a path toward technology bankruptcy. As I stated before, the American Academy for the Advancement of Science has estimated that if current congressional spending trends continue, our Government will be cutting this R&D investments by almost one-third over the next few years. Defense R&D will be cut deeper than that. Our amendment attempts to correct that error in some critical program areas. I urge my colleagues to support this amendment.

Mr. BOND. Mr. President, I rise in opposition to the Hollings amendment. The amendment includes $62 million for EPA's environmental technology initiative, a program which the conference agreement on the VA–HUD bill sought to reduce funding for, in order to fund higher priority EPA programs.

During consideration of the fiscal year 1996 VA–HUD bill last fall, not a single member raised concerns about the reduction to this program in the committee markup, on the floor, or in conference on the legislation.

This program was initiated by President Clinton 3 years ago, and a total of $100 million has been appropriated for the first 2 years. What has the program accomplished? Not a whole lot as far as I can tell.

We have funded energy efficient housing conferences, lighting research centers' education of electric utilities about the benefits of energy efficient lighting, and marketing programs to increase the purchase of energy efficient lighting products.

Mr. President, what the environmental technology program has amounted to is corporate pork. Mr. President, we cannot afford this sort of corporate subsidy.

These sort of activities are not geared to ensuring the U.S. gains a strong foothold in the market for environmental technology, as the administration has claimed.

I should also add that the budget request for this program has quadrupled from $30 million in fiscal year 1994 to $127 million in fiscal year 1996. Much of that funding has been passed through from EPA to other agencies—NIST, DOE, agencies which have their own budgets for technology activities. This, at a time when the administration claims it cannot find funds to set drinking water standards for cryptosporidium or control toxic water pollutants.

Given the importance of ensuring that EPA's limited resources are spent on those activities resulting in the most direct and significant gains to environmental protection, additional funding for this program above the $10 million available in this bill is not acceptable.

Mr. BINGAMAN. Mr. President, I rise in support of the Hollings technology programs amendment. I want to commend the Senator from South Carolina for his consistent advocacy of these programs for the entire 13 years I have had the honor to serve in this body. It is disheartening for some of us to find all of these programs so out of favor with many of our majority colleagues.

Mr. President, as we prepare for the challenges and opportunities of the 21st century, these technology programs are among the last programs we should be sacrificing to balance the budget. I have given many speeches over the last year about how misplaced our priorities are when we prepare to slash our civilian research and development programs by one-third by 2002. And we are doing this at the same time the Pentagon is planning to slash research and development spending by 20 to 25 percent in real terms in the same time period. These next few years will be the first time since World War II that this Nation will simultaneously cut both civilian and defense research.

Four years ago this body knew that that was the wrong thing to do. We expected cuts in defense research spending as a result of the end of the cold war. But both the Rudman and Pryor task forces and the Bush administration in 1992 advocated increases in civilian research spending to compensate for the declines in defense research and to keep pace with the investments other nations were making in civilian research. There was a consensus then that the Advanced Technology Program was a program that needed to be expanded to provide opportunities for firms to do precompetitive research, a term that President Bush coined, in a cost-effective manner.

The reason that we had that consensus then was that the Senator from South Carolina had designed the ATP Program with the help of Republican Senators like Warren Rudman. He had ensured that awards would be made on the basis of merit pursuant to competition and that industry would play a major role in selecting areas for competition. He had ensured that there would be cost sharing from industry, so it was not just Government saying these technologies were worthy of further development. The firms themselves were putting their money at risk. Out of these Government-industry partnerships the Senator from South Carolina expected to see real innovation. He expected these partnerships to bridge the gap between basic research at which we excel as a nation and product development which the private sector should fully fund. All the reports we have received tell us the program is doing just that. And yet it is on the chopping block.

The same could be said for the other programs supported by the Hollings amendment. All had bipartisan origins. All are designed to provide real leverage for Federal funds by fostering partnerships and requiring cost sharing. They are precisely the sort of programs we should be expanding as we approach the 21st century. Instead, we are forced into a debate on terminating them.

Mr. President, I am going to close by displaying two charts which I have used before over the past year on the Senate floor. The first shows Federal civilian research as a percentage of gross domestic product. In the next few years that spending is headed toward a half-century low. Is that how we should be building a future for our children and grandchildren?

The second chart compares our Federal civilian research spending with that of the Japanese Government. Very soon, if not this year then in the next few years, Japanese Government research and development investments will exceed our own. That is a nation with half our population and half our wealth. How long will we as a nation be able to live off our previous research investments?

Mr. President, study after study has shown that Federal civilian research investments since World War II have paid for themselves many times over. We need to sustain that investment as we head into the 21st century, particularly since we will continue to cut defense research investments in light of the end of the cold war. The Pentagon is planning to make greater use of our civilian research programs to meet its needs at the same time we are cutting civilian research.

The Senator from South Carolina is making a stand for some of our best civilian research investments. He stands in a bipartisan tradition of supporting civilian research that goes back to Presidents Truman and Eisenhower and clearly included President Bush. He stands against what one columnist, E.J. Dionne, Jr., in today's Washington

Post called the ''smash-the-state'' revolutionaries, who want to demolish essentially all Government programs.

Government can work and has the capacity to make investments that do great good for this country. Our research investments have been in that category for decades. They are Government at its best, building a better future for our children. I urge my colleagues to stand with the Senator from South Carolina in support of these research programs. Please vote for the Hollings amendment.

Mr. KERREY. Mr. President, I support the Hollings-Daschle technology amendment, which I am pleased to cosponsor. In particular, this amendment adds $32 million for the Telecommunications Information and Infrastructure Assistance Program [TIIAP] under the National Telecommunications and Information Administration [NTIA], which I strongly support.

When TIIAP was slated for elimination in the fiscal year 1996 Commerce-Justice-State-Judiciary appropriations bill (H.R. 2076), I offered an amendment with Senators SNOWE, DASCHLE, LEAHY, LIEBERMAN and JEFFORDS that restored $18.9 million for this valuable program. The motion to table my amendment was defeated overwhelmingly by a bipartisan vote of 64 to 33, reversing a death sentence for a competitive, merit-based program that empowers people by linking rural and underserved communities to advanced telecommunications technologies.

Mr. President, the Federal seed money from TIIAP is generating partnerships and matching investments that are helping communities in my State of Nebraska and across the Nation join the information revolution. In Beatrice, NE, which previously had no meaningful way to communicate electronically, a TIIAP grant is funding the Beatrice Connection. Beginning next month, the Beatrice Connection will link the entire community—its public schools, library, community college, city government, and residents—using a metropolitan area network [MAN] and wireless communications. In Lincoln, NE, TIIAP is empowering people through InterLinc, which provides dial-up, toll-free Internet access to low-income, ethnically diverse, and rural areas of Lincoln and its surrounding rural communities. InterLinc also provides on-line access to Government agencies, thus permitting citizens greater ease in using Government services.

Information and communications are fast becoming the keys to economic success in this country and around the world. By the 21st century, these industries will represent close to one-sixth of the world economy. Yet according to a recent study, by the year 2000, 60 percent of jobs in this country will require skills held by only 20 percent of the population. Our kids will not be able to compete with a software programmer in New Delhi or Tokyo if they do not have access to computers and the Internet.

Currently, however, many communities do not have access to advanced information or communications either at home, in the local school, or the local library. I receive numerous letters and telephone calls from Nebraskans, particularly from educators and health care practitioners, who want affordable access to Internet and other advanced telecommunications resources. According to NTIA, this lack of access is most pronounced in rural and inner city communities, which could spell disaster for the future of many youths.

TIIAP is specifically designed to connect these communities to the kinds of information they need to find educational opportunities, job training, new employment, and better medical care.

TIIAP grants are bridging information gaps for children from farming communities, who are downloading images of the planets and exchanging e-mail with space scientists. Emergency room doctors in remote rural areas are using computer networks and video imaging to consult with specialists in major medical centers to diagnose injuries and deliver life-saving care. And teachers are upgrading their skills by taking advanced courses through the Internet without leaving their school building. TIIAP provides seed money for everything from computer links to professional development to advanced software.

Many innovative projects would never get off the ground without the assistance provided by this program. TIIAP represents the best Federal investment we can make in this area—it is oriented toward the future, it is highly competitive, and every Federal dollar is matched by one or more private dollars. Grants totaling $24.4 million in 1994 generated $40 million in matching funds to support projects in health care, education, economic development, infrastructure planning, and library services.

Mr. President, the constant fight to fund TIIAP shows how difficult it is becoming to make investments in the United States as entitlement programs continue to grow and consume large portions of the Federal budget. I am committed to reforming entitlements precisely because, if we fail to do so, programs like TIIAP and others funded by the Hollings-Daschle amendment will become a memory.

The amendment which I am cosponsoring today would fund 100 additional TIIAP awards in fiscal year 1996, connecting more schools, libraries, and public health facilities to telecommunications technology. I urge my colleagues to vote for the Hollings-Daschle amendment, to ensure that major portions of our country are not left out of the information age.

Mr. LEVIN. Mr. President, I support the Hollings amendment that would restore funding for key industry and technology programs that provide high-wage jobs for American workers.

This appropriations bill would make short-sighted cuts to programs that build American industry, increase exports, and promote American jobs. In the final analysis, these cuts would damage the long-term economic prospects of American families.

The cuts I am talking about target the Department of Commerce, which opponents label as unimportant to the country. In fact, the Department of Commerce is a Federal agency that works day in and day out to help keep American businesses one step ahead of foreign rivals in an era of increasing competition. It is the agency that supports the kind of cutting-edge technologies crucial to U.S. businesses winning the international trade wars and capturing markets for U.S. manufactured goods at the dawn of the 21st century.

If we abandon our support for research and development in this time of expanding global markets, we will find ourselves fighting an uphill battle for economic security in the years ahead. Not only are these cuts penny-wise and pound-foolish, they sacrifice our economic future for meager budget savings.

This bill would hold important programs hostage by making their funding contingent on a budget agreement between the President and Congress. The contingency would require the passage of a separate bill necessary.

The bill would withhold funding for the Advanced Technology Program, or ATP, which promotes research in cross-cutting technologies that are too long term in payoff for private firms to pursue alone. The enabling technologies developed under this program help American firms compete in fast-paced international markets. Other governments are far more aggressive in funding technology.

Some of my colleagues have called the Advanced Technology Program corporate welfare, but that misses the point that the real benefactors are American workers who will profit from high-technology and high-wage jobs. The ATP is a forward-looking cost-effective investment in America's technology base essential to our long-term economic growth. To abandon it as this bill does is a mistake and a blow to American competitiveness.

The ATP is a young program, but early results show that it's working. The Autobody Consortium from my home State of Michigan, for example, used an ATP grant to develop a new measurement technology that has led to dramatic improvements in reliability and performance of American cars. The technology is giving us a leg up on foreign automakers. That means that we'll sell more cars and create more high-paying jobs for American workers.

The Hollings amendment would rescue ATP funding from the proposed contingency fund so that ATP's important work can continue uninterrupted.

It would also provide funds to allow ATP to support new research rather than only fund ongoing research.

Another short-sighted measure of this bill is the grab of funds set aside for the National Institute of Standards and Technology's lab modernization effort. NIST provides basic infrastructure for the whole gamut of this country's industries by developing state-of-the-art measurement technologies. The current facilities at the Institute are almost 40 years old and in desperate need of renovation or replacement. Without new facilities, NIST risks becoming technologically obsolete and unable to continue its world-class research efforts.

While this bill restores half of the funds taken in an earlier Senate version, it still takes back too much from the moneys set aside for the NIST modernization effort. It also penalizes an agency that showed initiative and restraint by husbanding these funds over the years to make physical plant investments. Why should any agency save money when accumulated savings are snatched back and years of planning demolished?

The ATP and NIST modernization effort are just 2 examples of many cuts in critical industry and technology programs. Other examples include the Telecommunications and Infrastructure Assistance Program, that provides seed money to connect our schools to the Internet, and the Environmental Technology Initiative at EPA, that supports cost-shared development of innovative pollution-control technologies.

It is wrong to cut cost-effective R&D programs to achieve minimal budget savings. If our primary goal in balancing the budget is long-term economic growth, then we should safeguard initiatives that will help us reach that objective. The programs cut in this bill are precisely the kind that will promote long-term economic growth, by giving American firms the technological edge they need to build exports, increase profits, and create high-wage jobs.

We are cutting our investment in industry and technology at the same time our competitors are stepping up their efforts. A recent report by the Council of Economic Advisors [CEA] showed that the United States invests far less in technology and trade than our primary competitors. In fact, over the last two decades, the United States has increasingly lagged behind both Germany and Japan in nondefense R&D expenditures as a percentage of GDP. We currently ranked dead last among our major trading partners in spending to build exports.

And the news gets worse, Mr. President. The CEA report further reveals that the congressional budget resolution may slash Federal civilian R&D spending by almost 30 percent by the year 2002. In contrast, the Japanese Government plans to double its R&D investment by the year 2000. Even though the United States has traditionally spent a lower percentage of GDP on R&D than its competitors, it has always been first in absolute expenditures. In the near future even this will change. By 1997, the Japanese Government will actually spent more on R&D, in total dollars, than the United States.

The proposed cuts to the Commerce Department budget are bad for the country and bad for my home State of Michigan. Michigan is the third largest exporting State behind California and Texas. Last year, $35 billion in exports, almost all from manufactured goods, supported about 500,000 Michigan jobs. Thousands of Michigan companies benefit from the industry and technology support programs administered by the Department of Commerce.

Many of those companies have written to me to offer their enthusiastic support for the Advanced Technology Program and other Commerce Department initiatives.

''NIST has a tradition of being a positive contributor to the competitiveness of U.S. industry and the ATP program is an excellent example of how the federal government can help,'' wrote Perceptron, a small high-technology company in Farmington Hills.

''With an expanding global economy and increasing challenges facing U.S. companies, U.S. businesses today have a critical need for assistance from the U.S. Department of Commerce to enter and successfully compete in world markets,'' wrote the S.I. Company of Ann Arbor.

The Commerce Department ''has concentrated on helping small- and medium-sized firms export. These are the same companies that have driven our surge in exports and our growth in employment. Are we trying to 'kill the goose that lays the golden egg'?'' wrote Keesee and Associates of Birmingham.

Mr. President, if we choose to turn our backs on technology at this critical juncture, we weaken the prospects for a more productive, more prosperous America. I hope the Senate will adopt the Hollings amendment.

Mr. HARKIN. Mr. President, I strongly support passage of the Hollings amendment. We need to keep our Nation on the cutting edge in technology and the amendment helps to do that. It helps businesses bring creative ideas into the international marketplace. It promotes finding more efficient technologies to reduce environmental problems and it helps educational institutions provide the tools they need to teach our children with the latest computer technology.

I want to particularly note the debt collection provisions contained in the amendment. Because of those provisions, CBO has scored the amendment as fully paid for. The debt collection provisions are complicated. But, its goal is very simple: The Government needs to systematically do a better job of collecting the money that is owed to it. And, it does a pretty poor job of doing that now.

Many may not like the debt collector. But, if the Government does not collect, other taxpayers must make the payment instead. That is not fair. The United States has billions of dollars in uncollected debts. School loans unpaid, businesses that did not pay back the SBA, farmers who did not pay their loans, all kinds of debts. Yet, the Government is writing checks to some of those same people month after month for various payments anyway. The Government is making new loans on top of the old ones. And, those who do not pay, usually suffer no damage to their credit ratings.

Under this measure, that changes. First, the collection of bad debts are more centralized and given to staff who focus on collecting those debts, including when necessary private attorneys. Second, the Government can start garnishing most kinds of government payments. Third, the Government is not going to make new loans or loan guarantees to those who don't pay their debts. Fourth, the Government is going to act like most businesses and will pass the information on to credit agencies. Fifth, the Government is going to be able to more efficiently forclose on property. And, the measure provides for a lot of other provisions that makes it more likely that different parts of the Government will work together to make collecting bad debts a priority.

The amendment also makes these methods available to collect delinquent child care payments. Few causes are more significant to the cause of children living in poverty and women going on welfare than the failure of parents to support the child. And, I very strongly feel that the Government should do more in that area.

Mr. GREGG. Mr. President, I suggest we go to vote.

VOTE ON AMENDMENT NO. 3474

THE PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Louisiana [Mr. BREAUX] is necessarily absent.

The results was announced—yeas 47, nays 52, as follows:

The result was announced—yeas 47, nays 52, as follows:

[Rollcall Vote No. 28 Leg.]

YEAS—47

Akaka	Ford	Lieberman
Baucus	Glenn	Mikulski
Biden	Graham	Moseley-Braun
Bingaman	Harkin	Moynihan
Boxer	Heflin	Murray
Bradley	Hollings	Nunn
Bryan	Inouye	Pell
Bumpers	Jeffords	Pryor
Burns	Johnston	Reid
Byrd	Kennedy	Robb
Conrad	Kerrey	Rockefeller
Daschle	Kerry	Sarbanes
Dodd	Kohl	Simon
Dorgan	Lautenberg	Wellstone
Exon	Leahy	Wyden
Feinstein	Levin	

NAYS—52

Abraham	Frist	McConnell
Ashcroft	Gorton	Murkowski
Bennett	Gramm	Nickles
Bond	Grams	Pressler
Brown	Grassley	Roth
Campbell	Gregg	Santorum
Chafee	Hatch	Shelby
Coats	Hatfield	Simpson
Cochran	Helms	Smith
Cohen	Hutchison	Snowe
Coverdell	Inhofe	Specter
Craig	Kassebaum	Stevens
D'Amato	Kempthorne	Thomas
DeWine	Kyl	Thompson
Dole	Lott	Thurmond
Domenici	Lugar	Warner
Faircloth	Mack	
Feingold	McCain	

NOT VOTING—1

Breaux

So the amendment (No. 3474) was rejected.

The PRESIDING OFFICER (Mr. BROWN). The Senator from Nevada is recognized.

Mr. REID. Mr. President, without losing my right to the floor, I would like to yield to my friend from New Hampshire.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NOS. 3476 AND 3477 TO AMENDMENT NO. 3466

Mr. GREGG. Mr. President, I send two amendments to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. GREGG], for Mr. LAUTENBERG, for himself, Mr. HOLLINGS, and Mr. KERRY, proposes an amendment numbered 3476 to amendment No. 3466.

The Senator from New Hampshire [Mr. GREGG], for Mr. REID, proposes an amendment numbered 3477 to amendment No. 3466.

Mr. GREGG. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 3476

At the appropriate places in Title II of the Hatfield Substitute amendment, insert the following new sections:

DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For an additional amount for emergency expenses necessary to enhance the Federal Bureau of Investigation's efforts in the United States to combat Middle Eastern terrorism, $7,000,000, to remain available until expended: *Provided,* That such activities shall include efforts to enforce Executive Order 12947 (''Prohibiting Transactions with Terrorists Who Threaten to Disrupt the Middle East Peace Process'') to prevent fundraising in the United States on the behalf of organizations that support terror to undermine the peace process: *Provided further,* That the entire amount is hereby designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(I) of the Balanced Budget Act and Emergency Deficit Control Act of 1985, as amended: *Provided further,* That the entire amount shall be available only to the extent an official budget request, for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted to Congress.

DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

For an additional amount for emergency expenses necessary to enhance the Office of Foreign Assets Control's efforts in the United States to combat Middle Eastern terrorism, $3,000,000, to remain available until expended: *Provided,* That such activities shall include efforts to enforce Executive Order 12947 (''Prohibiting Transactions with Terrorists Who Threaten to Disrupt the Middle East Peace Process'') to prevent fundraising in the United States on the behalf of organizations that support terror to undermine the peace process: *Provided further,* That the entire amount is hereby designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(I) of the Balanced Budget Act and Emergency Deficit Control Act of 1985, as amended: *Provided further,* That the entire amount shall be available only to the extent an official budget request, for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted to Congress.

AMENDMENT NO. 3477

(Purpose: To amend title 18, United States Code, to carry out certain obligations of the United States under the International Covenant on Civil and Political Rights by prohibiting the practice of female circumcision)

At the appropriate place under the heading of ''General Provisions'' at the end of the bill, insert the following new section:

SEC. .(a) This section may be cited as the ''Federal Prohibition of Female Genital Mutilation Act of 1996''.

(b) Congress finds that—

(1) the practice of female genital mutilation is carried out by members of certain cultural and religious groups within the United States;

(2) the practice of female genital mutilation often results in the occurrence of physical and psychological health effects that harm the women involved;

(3) such mutilation infringes upon the guarantees of rights and secured by Federal and State law, both statutory and constitutional;

(4) the unique circumstances surrounding the practice of female genital mutilation place it beyond the ability of any single State or local jurisdiction to control;

(5) the practice of female genital mutilation can be prohibited without abridging the exercise of any rights guaranteed under the First Amendment to the Constitution or under any other law; and

(6) Congress has the affirmation power under section 8 of article I of the Constitution, as well as under section 5 of the Fourteenth Amendment to the Constitution, to enact such legislation.

(c) It is the purpose of this section to protect and promote the public safety and health and activities affecting interstate commerce by establishing Federal criminal penalties for the performance of female genital mutilation.

(d)(1) Chapter 7 of title 18, United States Code, is amended by adding at the end the following new section:

''§ 116. Female genital mutilation

''(a) Except as provided in subsection (b), whoever knowingly circumcises, excises, or infibulates the whole or any part of the labia majora or labia minora or clitoris of another person who has not attained the age of 18 years shall be fined under this title or imprisoned not more than 5 years, or both.

''(b) A surgical operation is not a violation of this section if the operation is—

''(1) necessary to the health of the person on whom it is performed, and is performed by a person licensed in the place of its performance as a medical practitioner; or

''(2) performed on a person in labor or who has just given birth and is performed for medical purposes connected with that labor or birth by a person licensed in the place it is performed as a medical practitioner, midwife, or person in training to be come such a practitioner or midwife.

''(c) In applying subsection (b)(1), no account shall be taken of the effect on the person on whom the operation is to be performed of any belief on the part of that or any other person that the operation is required as a matter of custom or ritual.

''(d) Whoever knowingly denies to any person medical care or services or otherwise discriminates against any person in the provision of medical care or services, because—

''(1) that person has undergone female circumcision, excision, or infibulation; or

''(2) that person has requested that female circumcision, excision, or infibulation be performed on any person;

shall be fined under this title or imprisoned not more than one year, or both.''.

(2) The table of sections at the beginning of chapter 7 of title 18, United States Code, is amended by adding at the end of the following new item:

''116. Female genital mutilation.''.

(e)(1) The Secretary of Health and Human Services shall do the following:

(A) Compile data on the number of females living in the United States who have been subjected to female genital mutilation (whether in the United States or in their countries of origin), including a specification of the number of girls under the age of 18 who have been subjected to such mutilation.

(B) Identify communities in the United States that practice female genital mutilation, and design and carry out outreach activities to educate individuals in the communities on the physical and psychological health effects of such practice. Such outreach activities shall be designed and implemented in collaboration with representatives of the ethnic groups practicing such mutilation and with representatives of organizations with expertise in preventing such practice.

(C) Develop recommendations for the education of students of schools of medicine and osteopathic medicine regarding female genital mutilation and complications arising from such mutilation. Such recommendations shall be disseminated to such schools.

(2) For purposes of this subsection, the term ''female genital mutilation'' means the removal of infibulation (or both) of the whole or part of the clitoris, the labia minor, or the labia major.

(f) Subsection (e) shall take effect on the date of enactment of this Act, and the Secretary of Health and Human Services shall commence carrying out such section not later than 90 days after the date of the enactment of this Act. Subsection (d) shall take effect on the date that is 180 days after the date of the enactment of this Act.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, the first amendment is the Lautenberg-Hollings amendment which has been cleared on both sides. The amendment would provide $7 million for the FBI and $3 million for Treasury to combat Middle

Eastern terrorism. Funds would only be available if and to the extent the President designates such an emergency.

The second amendment is the Reid amendment dealing with female genital mutilation. It has been cleared on both sides.

I ask unanimous consent that both amendments be agreed to.

The PRESIDING OFFICER. Is there objection? Without objection, both amendments are agreed to.

So the amendments (Nos. 3476 and 3477) were agreed to.

Mr. GREGG. Mr. President, I move to reconsider the vote on the Hollings amendment.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GREGG. That motion ran to the Hollings amendment, which was offered two amendments prior to this.

The PRESIDING OFFICER. The Chair thanks the Senator for the clarification.

Mr. GREGG. I thank the Senator from Nevada for his cooperation.

The PRESIDING OFFICER. The Senator from Nevada has the floor.

AMENDMENT NO. 3477

Mr. REID. Mr. President, even though my friend from New Hampshire has quietly offered an amendment that has been accepted, it is extremely important. It is an amendment that I have been trying to pass for a number of years in this body. We have been successful, but it has been knocked out in the other body. That deals with a subject which is difficult to talk about, female genital mutilation. It is a horrible procedure that is perpetrated on women all over this world. What this amendment does is stop it from being done to women in the United States.

I express my appreciation to my friend from New Hampshire for making this part of the managers' amendment to this legislation.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I want to just take a few minutes. I have waited patiently. I want to talk about the Lautenberg-Hollings-Kerry amendment. Our amendment would provide $7 million for the Federal Bureau of Investigation and $3 million for the Department of the Treasury to address the emergency of terrorism in the Middle East.

The funding would be used to enhance efforts to prevent illegal fundraising in the United States on behalf of organizations, such as the ill-famed Hamas organization, that support terror to undermine the Middle East peace process.

Now, the funding we are proposing would bolster the FBI and the Treasury Department's efforts to promote greater enforcement of Executive Order 12947, which is listed as ''Prohibiting Transaction with Terrorists Who Threaten to Disrupt the Middle East Peace Process.'' Under that Executive order and subsequent notices that are published by the Treasury Department, American citizens are prohibited from making contributions to Hamas along with organizations and individuals that front for Hamas. Even more, the assets of such terrorists and terrorist organizations are frozen by the Treasury Department. That is in the Executive order.

Mr. President, I ask unanimous consent that a copy of the President's Executive order be printed in the RECORD at the end of my statement.

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

(See exhibit 1.)

Mr. LAUTENBERG. Despite the existence of this Executive order, Mr. President, from the United States, funds are still being sent to Hamas, the organization that takes credit for suicide bombings, for killing innocent people, for injuring scores of others. One report I heard on the radio this morning estimated that $10 million was being sent annually by Americans to Hamas.

By the way, that is tax-exempt, if my understanding is correct, tax-exempt funds to help terrorists work their dastardly deeds. Even the FBI acknowledges Americans are still contributing money to Hamas. In one article, Robert Bryant, Assistant Director of the Federal Bureau of Investigation's National Security Division, said, ''U.S. financial support is funding for Hamas.''

I ask unanimous consent that a copy of the article be printed in the RECORD at the end of my remarks.

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

(See exhibit 2.)

Mr. LAUTENBERG. While some of these contributions may not be used to promote terrorism in the Middle East, I think we need to be more certain. Blood for the despicable murders in Israel that the world has witnessed in the past few weeks is already on the hands of the Hamas militants. I do not want it on the hands of American citizens, as well. There are no words to express sufficient outrage at the rash of Hamas-supported suicide bombings in Israel. In four recent bus bombings, 48 innocent people have been killed by Hamas madmen. Clearly, the United States has an interest in helping our friend and ally, Israel, put an end to this madness.

We also have a more direct interest at stake. Though Hamas militants aim to strike a blow to the peace process and in the psyche of the Israeli people, its suicide bombs do not distinguish between soldier and citizen, between infant and adult, or even between Israeli and other nationals.

Unfortunately, two of the most recent victims of Hamas' senseless violence were young adults from the United States. Two were from New Jersey: Sarah Duker, from Teaneck, NJ, and her fiance, Matt Eisenfeld, from Connecticut. Another college student from New Jersey, Alisa Flatow, was killed last April in another Hamas suicide bombing.

My concern and the concern which this amendment addresses is that the funds raised in this country may be used by Hamas militants to take the lives of both American and Israeli citizens. Although American citizens are not detonating the bombs, they may be providing the financial support which enables Hamas militants to pull the pin.

Since the Executive order went into effect just over a year ago, some progress has been made in stemming the flow of financial support from the United States. Press reports indicate that $800,000 in assets have been blocked, unable to be transferred to their Middle East recipients. Unfortunately, the dramatic increase in Hamas-supported violence reminds us that the job is far from done. Despite our efforts, Hamas militants continue to gloat in the killing and continue to make martyrs of the murderers.

The graphic photographs of blood from the Middle East compel us to redouble our efforts to choke off support in the United States for Hamas militants. It is not enough to declare war against fundraising Hamas' militant activities, but we need to put our money where our mouth is and provide additional resources to get the job done, to stop terrorism.

The funding provided in this amendment would enable our Government to accelerate investigations of individuals and organizations that it has good reason to believe are attempting to fund the Hamas death machine. It would provide funding for additional analysts, equipment and intelligence-gathering equipment in the United States aimed at addressing this problem in the Middle East.

It will provide resources to allow for better tracing of funds once they leave the United States so that we can be more certain that American dollars are not ending up in the coffers of Hamas militants. It will provide resources to promote greater efficiency in freezing the assets to stop bankrolling of terrorism dead in its tracks.

Mr. President, this week our President, Bill Clinton, will join world leaders at a summit in Egypt on terrorism. He has left already. He will, among other things, call upon leaders in the Middle East to redouble efforts to ensure that the financial wealth for these extremists is going to run dry. I applaud his initiative and wish him well in this worthwhile endeavor. I hope that he will say publicly that Syria's unwillingness to come to the talks on terrorism, that their client state, Lebanon, is essentially prohibited from joining in these talks, is an action that we deplore. How can we believe and how can the Israeli people believe that Syria will talk seriously about peace

when they will not come to a discussion about the reduction or elimination of terrorism?

I want the record to reflect accurately, I think it is a terrible sign of their intention about making peace. Syria has to know that we here in the United States want them to be honest and forthcoming in their peace discussion and not to come to a meeting that consists of tens of nations' representatives in the area, willing to discuss peace, willing to discuss at least the elimination of reduction of terrorism—I think reflects very badly on the seriousness of their view.

I can think of no better way of helping our President succeed in his effort to shut off the international funding spigot for Hamas' terrorists than by showing the world, as this amendment would do, that we are doubling our efforts to do the same at home. This amendment will not solve all of the problems of terrorism in the Middle East, but it demonstrates America's resolve to ensure that our citizens are not directly or inadvertently financing the actions of terrorists.

I am grateful that we obtained the unanimous support of our colleagues to enhance our ability to fight harder against the killers of innocent people and to fight against the thugs that do not understand that the civilized world rejects their approach of murder to gain political objectives.

Mr. President, I ask unanimous consent to have printed in the RECORD a pertinent letter from the Anti-Defamation League.

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

THE LEON AND MARILYN KLINGHOFFER MEMORIAL FOUNDATION OF THE ANTI-DEFAMATION LEAGUE,
Washington DC, March 12, 1996.

Hon. FRANK LAUTENBERG,
U.S. Senate,
Washington, DC

DEAR SENATOR LAUTENBERG: On behalf of the Leon and Marilyn Klinghoffer Foundation of the Anti-Defamation League, we want to thank you for your leadership in the fight against terrorism and for seeking to keep this country from being used as a base to raise funds and finance the activity of terrorist organizations.

Ten year after the senseless murder of our father, Leon Klinghoffer, aboard the Achille Lauro cruise ship, terrorism has hit home for other Americans. Unfortunately, our laws are still inadequate to meet the changing nature of the terrorist threat.

We welcome and strongly support your amendment to increase funding for the FBI and the Treasury Department's Office of Foreign Assets Control. This would provide additional resource to facilitate and enhance their investigative abilities to uncover assets, property, and fundraising support in the United States for foreign terrorist organizations designated (under President Clinton's Executive Order 12947, January 23, 1995) as ''threatening to disrupt the Middle East Peace Process.''

We are ready to assist you in your efforts to build support among your colleagues for this initiative and are dedicated to helping to prevent another family from suffering the painful reality of terrorism.

Sincerely,

LISA KLINGHOFFER.
ILISA KLINGHOFFER.
ABRAHAM H. FOXMAN.

EXHIBIT 1

EXECUTIVE ORDER 12947 OF JANUARY 23, 1995—PROHIBITING TRANSACTIONS WITH TERRORISTS WHO THREATEN TO DISRUPT THE MIDDLE EAST PEACE PROCESS

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) (IEEPA), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3, United States Code,

I, William J. Clinton, President of the United States of America, find that grave acts of violence committed by foreign terrorists that disrupt the Middle East peace process constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States, and hereby declare a national emergency to deal with that threat.

I hereby order:

Section 1. Except to the extent provided in section 203(b)(3) and (4) of IEEPA (50 U.S.C. 1702(b)(3) and (4)) and in regulations, orders, directives, or licenses that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to the effective date: (a) all property and interests in property of:

(i) the persons listed in the Annex to this order;

(ii) foreign persons designated by the Secretary of State, in coordination with the Secretary of the Treasury and the Attorney General, because they are found:

(A) to have committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process, or

(B) to assist in, sponsor, or provide financial, material, or technological support for, or services in support of, such acts of violence; and

(iii) persons determined by the Secretary of the Treasury, in coordination with the Secretary of State and the Attorney General, to be owned or controlled by, or to act for or on behalf of, any of the foregoing persons, that are in the United States, that hereafter come within the United States, or that hereafter come within the possession or control of United States persons, are blocked;

(b) any transaction or dealing by United States persons or within the United States in property or interests in property of the persons designated in or pursuant to this order is prohibited, including the making or receiving of any contribution of funds, goods, or services to or for the benefit of such persons;

(c) any transaction by any United States person or within the United States that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in this order, is prohibited.

Sec. 2. For the purposes of this order: (a) the term ''person'' means an individual or entity;

(b) the term ''entity'' means a partnership, association, corporation, or other organization, group, or subgroup;

(c) the term ''United States person'' means any United States citizen, permanent resident alien, entity organized under the laws of the United States (including foreign branches), or any person in the United States; and

(d) the term ''foreign person'' means any citizen or national of a foreign state (including any such individual who is also a citizen or national of the United States) or any entity not organized solely under the laws of the United States or existing solely in the United States, but does not include a foreign state.

Sec. 3. I hereby determine that the making of donations of the type specified in section 203(b)(2)(A) of IEEPA (50 U.S.C. 1702(b)(2)(A)) by United States persons to persons designated in or pursuant to this order would seriously impair my ability to deal with the national emergency declared in this order, and hereby prohibit such donations as provided by section 1 of this order.

Sec. 4. (a) The Secretary of the Treasury, in consultation with the Secretary of State and, as appropriate, the Attorney General, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to me by IEEPA as may be necessary to carry out the purposes of this order. The Secretary of the Treasury may redelegate any of these functions to other officers and agencies of the United States Government. All agencies of the United States Government are hereby directed to take all appropriate measures within their authority to carry out the provisions of this order.

(b) Any investigation emanating from a possible violation of this order, or of any license, order, or regulation issued pursuant to this order, shall first be coordinated with the Federal Bureau of Investigation (FBI), and any matter involving evidence of a criminal violation shall be referred to the FBI for further investigation. The FBI shall timely notify the Department of the Treasury of any action it takes on such referrals.

Sec. 5. Nothing contained in this order shall create any right or benefit, substantive or procedural, enforceable by any party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

Sec. 6. (a) This order is effective at 12:01 a.m., eastern standard time on January 24, 1995.

(b) This order shall be transmitted to the Congress and published in the Federal Register.

WILLIAM J. CLINTON,
January 23, 1995.

ANNEX

TERRORIST ORGANIZATIONS WHICH THREATEN TO DISRUPT THE MIDDLE EAST PEACE PROCESS

Abu Nidal Organization (ANO)
Democratic Front for the Liberation of Palestine (DFLP)
Hizballah
Islamic Gama'at (IG)
Islamic Resistance Movement (HAMAS)
Jihad
Kach
Kahane Chai
Palestinian Islamic Jihad-Shiqaqi faction (PIJ)
Palestine Liberation Front-Abu Abbas faction (PLF-Abu Abbas)
Popular Front for the Liberation of Palesine (PFLP)
Popular Front for the Liberation of Palestine-General Command (PFLP–GC)

OFFICE OF FOREIGN ASSETS CONTROL

LIST OF SPECIALLY DESIGNATED TERRORISTS WHO THREATEN TO DISRUPT THE MIDDLE EAST PEACE PROCESS—WEDNESDAY, JANUARY 25, 1995

Agency: Office of Foreign Assets Control, Treasury.

Action: Notice of blocking.

Summary: The Treasury Department is issuing a list of blocked persons who have

been designated by the President as terrorist organizations threatening the Middle East peace process or have been found to be owned or controlled by, or to be acting for or on behalf of, these terrorist organizations.

Effective date: January 24, 1995.

For further information: J. Robert McBrien, Chief, International Programs, Tel.: (202) 622–2420; Office of Foreign Assets Control, Department of the Treasury, 1500 Pennsylvania Avenue NW., Washington, DC 20220.

Supplementary information:

Electronic availability

This document is available as an electronic file on The Federal Bulletin Board the day of publication in the Federal Register. By modem dial 202/512–1387 or call 202/512–1530 for disks or paper copies. This file is available in Postscript, WordPerfect 5.1 and ASCII.

Background

On January 23, 1995, President Clinton signed Executive Order 12947, ''Prohibiting Transactions with Terrorists Who Threaten To Disrupt the Middle East Peace Process'' (the ''Order''). The Order blocks all property subject to U.S. jurisdiction in which there is any interest of 12 terrorist organizations that threaten the Middle East peace process as identified in an Annex to the Order. The Order also blocks the property and interests in property subject to U.S. jurisdiction of persons designated by the Secretary of State, in coordination with the Secretary of Treasury and the Attorney General, who are found (1) to have committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process, or (2) to assist in, sponsor or provide financial, material, or technological support for, or services in support of, such acts of violence. In addition, the Order blocks all property and interests in property subject to U.S. jurisdiction in which there is any interest of persons determined by the Secretary of the Treasury, in coordination with the Secretary of State and the Attorney General, to be owned or controlled by, or to act for or on behalf of, any other person designated pursuant to the Order (collectively ''Specially Designated Terrorists'' or ''SDTs'').

The Order further prohibits any transaction or dealing by a United States person or within the United States in property or interests in property of SDTs, including the making or receiving of any contribution of funds, goods, or services to or for the benefit of such persons. This prohibition includes donations that are intended to relieve human suffering.

Designations of persons blocked pursuant to the Order are effective upon the date of determination by the Secretary of State or his delegate, or the Director of the Office of Foreign Assets Control acting under authority delegated by the Secretary of the Treasury. Public notice of blocking is effective upon the date of filing with the Federal Register, or upon prior actual notice.

LIST OF SPECIALLY DESIGNATED TERRORISTS WHO THREATEN THE MIDDLE EAST PEACE PROCESS

Note: The abbreviations used in this list are as follows: ''DOB'' means ''date of birth,'' ''a.k.a.'' means ''also known as,'' and ''POB'' means ''place of birth.''

ENTITIES

Abu Nidal Organization (a.k.a. ANO, a.k.a. Black September, a.k.a. Fatah Revolutionary Council, a.k.a. Arab Revolutionary Council, a.k.a. Arab Revolutionary Brigades, a.k.a. Revolutionary Organization of Socialist Muslims); Libya; Lebanon; Algeria; Sudan; Iraq.

Al-Gama'A Al-Islamiyya (a.k.a. Islamic Gama'AT, a.k.a. Gama'AT, a.k.a. Gama'AT Al-Islamiyya, a.k.a. The Islamic Group); Egypt.

Al-Jihad (a.k.a. Jihad Group, a.k.a. Vanguards of Conquest, a.k.a. Talaa'al al-Fateh); Egypt.

ANO (a.k.a. Abu Nidal Organization, a.k.a. Black September, a.k.a. Fatah Revolutionary Council, a.k.a. Arab Revolutionary Council, a.k.a. Arab Revolutionary Brigades, a.k.a. Revolutionary Organization of Socialist Muslims); Libya; Lebanon; Algeria; Sudan; Iraq.

Ansar Allah (a.k.a. Party of God, a.k.a. Hizballah, a.k.a. Islamic Jihad, a.k.a. Revolutionary Justice Organization, a.k.a. Organization of the Oppressed on Earth, a.k.a. Islamic Jihad for the Liberation of Palestine, a.k.a. Followers of the Prophet Muhammad); Lebanon.

Arab Revolutionary Brigades a.k.a. ANO, a.k.a. Abu Nidal Organization, a.k.a. Black September, a.k.a. Fatah Revolutionary Council, a.k.a. Arab Revolutionary Council, a.k.a. Revolutionary Organization of Socialist Muslims); Libya; Lebanon; Algeria; Sudan; Iraq.

Arab Revolutionary Council (a.k.a. ANO, a.k.a. Abu Nidal Organization, a.k.a. Black September, a.k.a. Faith Revolutionary Council, a.k.a. Arab Revolutionary Brigades, a.k.a. Revolutionary Organization of Socialist Muslims); Libya; Lebanon; Algeria; Sudan; Iraq.

Black September (a.k.a. ANO, a.k.a. Abu Nidal Organization, a.k.a. Fatah Revolutionary Council, a.k.a. Arab Revolutionary Council, a.k.a. Arab Revolutionary Brigades, a.k.a. Revolutionary Organization of Socialist Muslims); Libya; Lebanon; Algeria; Sudan; Iraq.

Democratic Front for the Liberation of Palestine (a.k.a. Democratic Front for the Liberation of Palestine—Hawatmeh Faction, a.k.a. DFLP); Lebanon; Syria; Israel.

Democratic Front for the Liberation of Palestine—Hawatmeh Faction (a.k.a. Democratic Front for the Liberation of Palestine, a.k.a. DFLP); Lebanon; Syria; Israel.

DFLP (a.k.a. Democratic Front for the Liberation of Palestine—Hawatmeh Faction, a.k.a. Democratic Front for the Liberation of Palestine); Lebanon; Syria; Israel.

Fatah Revolutionary Council (a.k.a. ANO, a.k.a. Abu Nidal Organization, a.k.a. Black September, a.k.a. Arab Revolutionary Council, a.k.a. Arab Revolutionary Brigades, a.k.a. Revolutionary Organization of Socialist Muslims); Libya; Lebanon; Algeria; Sudan; Iraq.

Followers of the Prophet Muhammad (a.k.a. Party of God, a.k.a. Hizballah, a.k.a. Islamic, Jihad, a.k.a. Revolutionary Justice Organization, a.k.a. Organization of the Oppressed on Earth, a.k.a. Islamic Jihad for the Liberation of Palestine, a.k.a. Ansar Allah); Lebanon.

Gama'At (a.k.a. Islamic Gama'at, a.k.a. Gama'at Al-Islamiyya, a.k.a. the Islamic Group, a.k.a. Al-Gama'a Al-Islamiyya); Egypt.

Gama'at Al-Islamiyya (a.k.a. Islamic Gama'at, a.k.a. Gama'at, a.k.a. the Islamic Group, a.k.a. Al-Gama'a Al-Islamiyya); Egypt.

Hamas (a.k.a. Islamic Resistance Movement); Gaza; West Bank Territories; Jordan.

Hizballah (a.k.a. Party of God, a.k.a. Islamic Jihad, a.k.a. Revolutionary Justice Organization, a.k.a. Organization of the Oppressed on Earth, a.k.a. Islamic Jihad for the Liberation of Palestine, a.k.a. Ansar Allah, a.k.a. Followers of the Prophet Muhammad); Lebanon.

Islamic Gama'at (a.k.a. Gama'at, a.k.a. Gama'at Al-Islamiyya, a.k.a. the Islamic Group, a.k.a. Al-Gama'a Al-Islamiyya); Egypt.

Islamic Jihad (a.k.a. Party of God, a.k.a. Hizballah, a.k.a. Revolutionary Justice Organization, a.k.a. Organization of the Oppressed on Earth, a.k.a. Islamic Jihad for the Liberation of Palestine, a.k.a. Ansar Allah, a.k.a. Followers of the Prophet Muhammad); Lebanon.

Islamic Jihad for the Liberation of Palestine (a.k.a. Party of God, a.k.a. Hizballah, a.k.a. Islamic Jihad, a.k.a. Revolutionary Justice Organization, a.k.a. Organization of the Oppressed on Earth, a.k.a. Ansar Allah, a.k.a. Followers of the Prophet Muhammad); Lebanon.

Islamic Jihad of Palestine (a.k.a. PIJ, a.k.a. Palestinian Islamic Jihad—Shiqaqi, a.k.a. PIJ Shiqaqi/Awda Faction, a.k.a. Palestinian Islamic Jihad); Israel; Jordan; Lebanon.

Islamic Jihad of Palestine (a.k.a. PIJ, a.k.a. Palestinian Islamic Jihad—Shiqaqi, a.k.a. PIJ Shiqaqi/Awda Faction, a.k.a. Palestinian Islamic Jihad); Israel; Jordan, Lebanon.

Islamic Resistance Movement (a.k.a. Hamas); Gaza; West Bank Territories; Jordan.

Jihad Group (a.k.a. Al-Jihad, a.k.a. Vanguards of conquest, a.k.a. Talaa'al Al-fateh); Egypt.

Kach; Israel.

Kahane Chai; Israel.

Organization of the Oppressed on Earth (a.k.a. Party of God, a.k.a. Hizballah, a.k.a. Islamic Jihad, a.k.a. Revolutionary Justice Organization, a.k.a. Islamic Jihad for the Liberation of Palestine, a.k.a. Ansar Allah, a.k.a. Followers of the Prophet Muhammad); Lebanon.

Palestine Liberation Front (a.k.a. Palestine Liberation Front—Abu Abbas Faction, a.k.a. PLF-Abu Abbas, a.k.a. PLF); Iraq.

Palestine Liberation Front-Abu Abbas Faction (a.k.a. PLF-Abu Abbas, a.k.a. PLF, a.k.a. Palestine Liberation Front); Iraq.

Palestinian Islamic Jidad—Shiqaqi (a.k.a. PIJ, a.k.a. Islamic Jihad of Palestine, a.k.a. PIJ Shiqaqi/Awda Faction, a.k.a. Palestinian Islamic Jihad); Israel; Jordan; Lebanon.

Party of God (a.k.a. Hizballah, a.k.a. Islamic Jihad, a.k.a. Revolutionary Justice Organization, a.k.a. Organization of the Oppressed on Earth, a.k.a. Islamic Jihad for the Liberation of Palestine, a.k.a. Ansar Allah, a.k.a. Followers of the Prophet Muhammad); Lebanon.

PFLP (a.k.a. Popular Front for the Liberation of Palestine); Lebanon; Syria; Israel.

PFLP-GC (a.k.a. Popular Front for the Liberation of Palestine—General Command); Lebanon; Syria; Jordan.

PIJ (a.k.a. Palestinian Islamic Jihad—Shiqaqi, a.k.a. Islamic Jihad of Palestine, a.k.a. PIJ Shiqaqi/Awda Faction, a.k.a. Palestinian Islamic Jihad); Israel; Jordan; Lebanon.

PIJ Shiqaqi/Awda Faction (a.k.a. PIJ, a.k.a. Palestinian Islamic Jihad—Shiqaqi, a.k.a. ISlamic Jihad of Palestine, a.k.a. Palestinian Islamic Jihad); Israel, Jordan; Lebanon.

PLF (a.k.a. PLF-ABu Abbas, a.k.a. Palestine Liberation Front—Abu Abbas Faction, a.k.a. Palestine Liberation Front); Iraq.

PLF-Abu Abbas (a.k.a. Palestine Liberation Front—Abu Abbas Faction, a.k.a. PLF, a.k.a. Palestine Liberation Front); Iraq.

Popular Front for the Liberation of Palestine (a.k.a. PFLP); Lebanon; Syria; Israel.

Popular Front for the Liberation of Palestine—General Command (a.k.a. PFLP-GC); Lebanon; Syria; Jordan.

Revolutionary Justice Organization (a.k.a. Party of God, a.k.a. Hizballah, a.k.a. Islamic Jihad, a.k.a. Organization of the Oppressed on Earth, a.k.a. Islamic Jihad for the Liberation of Palestine, a.k.a. Ansar Allah, a.k.a. Followers of the Prophet Muhammad); Lebanon.

Revolutionary Organization of Socialist Muslims (a.k.a. ANO, a.k.a. Abu Nidal Organization, a.k.a. Black September, a.k.a.

Fatah Revolutionary Council, a.k.a. Arab Revolutionary Council, a.k.a. Arab Revolutionary Brigades); Libya; Lebanon; Algeria; Sudan; Iraq.

Talaa'al al-Fateh (a.k.a. Jihad Group, a.k.a. Al-Jihad, a.k.a. Vanguards of Conquest); Egypt.

The Islamic Group (a.k.a. Islamic Gama'at, a.k.a. Gama'at, a.k.a. Gama'at al-Vanguards of Conquest (a.k.a. Jihad Group, a.k.a. Al-Jihad, a.k.a. Talla'al al-Fateh); Egypt.

INDIVIDUALS

Abbas, Abu (a.k.a. Zaydan, Muhammad); Director of Palestine Liberation Front— Abu Abbas Faction: DOB 10 December 1948.

Al Banna, Sabri Khalil Abd Al Qadir (a.k.a. Nidal, Abu); Founder and Secretary General of Abu Nidal Organization; DOB May 1937 or 1940; POB Jaffa, Israel.

Al Rahman, Shaykh Umar Abd; Chief Ideological Figure of Islamic Gama'at; DOB 3 May 1938; POB Egypt.

Al Zawahiri, Dr. Ayman: Operational and Military Leader of Jihad Group; DOB 19 June 1951; POB Giza, Egypt; Passport No. 1084010 (Egypt).

Al-Zumar, Abbud (a.k.a Zumar, Colonel Abbud); Factional Leader of Jihad Group; Egypt; POB Egypt.

Awda, Abd Al Aziz; Chief Ideological Figure of Palestinian Islamic Jihad—Shiqaqi; DOB 1946.

Fadlallah, Shaykh Muhammad Husayn; Leading Ideological Figure of Hizballah; DOB 1938 or 1936; POB Najf Al Ashraf (Najaf), Iraq.

Habash, George (a.k.a. Habbash, George); Secretary General of Popular Front for the Liberation of Palestine.

Habbash, George (a.k.a. Habash, George); Secretary General of Popular Front for the Liberation of Palestine.

Hawatma, Nayif (a.k.a. Hawatmeh, Nayif, a.k.a. Hawatmah, Nayif, a.k.a. Khalid, Abu); Secretary General of Democratic Front for the Liberation of Palestine—Hawatmeh Faction; DOB 1933.

Hawatmah, Nayif (a.k.a. Hawatma, Nayif; a.k.a. Hawatmeh, Nayif, a.k.a. Khalid, Abu); Secretary General of Democratic Front for the Liberation of Palestine—Hawatmeh Faction; DOB 1933.

Hawatmeh, Nayif (a.k.a. Hawatma, Nayif; a.k.a. Hawatmah, Nayif, a.k.a. Khalid, Abu); Secretary General of Democratic Front for the Liberation of Palestine—Hawatmeh Faction; DOB 1933.

Islambouli, Mohammad Shawqi; Military Leader of Islamic Gama'at; DOB 15 January 1955; POB Egypt; Passport No. 304555 (Egypt).

Jabril, Ahmad (a.k.a. Jibril, Ahmad); Secretary General of Popular Front for the Liberation of Palestine—General Command; DOB 1938 POB Ramleh, Israel.

Jibril, Ahmad (a.k.a. Jabril, Ahmad); Secretary General of Popular Front for the Liberation of Palestine—General Command; DOB 1938; POB Ramleh, Israel.

Khalid, Abu (a.k.a. Hawatmeh, Nayif, a.k.a. Hawatma, Nayif, a.k.a. Hawatmah, Nayif); Secretary General of Democratic Front for the Liberation of Palestine—Hawatmeh Faction; DOB 1933.

Mughniyah, Imad Fa'iz (a.k.a. Mughniyah, Imad Fayiz); Senior Intelligence Officer of Hizballah; DOB 7 December 1962; POB Tayr Dibba, Lebanon; Passport No. 432298 (Lebanon).

Mughniyah, Imad Fayiz (a.k.a. Mughniyah, Imad Fa'iz); Senior Intelligence Officer of Hizballah: DOB 7 December 1962; POB Tayr Dibba, Lebanon; Passport No. 432298 (Lebanon).

Naji, Talal Muhammad Rashid; Principal Deputy of Popular Front for the Liberation of Palestine—General Command; DOB 1930; POB Al Nasiria, Palestine. .

Nasrallah, Hasan; Secretary General of Hizballah; DOB 31 August 1960 or 1953 or 1955 or 1958; POB Al Basuriyah, Lebanon; Passport No. 042833 (Lebanon).

Nidal, Abu (a.k.a. Al Banna, Sabri Khalil Abd Al Qadir); Founder and Secretary General of Abu Nidal Organization; DOB May 1937 or 1940; POB Jaffa, Israel.

Qasem, Talat Fouad; Propaganda Leader of Islamic Gama'at; DOB 2 June 1957 or 3 June 1957; POB Al Mina, Egypt.

Shaqaqi, Fathi; Secretary General of Palestinian Islamic Jihad—Shiqaqi.

Tufayli, Subhi; Former Secretary General and Current Senior Figure of Hizballah; DOB 1947; POB Biqa Valley, Lebanon.

Yasin, Shaykh Ahmad; Founder and Chief Ideological Figure of Hamas; DOB 1931.

Zaydan, Muhammad (a.k.a. Abbas, Abu); Director of Palestine Liberation Front—Abu Abbas Faction; DOB 10 December 1948.

Zumar, Colonel Abbud (a.k.a. Al-zumar, Abbud); Factional Leader of Jihad Group; Egypt; POB Egypt.

Dated: January 23, 1995.

R. RICHARD NEWCOMB,
Director, Office of Foreign Assets Control.

Approved: January 23, 1995.

JOHN BERRY,
Deputy Assistant Secretary (Enforcement).

EXHIBIT 2

FBI SAYS HAMAS RAISING FUNDS IN UNITED STATES

WASHINGTON.—A top FBI official acknowledged Wednesday that Americans are contributing money to Hamas, the Islamic Resistance Movement, which has claimed responsibility for recent deadly attacks in Israel.

''U.S. financial support is funding for Hamas,'' Robert Bryant, assistant director of the Federal Bureau of Investigation's national security division, told reporters. He said most of the donors believe the money is being used for charitable purposes.

''I think the people believe in good faith it's going to charitable purposes. I think there will be a very determined effort to cut it off,'' he told the Defense Writers Association, declining to specify how this would be done.

Israeli Ambassador Itamar Rabinovich told a news conference this week that Americans were contributing funds to Hamas. ''It's not a question of opinion. It's a question of facts. And I'm afraid they still do,'' he said.

''That Hamas became very sophisticated in fund-raising and disguising the true purpose of fund-raising and these are facts. These are not a matter of opinion,'' Rabinovich said.

Hamas has claimed responsibility for recent attacks in Israel including a suicide bombing Monday that killed 12 people in Tel Aviv and one Sunday that killed 18 people in Jerusalem. The attacks, which followed the killing of a key Hamas figure with a booby-trapped cellular telephone in January, have stalled Middle East peace negotiations.

President Bill Clinton, responding to previous attacks against Israel, signed an executive order in January 1995 blocking assets in the United States of ''terrorist organizations that threaten to disrupt the Middle East peace process'' and prohibiting financial transactions with them.

Hamas, which was founded in 1987 and funds its strength among Palestinians in the West Bank and Gaza Strip, was one of a dozen groups listed in the order.

In last year's terrorism report, the State Department said Hamas receives funds from Palestinian expatriates, Iran and private benefactors in Saudi Arabia and other moderate Arab states.

In addition to launching violent attacks against Israel, Hamas provides medical and social services to Palestinians.

The U.S. Treasury Department, whose Office of Foreign Assets Control executes the presidential order, said Monday that since January 1995, $800,000 worth of Hamas-related assets, involving three individuals, have been frozen.

But a Treasury spokesman could not immediately say whether the effort was considered successful and what the total amount of Hamas fund-raising in the United States was believed to be. Nor could he say if the three individuals whose assets were frozen have been charged with any crimes.

Mr. HOLLINGS. Mr. President, I want to thank the Senator from New Jersey for bringing this issue to the Senate and I am pleased to cosponsor this amendment. Getting directly to the point, this amendment provides an additional $10 million to the Federal Bureau of investigation and the Department of Treasury to combat international terrorism.

We have all been shocked and saddened to see the death and destruction caused by Hamas terrorists in Israel. These fanatics, and that is just what they are—these zealots are doing everything they can to stop the peace process. The scenes from the Middle East are simply revolting. Several times in the past few weeks we have watched innocent people—men, women, and children both Israeli and American—killed in senseless terrorist bombings. It is as if the people of Israel are being subjected to a tragedy like the Oklahoma City bombing—over and over again. They cannot even safely take public transportation without risking their lives.

President Clinton and Secretary of State Christopher will be in Egypt tomorrow to convene an international conference to combat terrorism. The President recently sent the Deputy Director of the CIA to meet with Israeli and Palestinian officials to see what technical assistance the United States can provide. I applaud him for the leadership he has shown on this issue and I hope he can achieve concrete progress at the conference.

Mr. President, I am appalled when I hear reports that funding to support Hamas and other Middle-Eastern terrorism is coming from the United States. It is hard for this Senator to believe that any American would knowingly contribute money to support these cold blooded killers. But, apparently that is the case.

So, this amendment provides Judge Freeh and his FBI with the resources needed to get to the bottom of this issue. It will help them uncover groups and institutions that are providing millions of dollars to support terrorism in the Middle East. And, it provides the Treasury Department with funding so they can moving expeditiously to freeze the assets of foundations and others that knowingly support Hamas and criminals that seek to derail the peace process through committing terrorist acts. It bolsters these agencies enforcement of Executive Order 12947 which is titled ''Prohibiting Transactions with Terrorists Who Threaten

to Disrupt the Middle East Peace Process.'' It is at least one way that we in the Senate can do something to respond to this emergency.

Mr. President, I urge my colleagues to support this amendment.

AMENDMENT NO. 3478 TO AMENDMENT NO. 3466

(Purpose: To restore funding for, and otherwise ensure the protection of, endangered species of fish and wildlife)

Mr. REID. Mr. President, I send an amendment to the desk on my behalf and that of Senators LAUTENBERG, LIEBERMAN, GRAHAM, BOXER, and MOYNIHAN.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

The Senator from Nevada [Mr. REID], for himself, Mr. LAUTENBERG, Mr. LIEBERMAN, Mr. GRAHAM, Mrs. BOXER, and Mr. MOYNIHAN, proposes an amendment numbered 3478.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 75, strike lines 1 through 9.

On page 412, line 23, strike ''$497,670,000'' and insert ''$501,420,000''.

On page 412, line 24, after ''1997,'', insert the following: ''of which $4,500,000 shall be available for species listings under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533),''.

On page 413, strike ''1997:'' on line 11 and all that follows through line 20 and insert ''1997.''.

On page 461, line 24, strike ''$1,255,005,000'' and insert ''$1,251,255,000''.

On page 462, line 5, before the colon, insert the following: '', of which not more than $81,250,000 shall be available for travel expenses''.

Mr. REID. Mr. President, what this amendment does say to my colleagues is, do away with, repeal the moratorium that is on listing of endangered species under the Endangered Species Act. I indicated to the Appropriations Committee when it was meeting to discuss this omnibus bill that I would offer this amendment.

Mr. HATFIELD. Mr. President, will the Senator yield for a question?

Mr. REID. I would be happy to yield to the chairman for a question.

Mr. HATFIELD. Mr. President, I thank the Senator for yielding. I believe, in the previous conversation, the Senator from Nevada indicated he would need 40 minutes for the presentation of his amendment. I have just cleared on our side the additional 40 minutes for the opposition, so that would be a total of 1 hour 20 minutes to be equally divided, or 40 minutes each.

Will the Senator from Nevada agree to that as a time limit?

Mr. REID. Mr. President, since talking to the chairman, I say through the Chair to the chairman, that I have been—if I can have 45 minutes? So I ask the unanimous-consent request be altered to allow 45 minutes on a side.

Mr. LAUTENBERG. I wonder if my friend from Nevada would just respond to an inquiry?

Mr. REID. If I could, just before doing this, and I say to my friend, it is my understanding there will be no second-degree amendments.

The PRESIDING OFFICER. Does the Senator wish to propose a unanimous-consent agreement?

Mr. REID. I would propose that, subject to the question of the Senator from New Jersey.

Mr. LAUTENBERG. My question has nothing to do with the amendment of the Senator. It has to do with some time availability. I understand the Senator needs 40 minutes or some such time?

Mr. REID. Does the Senator wish some time?

Mr. LAUTENBERG. I would appreciate a chance, about 10 minutes, if possible, just to make a statement. If that is acceptable to my friend from Nevada, then I would ask for recognition from the Chair. If not, Mr. President, I suggest the absence of a quorum.

Mr. REID. Mr. President, if the Senator will withdraw the request, I inquire if the Senator from New Jersey wishes 10 minutes of the 45 minutes?

Mr. LAUTENBERG. No, 10 minutes off, on a totally different subject.

Mr. REID. Mr. President, if I could propose a unanimous consent request? Would that be appropriate? I ask unanimous-consent there be 1-½ hours equally divided, no second-degree amendments.

The PRESIDING OFFICER. Is there objection?

Mr. HATFIELD. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The unanimous-consent request is for 1-½ hours equally divided, with the chairman of the Appropriations Committee controlling half the time and the Senator from Nevada controlling the other half. Does the request also include a provision that no second-degree amendments be in order?

Mr. HATFIELD. Mr. President, I cannot agree to that, relating to the second-degree amendments.

The PRESIDING OFFICER. Objection is heard with regard to the second-degree aspect.

The Senator from Nevada is recognized.

Mr. REID. Mr. President, as I indicated when I stood on the floor of the Appropriations Committee, chaired by the Senator from Oregon, I indicated at that time I would offer this amendment. I am offering the amendment because we have had ample opportunity to understand what the effect is of having a moratorium on the Endangered Species Act.

Mr. President, I am the ranking member on the subcommittee that will reauthorize the Endangered Species Act. I understand the Endangered Species Act and that we need to reauthorize it. I have worked with my friend, the distinguished junior Senator from Idaho, to come up with a bipartisan bill. I do not know if we are going to be able to do that. But we are going to attempt to reauthorize this bill. Whether it is the bill offered by my friend from Idaho or a bill offered by the Senator from Nevada, we are going to get into reauthorizing the Endangered Species Act. There are some things we need to do, in effect, to modernize the Endangered Species Act.

I doubt there is any Member of this body who has not been contacted by one group or another regarding the moratorium on the Endangered Species Act. Most of us in this body, during the last few days, have been visited by the homebuilders. They are concerned about the Endangered Species Act, as are other special interest groups that come to us on a frequent basis, some in favor of the Endangered Species Act and some opposed to it. But never is there anyone who has come to me and said, ''We want to do away with the Endangered Species Act.''

There are a great many arguments being tossed about to keep the moratorium in place. I have heard some say that the moratorium would be leverage to get the Endangered Species Act reauthorized. That certainly has not proven to be the case to this point. In fact, I think they are wrong. The moratorium has nothing to do with efforts to reauthorize the Endangered Species Act. We need to reauthorize the Endangered Species Act, and I underline and underscore that. If an Endangered Species Act reform bill comes to the Senate floor, it will be because that is the right thing to do. And it is the right thing to do.

I have heard some want reform and better science procedures in place before we lift the moratorium. That type of argument is backward and it is illogical. We, in this body, on this floor, placed a moratorium on listing further species without a hearing, without any procedures that are normal to this body or the other body. We simply said we are going to have a moratorium. Why? Based on these stories that come from people about what is wrong with the Endangered Species Act.

I had some people come to my office today, and they said they wanted me to be real careful about the Endangered Species Act, be careful if we remove the moratorium because they had heard there was some flower in southern California that had been identified by the Fish and Wildlife Service that caused a reduction of the speed on I–15 to 15 miles an hour because, if they drove faster than that, it would blow the petals off the flower. We hear these stories all the time. They are ridiculous. There is no foundation to them. They are scare tactics.

I repeat, I am in favor of doing something to change the Endangered Species Act. We need to do that. We need more input from the public. We need States to be involved. We need to make sure that someone who has an endangered species on their property has some incentives for coming to the Federal Government and saying, ''I found

this endangered species on my land and I want to work with you to do something about it,'' and they are not, in effect, penalized for telling us. We need to do some of those kinds of things to make the Endangered Species Act more consumer friendly. And we can do that.

But that has nothing to do with this amendment. This amendment, in effect, says that we should remove this careless, illogical moratorium. While we debate the reauthorization of the Endangered Species Act, there are species needing protection, facing greater risks, and threatened and endangered species could be decreasing to irreparable numbers. The science, all the science in the world, is irrelevant if a specie becomes extinct, because extinction is forever.

Not a single plant or animal has been added to the list since April 10, 1995. There might be some people cheering about this, saying, ''Good.'' The fact of the matter is, that is not good. I know there are probably going to be efforts to, what we call in the jargon of the Congress, to second-degree my amendment, the purpose of which would be to say, ''Let us have emergency listings.'' That will give some people, programs, a way to hide, saying they now can have emergency listings.

Of course, I am sure the amendment will be very clear in not providing any money to do this, which is different from the amendment I am offering. This amendment, in effect, would end the counterproductive moratorium in adding new species to the endangered species for both the Fish and Wildlife Service and the National Marine and Fisheries Service. It will also provide sufficient funding for the Fish and Wildlife Service for listing activities for the balance of the year; that is some $4.5 million. The offset would be $3.75 million of the Fish and Wildlife travel expenses, and $750,000 would be reprogrammed within the Fish and Wildlife Service. The National Marine Fisheries Service, with funding of $1 million, would administer the reprogramming.

The moratorium is poor policy because it does nothing to promote the endangered species reform that we need to go forward on, and it only increases the costs and uncertainty of recovery of species.

The moratorium is a poor piece of legislation that should be removed so that public policy for endangered species can resume with certainty and with stability. The moratorium fails to acknowledge the permanency of extinction and has increased the risk that unlisted species face.

The public has awakened to this agenda in this Congress, which is antienvironmental. The agenda is to undermine the environmental progress made over the past 25 years. The moratorium which passed last year with little public comment, and I should say no public comment and no attention from the environmental community, was wrong. However, the public understands the implications of this moratorium.

Mr. President, this may not be important to most, but already the League of Conservation Voters has announced its intention to consider the vote on this amendment in its scorecard.

I would like to talk a little bit about why the Endangered Species Act is important and why not listing species is tragic; not only wrong, it is tragic.

There are many examples, but I have picked just a few. The night is late.

In 1992, in Kansas, a bird named the ''least tern'' had declined from 11 pairs to 1 breeding pair. The restoration on the Cimarron River nesting site reversed the saltwater invasion. Predators were excluded. Following this restoration work, the colony increased to six breeding pairs which now has produced seven young.

Another example is the 11 original trees that remained of the rare Virginia round leaf birch in southwest Virginia. Some people may say, ''Well, who cares?'' I repeat, extinction is forever.

Due to the listing and recovery work done on this tree to preserve and cultivate the seedlings, the population of the species is now 1,400 trees in 20 different locations. Remember, there were 11 trees when this was listed. Recovery enabled the Fish and Wildlife Service to propose the reclassification from endangered to threatened, and imminent delisting is a viable possibility.

Mr. President, the brown pelican, a bird found mostly in Texas but other places as well, was first listed in 1970. In 1994, we had 125 of these birds that nested at a place called Little Pelican Island in Galveston Bay. It was listed in 1970.

In 1994, for the first time in more than 40 years, we have these brown pelicans nesting and producing more than 90 young. We are probably going to save this bird. I think that is important.

In Nebraska, on the Platte River, the nesting habitat for the endangered migrating whooping crane, sandhill crane, and other waterfowl, has been seriously depleted over the past 20 years. But due to the protection of habitat upon which the birds are dependent, agreements were signed by environmental groups and individual private property owners to clear the vegetation, and now, though the whooping crane is still endangered, progress has been made in recovering population.

Recently, there was a press event celebrating the delisting of the peregrine falcon due to the recovery made in its population.

Even more popular is the success of the American bald eagle. In 1963, because of DDT in the food chain, eagles were caused to lay eggs that were simply too thin to allow hatching. There was a dramatic decline in this very powerful, strong bird, to 417 nesting pairs of this magnificent animal. A ban on the use of DDT and the protection afforded the eagle by the Endangered Species Act by 1994 increased the population nationwide to just over 4,400 nesting pairs. From a little over 400, we are now to almost 4,500.

The impressive increase in the eagle population caused the Fish and Wildlife Service to propose in 1994 the eagle be reclassified in 43 States from endangered to threatened with even actual removal from the list altogether. The eagle population is strong and increasing at incredible rates, and we may sit back and wonder what all the concern was about when you see these magnificent birds floating around. But if the concern had not been there, if the protection of the Endangered Species Act had not been available, there would be more concern today. There would be no American bald eagles. None.

I have mentioned only a few of the successes, Mr. President, of animals and birds. Why are these and other successes important? I received a letter signed by 38 physicians, scientists and those associated with health care across the community, health care providers, advocating the repeal of the moratorium.

The letter says, among other things:

> What is often lost in the debate over species conservation is the value of species to human health.

They continue:

> Recent studies have shown that a substantial proportion of the Nation's medicine is derived from plants and other natural resources. The medicines of tomorrow are being discovered today from nature.

In regard to the Endangered Species Act, the physicians continue:

> The Endangered Species Act is the best tool we have to protect species, imperiled plants and animals, but the moratorium on the endangered species list has put at risk many species which medical researchers have had no opportunity to explore.

They conclude:

> When a species is lost to extinction, we have no idea what potential medical cures are lost along with it.

Why do these 38 physicians talk that way? Fifty percent of prescription medicine sold in the United States contain at least one compound originally derived from a plant. Dr. Thomas Eisner, director of the Cornell Institute of Research and Chemical Ecology, has written:

> The chemical treasury of nature is literally disappearing before we have even had a chance to assess it. We cannot afford in years ahead to be deprived of the inventions of nature.

When I was coming back on the airplane yesterday from Nevada, I read an Audubon Society magazine. Someone had given the magazine to me because there was a wonderful article in that magazine about deserts, and, in fact, about the deserts in Nevada, the Great Basin. But what grabbed my attention was not the article on the Great Basin but an article on endangered species and what they had done to preserve human life throughout the world.

Forty percent of medical drugs were first extracted—these are not prescription drugs—first extracted from other life forms. Of the 150 most frequently used pharmaceuticals—now listen to this—of the 150 most frequently used pharmaceuticals, 80 percent come from or were first identified as living organisms.

Digitalis—there are a lot of important heart medicines, but digitalis is right up on the list of the most important. It comes from a plant called the foxglove plant, a lifesaving compound from a plant.

Cyclosporin. In the Democratic conference today, the senior Senator from Illinois asked us to look at some literature that he had dealing with organ transplants. The Senator from Illinois is 68 years old. He asked the people who came in, ''Are any of my organs worth transplanting?'' They said yes and proceeded to tell him why and how.

He was asking us to sign up to be, at the time of our demise, willing to give our organs for other people. A number of us had already agreed to do that prior to the presentation by the Senator from Illinois.

But the reason I mention his presentation to us today is because cyclosporin, a drug that makes organ transplantation possible, which is an antirejection drug that helps make organ transplants feasible, comes from a fungus.

The Pacific yew tree was once considered a junk tree by the foresters, but chemists have found that one of the tree's chemicals found only in that tree, a thing called taxol, can be used in the fight against ovarian and other cancers. And it works very well.

There is now an endangered mint that is nearly extinct in central Florida. In fact, that mint has been reduced to a few hundred acres. Doctor Eisner, from Cornell, has discovered many potent, useful chemicals in this plant, the utility of which have not been determined totally. He reports that as scientists examine the mint's leaves, they isolated 20 kinds of fungi living inside the leaves. Now, remember, cyclosporin came from a fungus. Remember, it was a mold that allows us to have penicillin.

Ergot, which is a fungus of wheat, provides us the heart medicine to block adrenaline in coronary disease. And it was snake venom from which blood pressure medications were obtained.

Captopril and enalapril are from a poison from a snake. These are life-saving medications to a significant number of our population.

In Nevada, we have a tiny, tiny little fish called a pupfish. That fish is being studied in hopes of finding new treatments for kidney disease.

I have spoken on several occasions, before the committee and on this floor, about childhood leukemia and how they have been able to find a magnificent cure for childhood leukemia from the periwinkle bush plant.

All these examples, Mr. President, should focus us on the question of what others are we missing by failing to protect them? There are many, many others.

We know that bears and other hibernating animals are being studied for treatment of kidney failure and osteoporosis. It is a remarkable part of nature how these animals can be, in effect, near a state of death, yet their kidneys function well and their bones do not go soft on them.

We have toads that are being researched, specifically a Houston toad which is on the brink of extinction that produces alkaloids that may prevent heart attacks. They also appear to have analgesic properties more powerful than morphine.

We have frogs that were being studied for neurological disease.

Bats are being studied for treatment of heart attacks and strokes because the salivary compounds that prevent blood clotting from these bats have yielded new anticoagulants, more powerful by far than those currently available for the breakdown of blood clots in heart attacks and strokes. These bats are found in very remote places.

Pit vipers for high blood pressure treatments I have already talked about.

Fireflies. The chemicals that cause fireflies to emit light have been used for tuberculosis, leading to faster tuberculosis treatment.

Mr. President, we have already identified another periwinkle bush, not the rosy, but the Madagascar perwinkle. This one is for other forms of cancer.

Mr. President, I have mentioned only a few of the multitude of plants that are now available for scientific study that are going to lead to breakthroughs that will cure people of disease. I think we have to understand what we did last April in shutting down the endangered species list.

You would think that good conscience would force us to come and start talking about why we should get rid of the moratorium. But it has been ignored. We are in this never-never land that we are going to someday reauthorize the Endangered Species Act. When? Well, we are going to do it. We will get around to it.

Mr. President, things have changed a little bit. The Endangered Species Act is not something that is being promoted by the left wing of the body politic. It is being promoted by people from all walks of life, of all political persuasions, including some evangelical and political organizations asking that we protect the species that have been placed on this Earth.

These religious people ask that we utilize our stewardship wisely and remove the moratorium from the listing process. We are doing nothing with this moratorium for the benefit of anyone. I defy anyone to tell me that there are people—organizations; I will not say people—there are organizations that support the elimination of the Endangered Species Act. I have not found any. No one has come to me and said we want to do away with the Endangered Species Act.

What some people have come and said is that they want some certainty in the process. The moratorium, though, Mr. President, increases the uncertainty because of the backlog that is now occurring.

What we are going to hear are efforts to say, well, what we are going to do is we are going to allow emergency listings. During the time we have had the Endangered Species Act in effect, there have been very, very few emergency listings. Listings need to take place in an orderly, scientific process and procedure. That is what we need to do.

We need to reform the Endangered Species Act. We need to make sure, as I have said before, that there is more State and non-Federal party involvement in the process. We need to have peer review and short, objective science. We need workers to work with landowners and have a short-form conservation plan. We need safe harbor for landowners who have agreed to implement conservation measures.

We also need voluntary conservation agreements and recovery teams that make the recovery of species a practical and a cooperative effort between the many interested parties.

This is what happened, for example, Mr. President, in Clark County where a species that was listed was the desert tortoise. It was difficult, but now, that is being used as a model in other parts of our country.

I urge my colleagues to recognize the need for substantive reform of the Endangered Species Act, to understand the devastating effect of this moratorium, to support an immediate repeal of this devastating moratorium and provide sufficient funding.

Remember, we, Mr. President, want to end the counterproductive moratorium in adding new species. We will provide sufficient funding to allow that to take place until the end of this year. The moratorium is poor policy because it does nothing to promote the Endangered Species Act reform that needs to take place. The moratorium is a poor piece of legislation that should be removed so that the public policy toward endangered species can resume with certainty and with stability. The moratorium fails to acknowledge the permanency of extinction and has increased the risk that unlisted species face.

So I ask my colleagues to not fall for some face-saving second-degree amendment that will say we are going to allow emergency listing. Remember, we need to do it in a way that is safe and sound and certainly one that is scientific. Doing something that is rarely done, that is, emergency listing, will not do the trick.

The PRESIDING OFFICER. Has the Senator from Nevada completed his statement?

Mr. REID. I yield the floor.

Mrs. HUTCHISON. Mr. President, I am willing to yield to the Senator from Montana for some period of time.

Mr. BAUCUS. Mr. President, I very much appreciate the very gracious Senator from Texas—5 or 6 minutes would be appropriate.

Mrs. HUTCHISON. I will yield that to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized for 6 minutes.

Mr. BAUCUS. I thank the Senator from Texas.

Mr. President, I rise in support of the amendment to lift the moratorium on the listing of threatened and endangered species under the Endangered Species Act.

Senator REID, who is the ranking member of our Endangered Species Subcommittee, has described why the moratorium is bad policy. I agree with him.

And I would like to emphasize one particular point. The moratorium makes a bad situation worse.

In Montana, the Endangered Species Act is not an abstraction. If affects people's daily lives. Loggers are concerned about restrictions that apply in grizzly country. Ranchers are concerned about wolves.

At the same time, average folks all across Montana believe, deep down, that Montana's wildlands, and wildlife, are an irreplaceable part of what makes Montana the Last Best Place. So people have strong feelings, and different perspectives. But one thing is clear to everyone. The Endangered Species Act is not working as well as it should. It is driving people apart rather than bringing them together. It is a situation that must be remedied.

So what does the moratorium do to improve the situation? Nothing. In fact, it makes things worse.

A moratorium on listings is a makeshift, stopgap measure. Once it expires, listing will resume, and farmers, ranchers and homeowners will face the same restrictions under the act that they face today.

In the meantime, species that would otherwise be afforded protection under the act continue to decline. For those species that survive, recovery may be much more difficult and expensive, imposing additional and unnecessary burdens on private landowners.

Is there a better approach? Yes, I believe there is. It may not be as simple as moratorium. It may not make as good a slogan. But, in the long run, it is the only way to really improve the Endangered Species Act.

What is it? Sitting down, listening to one another, and trying to resolve our differences in good faith.

Let me give you an example. During the last Congress, I introduced a bill to reform the Endangered Species Act. To improve the listing process. To involve the States more. To encourage more cooperation with landowners.

It was a good bill and it had the endorsement of the western Governors of our country, the endorsement of the environmental community, and we had several hearings on it here in Washington. We also had a hearing on the bill in Ronan, MT.

Now, as some of you may know, Ronan is in western Montana, south of Flathead Lake, in the heart of grizzly country. We had the hearing in July, on a Saturday, at the local high school. It was packed.

Hundreds of people attended. And more than 70 testified. Some represented groups like the Stockgrowers, the Mining Association, and the Sierra Club. Others were there because of their deep personal interest in this legislation.

The hearing started out a little tense. But by the time it ended 7 hours later, there was a sense that we agreed more than we disagreed. That we could get beyond politics and find ways to work together. That we could have a strong Endangered Species Act and a strong economy.

When it comes to the reauthorization of the Endangered Species Act, we need the same kind of an approach.

In fact, some of the people involved in that hearing have established the Montana Endangered Species Act Reauthorization Committee. It includes Democrats and Republicans, loggers and environmentalists.

They, too, have come together—not in support of a moratorium, but in support of commonsense reforms that will protect wildlife while improving the practical operation of the Endangered Species Act.

I suggest that we take the same approach here, that we get beyond the slogans and the politics, that we lift the moratorium, and that we concentrate on what the people back home sent us here to do—that is, to work together to resolve differences and solve problems.

I know the Senator from Idaho is going to engage in that effort on the subcommittee. Mr. President, on the Safe Drinking Water Act, he worked diligently to get groups together. There was not a lot of politicking and sloganeering going on, or headline grabbing. He did a great job in helping to get groups together in a commonsense way. It is the same approach we must take in the Endangered Species Act, not engage in sloganeering, which tends to cause more problems than solve problems.

I thank the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, last year, Congress put a hold on listing of endangered species and the designation of critical habitat that went along with that to give us time to reauthorize the Endangered Species Act. We called a timeout on new listings so we could reexamine a 20-year-old law without the pressure of new listing decisions.

Authorization for appropriations ended on September 30, 1992 —3½ years ago. Mr. President, we have been operating without an authorization for this act, and that is because so many things have been done that are far beyond the bounds of common sense. The moratorium was to give us the timeout so that we would be able to put listings on under the new reauthorization, to pass without opposition in the House of Representatives, and with 60 votes here in the Senate—a clear mandate to say, wait a minute, let us stop doing things that do not make sense under a law that is not reauthorized, and let us talk about what we ought to be doing to protect the endangered species of our country. But let us do it without taking private property rights and without hurting jobs, without hurting the economy in this country. We can do both. We can have a positive solution.

But, Mr. President, there are 239 species that are ready to be listed. In fact, we have tried to work with the other side to make sure that the listings could be prepared and that the funding was there to prepare the listings along the way. We have done that in good faith. We did not think that someone would come up and try to use the fact that we had, in good faith, allowed the Department to continue to do all of the preliminary listing procedures, and then spring 239 species that could cause untold economic damage on States all over our country.

No, we acted in good faith. We believed that the right thing to do was to have a moratorium until we have a reauthorization so that we can then list, taking into account some of the new measures that we hope to have that will encourage conservation, that will encourage the endangered species protection, through voluntary means, or other incentives. Those are the things that are not allowed today but will be allowed under the reauthorization.

We are not putting potentially endangered species at risk. The ones that are an emergency could be listed today. In fact, one of the things that we want to do is make sure that an emergency listing would be available. But, in fact, Mr. President, we are going to debate tonight—as I understand it, we do not have a time agreement at this point, but we are going to debate the merits of lifting the moratorium prematurely. That is really the issue here.

We have agreed on two occasions in this body, and on the House side, that we should not act precipitously. Now, all of a sudden, the same people who are fighting the reauthorization are now saying to lift the moratorium. I really do not think that it is the way we should do business here. I think we have been acting in good faith. We have done the things that we have been asked to do to try to take that timeout, so that when we have a reauthorized act we can come back in and make sure that the species that are scientifically designated as endangered will, in fact, be protected. That is what all of us want.

If we free those species—the 239 that we have allowed to be prepared to be listed when, in fact, they are being prepared under the old act—I think we

will do a lot of harm to many States—my State, the State of California, Arizona, and many States across this country are going to have significant economic impact if we do this. Mr. President, it is not necessary. There is no reason to act precipitously on this omnibus bill that we are trying to get through. We are trying to fund Government until the end of this fiscal year.

Mr. President, there is no reason to put something on that is so extraneous, that causes this kind of debate right at a time when we are trying to work with the other side to come up with an agreement that will fund Government until the end of this fiscal year so that we can start turning toward the next fiscal year, which is going to take our time.

Mr. President, I think this is the wrong thing at the wrong time. This is like saying we have this modern, new automobile but we are going to put Model T parts in it because that is what we have on hand. Let us not do that. That is not the way to do business.

I am going to speak on this issue again. But, Mr. President, I want to lay the groundwork for what I think is a terrible injustice. I think it is breaking a gentleman's agreement that we had that we would work together for reauthorization because I assumed that was everyone's goal. But to have a lifting of the moratorium before the reauthorization comes, I think, is the wrong thing to do for our country, for the private property owners in our country, for the small business people in our country, and for the working people who could lose their jobs if this happens. This is not right, and I hope the Members will turn it back. I hope the Members will do the right thing and let us proceed with Senator KEMPTHORNE to reauthorize in a judicious way.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, there have been several references to people resisting the reauthorization of the Endangered Species Act. I do not know who the references are to. But it certainly is clear that if this moratorium is extended, the pressure to reauthorize the Endangered Species Act is reduced. The best way to get the Endangered Species Act reauthorized is to get rid of this moratorium and have everybody concentrate their energies on the reauthorization. Certainly, as far as I am concerned, those on the committee—and certainly the subcommittee headed by the Senator from Idaho—have been working to get this act reauthorized. So, I for one have seen no resistance to the reauthorization of the act from any individual that I know.

Let us just review the bidding, if we might. When President Nixon signed the Endangered Species Act in 1973, this is what he said:

> Nothing is more priceless or more worthy of preservation than the rich array of animal life with which our country has been blessed. It is a many faceted treasure for valued scholars, scientists, and nature lovers alike, and it forms a vital part of the heritage we share as all Americans. I congratulate Congress for taking this important step toward protecting a heritage which we hold in trust to countless future generations of our fellow citizens.

That is what President Nixon said when he signed the Endangered Species Act in 1973. The importance of America's natural heritage is exactly what we are debating here today—whether as a Nation we should conserve those plants, species, and animals which we know to be threatened with extinction, or whether we should knowingly choose not to protect those imperiled species.

I support Senator REID's amendment to strike the provisions which would impose a moratorium on adding new species to the threatened and endangered list. A blanket moratorium on listing new species undercuts the goals of the Endangered Species Act and undermines our Nation's strong bipartisan—I stress bipartisan—history of conservation. This is not a Republican measure. This is not a Democratic measure. The efforts to preserve the endangered species of America has been a bipartisan effort, signed, as I pointed out, by President Nixon in 1973 and passed by a Democratic Congress at that time.

Let me take a moment, if I might, to speak about the broader issue that led me to support an effective law to protect endangered species. I share the belief of many across our land that each species is intrinsically valuable whether or not it is of obvious use to mankind.

I note that when Noah led the animals into the ark, he included all species. If I could quote, ''One pair male and female of all beasts, clean and unclean, of birds and everything that crawls on the ground.'' And God did not direct him to select only the most beautiful animals or those plants that might have some particular use to mankind and perhaps to help him to cure cancer, whatever it might be. Noah saved all creatures.

One great strength of the Endangered Species Act is that it does not just single out the bald eagle, or the bison, or the California whale, or whatever it might be—some majestic symbol such as the grizzly bear. It protects every endangered species and its essential habitat—and I stress the habitat—simply because it is threatened with extinction. Despite all the advantages of modern science, we really do not understand the implications, the chain reaction that will be set in motion when a given species vanishes. So, we should do all we can to avoid taking such a chance.

Since last April, a moratorium has been in place on adding any new species to the threatened and endangered list maintained by the Fish and Wildlife Service. Listen to this. Since last April a moratorium has been in place on adding any new species to the threatened and endangered list, and for the past 5 months the Service has had no funding to carry out any new listing activities. As a result, species in need are not protected by the law. They are piling up on the proposed candidate list. There are no new listings of endangered or threatened. The Service can put those on the proposed and candidate list but not the threatened or the endangered list.

Under the regular process established under the Endangered Species Act, species are added to the endangered and threatened list by the Secretary of the Interior based upon the best scientific knowledge available. This takes years and involves several stages of review. It is not done haphazardly. It takes public notice, comment, and hearings, if requested, and, once listed, the Federal Government is committed to conserve these species, and they are subject to the protections of the act; that is, if they are listed as threatened or endangered.

Currently, the Fish and Wildlife Service has 243 species, 196 of which are plants proposed for listing under the Endangered Species Act. Proposed species have been subject to a full scientific review and considered to be at risk so as to require the protections of the act. There are 182 species on the Fish and Wildlife Service list of candidates. That is species thought to warrant protection for which the Service has not yet had the resources to conduct a full review. Neither the proposed nor the candidate species are subject to the protections of the Endangered Species Act.

In other words, all that is taking place now, there is no protection out there for those that are proposed or candidate. If they are already on the list and endangered, and they have been so listed in the past, that is OK. But they are discovering new species that are proposed and candidates but they are not subject to any of the protections of the Endangered Species Act. In other words, proposed and candidate species—let us take plants for example—can be ripped up, hunted, and sold, or the animals can still be hunted. In other words, what we are doing is taking those that once upon a time seemed in pretty good shape, but they were proposed, or candidates, and now they are becoming more and more endangered because there is no protection of them.

That is no way to do business. Why should we care that species that are in danger of extinction are left unprotected and are piling up on these lists of proposed and candidates? The reasons are practical as well as ethical. Failure to recognize and address the risk to imperiled species and doing something about them now will make it much more difficult and more expensive to conserve in the future. For one thing, destruction of habitat that is essential for the survival of the proposed and candidate species can proceed unchanged.

In other words, yes, they are potentially in danger, but you cannot do anything about it. You cannot do anything about their habitat preservation.

Thus, a prolonged moratorium on listing is likely to cause further declines in the status of those species that are precluded from the protections of the Endangered Species Act. The moratorium may eliminate conservation options that are available now. In other words, the longer the moratorium goes on, the less chance there is to come up with a variety of options to save these endangered species. You cannot do anything about them.

Each month the moratorium drags on increases the size of the backlog of work for the biologists at the Fish and Wildlife Service. This backlog and the lack of funding for listing activities such as research and monitoring will lead inevitably to further delays and inefficiencies down the road. Most importantly, it seems to me, Mr. President, by refusing to protect these species, we fail to live up to our moral obligation to act as good stewards.

Mr. President, the Endangered Species Act is far from perfect. It can and should be improved. And with respect to private property rights, the act should include more carrots and fewer sticks—more inducements and fewer prohibitions. We recognize that. But we are not going to solve the problems of the Endangered Species Act by ignoring species that we know are in grave danger.

That is no way to solve the problem. The problems with the current Endangered Species Act are not solved by cutting off funds that are necessary for Fish and Wildlife to carry out its responsibilities.

The problems with the current Endangered Species Act should be addressed through the normal authorization process, and that is what we are trying to do.

I pay tribute to the chairman of the particular subcommittee in the Environment and Public Works Committee, the junior Senator from Idaho, for the hearings he has held and attempts he is making to reauthorize this act. It is no easy job. We have had six hearings, three of them in the West, on the reauthorization of the act. We have heard from 100 witnesses, and many of them have come up with good proposals. These hearings, as I say, ably chaired by the junior Senator from Idaho, were constructive and form the basis for continuing discussions.

So we are meeting, the staffs and members of the committee are meeting regularly, working on legislation to reform the law. Certainly, my best efforts will be put toward supporting a responsible Endangered Species Act this year, and I look forward to working with all Senators to complete successfully that important task.

However, I do not believe that the moratorium provisions contained in this appropriations bill constitute a responsible step toward completion of the reauthorization process. Enactment of the reauthorization is not going to be easy. We know that through these meetings and hearings that we have had. The only way it is going to come about is if Senators are willing to back away from fixed positions and inform their constituents that their constituents are not going to get everything each one wants, either the environmentalists, the lumbermen, or whoever it might be. So Senator KEMPTHORNE, Senator BAUCUS, Senator REID, and I are working together striving to reach a consensus on legislation to improve the act. Our staffs are meeting, and we believe we are making good progress.

So, again, I wish to make it clear that I am in favor of passing legislation to improve the act. And I seek to report a bill from the committee this spring. But I believe a moratorium on adding new species to the threatened and endangered list is just plain wrong. A moratorium causes new problems and compounds the difficulties we are facing. It does not make it easier. It makes it more difficult. Meanwhile, the protections are not there that should be there, the protections of the flora and fauna, the animals involved, and also their habitat that should be theirs.

So, Mr. President, I hope the Reid amendment will be adopted.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, before the chairman of the committee leaves, I wish to extend to him my appreciation for the work he has done as chairman of the committee, and especially the guidance and, in effect, free hand he has given the chairman of the subcommittee, the junior Senator from Idaho, and myself to work on reauthorizing this legislation.

As the chairman has pointed out, it is difficult legislation. We have been working hard on this. Our staffs have had numerous meetings not once every quarter, once every month, but numerous times. We have come a long way toward each other's position. As I mentioned in my opening statement, it is not unthinkable that we could come up with an agreement on reauthorization of the Endangered Species Act. So I appreciate the statement of the chairman. I appreciate the support of this amendment.

Also, Mr. President, I underline and underscore what the full committee chairman has said. This amendment should not be approached on a partisan basis. For instance, as important and as successful as it has been, Democrats cannot take all the credit for passing the Clean Water Act. One President who did a great deal for environmental matters in this country was President Nixon. Some of the most influential environmental legislators we have had this century have been Republicans.

So I hope that my friends on the other side of the aisle will approach this matter with an open mind because all we are trying to do is remove this moratorium. We talk about emergency listing. Mr. President, it is used very rarely—only in imminent risk of a species being wiped out. We need, before we list species, to have good science, and this is not the way to go. This is not good science.

The emergency listing does nothing for the vast majority of 243 species that are already proposed for listing, let alone 182 candidate species. In the meantime, these species continue to decline. The emergency listing exception to the moratorium is a Band-Aid approach, Mr. President, largely a cosmetic solution to a very real problem. And there is no better example of that than what has happened with the spotted owl. The longer you wait to list, the more difficult and complicated the problem becomes.

So, Mr. President, I know there are many others on the floor who wish to speak. It is late at night. I understand there will be an offer of an agreement that will allow the Senator from Texas and the Senator from Nevada in the morning to close the debate. With that in mind, I will yield the floor.

Mr. EXON. Will the Senator yield for a question before he yields the floor?

Mr. REID. I will be happy to yield to the Senator.

Mr. EXON. Let me see if I understand the amendment the Senator is offering. As I understand it, the situation we are now confronted with is that the continuing resolutions that have been offered, the series of them and potentially more, in each and every instance the funding mechanism has been tied to a caveat that no new Endangered Species Act may be placed in force. In other words, there is a prohibition from changing or adding to the endangered species list, period, as we face the situation right now. Is that correct?

Mr. REID. The Senator is absolutely correct. Not only was there a moratorium back in April of last year offered and passed, but in addition to that, each time we come up with a continuing resolution there is no additional funding placed, so that the Fish and Wildlife Service and the National Marine Fisheries Service simply are without any funds to list anything. So we have two problems: One is no money and a moratorium on further listing.

Mr. EXON. I was able to hear only the tail end of the remarks made by the chairman of the committee. I hope something could be worked out.

I have some concerns that the EPA and the Fish and Wildlife Service are so restricted now that they could not put something on the list that was really endangered. On the other hand, I happen to feel that the bureaucracy in this area has gone overboard in some areas, by the number of species that they have placed on this list. If the amendment offered by the Senator from Nevada becomes law, would that open up the situation to where the Federal bureaucracy, who has the responsibility for doing the scientific research,

supposedly, and then making a determination as to what species should go on the endangered list—would they be free and clear to proceed with the investigation and the identification of endangered species exactly the way they were before the prohibition was put into the law on the continuing number of continuing resolutions?

Mr. REID. I respond to my friend, we have talked about this. I am happy to, again, address this.

As the chairman of the full committee and I feel, the moratorium has been very detrimental to scientific listing of plants and animals. During the period of time this moratorium has been in effect, the Senator from Nevada and the junior Senator from Idaho have been working on a reauthorization of the Endangered Species Act. I acknowledge that we need to reauthorize the Endangered Species Act and make some changes in it. We need more public input. We need more involvement of the State governments that simply are not allowed in the act anymore. We need peer review. We need better science in listing these species. And there are a number of other proposals that I think—I do not think, I know the Senator from Idaho, as chairman of the subcommittee, and I want to put into a bill for reauthorization. What the moratorium has done, as far as this Senator is concerned, is it has prevented us from going forward on reauthorization, because there are some who simply want no further listing.

As I mentioned just a short time ago, I say to the Senator from Nebraska, when the moratorium went into effect we had 182 candidate species, and in addition to that we had 243 species already listed with which we have not been able to go forward. I spent a good part of the debate earlier this afternoon talking about how, really, that is not helpful to us.

I say to my colleague, 80 percent of the prescription drugs that the American public goes to a drugstore to get have in them elements taken from plants. I read a series of statements from physicians saying, ''You cannot stop now. You have some of these listed. By the time you get around to listing some others they are going to be gone.'' I also say to my friend, although recognizing the Endangered Species Act as it is written needs changing, we cannot, while we are trying to make the act better, let these species become extinct. And it is not a left-wing cabal that is pushing getting rid of this moratorium. There is a group of Evangelical Christians who are saying, ''You cannot do this. You have to support the listing of these endangered species. Because once they are gone they are gone.''

So I say to my friend from Nebraska, I recognize that the Endangered Species Act has some problems, but we are trying to correct that. The junior Senator from Idaho and the Senator from Nevada have been working to come up with a bill that we hope to get out on the floor this session, I hope. But in the meantime we cannot let all these species that are becoming extinct become extinct.

Mr. EXON. I am not a member of the committee so I am not fully informed on all of these issues. I appreciate very much the explanation that is being given by my friend from Nevada.

Under the system that we have always had with regard to the identification of endangered species, as I understand it, it was that the agency of jurisdiction would do scientific research which they would manage and direct to determine whether something was really endangered or not, or to what degree it was endangered.

But after the agency of jurisdiction makes that determination, then do they have, under the law, authority, as part of the bureaucracy, to say, All right, that plant or that animal or that fish is an endangered species, and we so designate it as an endangered species and that is it?

Mr. REID. Well, yes, I guess in short term that is it. One of the things we need to work on, and we are working on in the reauthorization of this bill, is to allow better science and to allow more than just the Federal agencies to have some voice in whether or not a species is threatened.

Mr. EXON. How do you propose to do that?

Mr. REID. We are going to do that in a number of different ways. We are going to allow better peer review, that is more scientific input, and also allow State and/or local government some input into whether or not the listing should take place.

Mr. EXON. But the final decision still rests with the agency of jurisdiction?

Mr. REID. The final decision would rest with the agency of jurisdiction. However, I think under the proposal of the Senator from Idaho and myself, prior to arriving at that point there would be a much more deliberative process than there is now.

Mr. EXON. Has the Senator ever considered the possibility of having these people proceed as they have with the identification of an endangered species, and then, before we added more species to that list, it be voted on by the Congress of the United States?

Mr. REID. There has been consideration given to that. But, I would say to my friend from Nebraska, that I think, as I have indicated, we now have 243 species that have already been listed and we have 182 candidate species. I do not really think that should be the role of Congress, to vote on each of those.

We could spend a lot of time that should be spent in the agencies of government, both Federal and State. Of all of the numerous special interest groups I have listened to—homebuilders and contractors, labor unions, environmental groups—I do not think anyone has suggested we should vote on each one of those. I think they all suggest that the process should be more deliberative in nature and allow more input from the private sector, not because the Federal agencies have done anything wrong in listing the endangered species, but the purpose is to allow State governments and the local entities to feel better about the listing, so they understand it better.

To this point it has all been done by the Federal Government and there has not been enough input from State and local governments. So, I would say to my friend, I think the main thing we have to take into consideration is there probably have been some listings that have been wrong, although I do not know of any. But I think the problem is—take, for example, in Nevada. We have, surprisingly enough, word that we are the fourth highest State in the whole Nation for endangered species. It is surprising to some people because we are an arid State. But one that caused a lot of attention was the desert tortoise in southern Nevada. It literally brought construction in rapidly growing Las Vegas to a standstill until we worked it out.

I do not think, in hindsight, there was anything wrong in listing the desert tortoise. But State and local governments should have had more input in that listing, rather than having it just given to us all at one time, and that is what we are trying to do in the reauthorization.

Mr. EXON. I agree with my friend. I am not sure with how much I disagree, though. I generally have been supportive of all the agencies that have something to do with this matter. I think the environment is very, very important. I do, though, think maybe sometimes we, here in the Congress, give too much authority to the bureaucracy to make determinations. At one time —I do not know whether it is by the boards or not, now—but they talked about putting the rattlesnake on the endangered species list. Those of us who have been born and raised and been around rattlesnakes, we really do not believe they are endangered now, and I do not believe they are.

But it seems to me at least maybe we should consider—not that we can take the time to go through each and every one of these things, but certainly, possibly, we should at least consider the possibility, when something is put on the endangered species list, whether it is one species or 100 species, at one time, maybe the bureaucracy should have to make a better case to the people's representatives here, to say yes or no, rather than, carte blanche, giving them the authority after the input that you say should be improved with regard to State and local governments.

I am just saying that I have some concerns. I think this whole matter of endangered species has been overstated, and yet, I must say to my friend, I congratulate him for bringing this up, because when we have a situation today when we cannot add on anything, even though they are critically endangered, it is a concern to me.

Mr. REID. I respond to my friend, we not only have a danger of the listing, but to this Senator a real concern about not listing. If we wait too long—and that is what we are doing in this instance. I indicated we have 243 that are waiting to be listed. We need to proceed. Not listing is a concern.

I also say to my friend from Nebraska, in a Nickles-REID amendment that was adopted by this body 100 to 0 last year, which was an amendment to the Comprehensive Regulatory Reform Act which we received from the House of Representatives, we said that if there is a regulation promulgated by a Federal Agency that has a certain financial impact, we in Congress would have 45 days to look at that, and if we did not like it, we could rescind it legislatively. That is, I am quite certain, going to come back when we do regulation reform in the next few days.

So under that proposal, if something happened like listing an endangered species in Las Vegas that certainly had a financial impact on the level Senator NICKLES and I talked about, in that instance, we would have had the ability in Congress, if the action had been grievous enough, to rescind the action of the Fish and Wildlife Service.

Mr. EXON. To use an example, and then I will yield the floor, if the controlling agency would declare the rattlesnake an endangered species, we in the Congress could override that under what you have in place?

Mr. REID. Under the Nickles-REID amendment, if the financial impact is such, as they were told it was in southern Nevada, if there is no financial impact, we continue. But if there is a financial impact, this Congress would have a right because that is a regulation and rule promulgated by the Fish and Wildlife Service.

Mr. EXON. I thank my friend for answering my questions. I have some concerns on both sides of the issue. Mr. President, I thank him very much. I yield the floor.

Mr. REID. I say, as usual, my friend from Nebraska asked piercing questions, and during his entire time in the Senate he has always been on top of the issues. I appreciate the questions.

Mr. President, I ask unanimous consent that Senator AKAKA be added as a cosponsor to this amendment.

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

Mr. LIEBERMAN. Mr. President, I believe this Congress erred last year when it allowed passage of a moratorium on new listings of endangered species, and new designations of critical habitat. This action did nothing to reduce the decline of wild plants and animals in our Nation, and across the world. If anything, the need to prevent their loss has grown, as God's creatures continue to lose a growing war against them. The moratorium did nothing to reduce the complications or costs of protecting them. In all likelihood, it has only made it more difficult as valuable time, and preferable management options, have been lost. The moratorium provided no funds to stimulate new approaches for conservation. It provided no financial incentives for private landowners. It did nothing to streamline listing procedures or tighten the quality of scientific determinations of species' risk. Instead, it built a false hope that somehow these problems would simply go away if we tried to put them away.

It is understandable that nature does not heed man's advice. But it is unfortunate that we fail to heed nature's advice when it is so plain. Wild plants and animals are declining at rates thousands of times faster today than ever before in the fossil record. It is no coincidence that man's population, our thirst for natural resources, and our environmental problems, have grown just as fast in the opposite direction. Our ability to intelligently and effectively manage our resources has not kept pace with our ability, or desire, to use them. That is why we developed an Endangered Species Act and other laws for the conservation of wild plants and animals, and the basic natural resources upon which both they, and we, depend. We must do a better job of managing all natural resources for the complete spectrum of human needs they satisfy, and all of the values they provide. Man cannot live by bread alone.

There are many arguments pro and con about the effectiveness of the ESA. Some say our success rate at saving species is too low to be worth the effort. Others say that it is too little, too late. For sure, the odds are against us when we let problems get so far out of hand. So it is a great credit to everyone involved in recovery of endangered species that we have so many great success stories like the peregrine falcon, bald eagle, and Pacific yew tree. But I say that the single most important measure of success for the ESA is whether it has really made us better stewards of our resources.

Without a doubt it has. Federal and State agencies pursue multiple use goals and conflict resolution with far greater expertise than they otherwise might. Some very bad government projects have been scrapped or modified over the years. Private conservation efforts are far more sophisticated and widespread. Other nations look more carefully at their actions. Science has pushed farther and wider to understand the causes of species decline, as well as the cures. Because of our concern about other creatures we have learned more about saving ourselves and leading better, more sustainable lives than we could ever have hoped all alone. Perhaps that is one reason God put them here with us. Perhaps our journey should not be alone.

I recognize that stewardship comes with sacrifice. And I recognize that it can be misdirected at times. I support reforms to the ESA that ensure that the sacrifices involved are reasonable, supportable, and specifically targeted toward the prevention of species' decline, or their recovery. While the ESA moratorium has done virtually nothing to further progress in these areas, we are fortunate to have an administration that has been busy nonetheless.

In this past year the Secretary of the Interior has implemented a broad series of administrative reforms to the ESA, including listing procedures for endangered species, that go a long way toward solving problems that may have existed with it. This reform plan includes stronger peer review of listings to ensure good science; a safe harbor policy for landowners creating new habitat; speedy habitat conservation plans and negotiated regional habitat protection approaches; greater State and local involvement in recovery planning; and recommendations for new positive incentives for landowners. In addition, the list of so called ''candidate species'' has been updated after careful scientific peer review. The procedure for listing candidates has been changed so that only those species meeting a higher standard of scientific information are included.

Last April when Congress added the ESA moratorium to the Defense supplemental appropriations bill it singled out the ESA, and inaccurately portrayed it as the cause of many of our Nation's economic woes. For the past year our economy has been no significantly different than it would have without this moratorium. Today we can set the record straight by ending this moratorium and providing an appropriate level of funds to get the law working again.

More than a century ago Sir Arthur Conan Doyle, author of the famous Sherlock Holmes mysteries, wrote: ''so often those who try to rise above nature are condemned to fall beneath it.'' Let's not make that mistake with the ESA by suggesting that a blind eye sees a brighter future. Let's get back on track with the implementation of the ESA with its new reforms, and resolve not to waste any more time. For many creatures, time is running out.

Mr. CRAIG. Mr. President, authorization of the Endangered Species Act expired nearly 4 years ago on September 30, 1992. Since then, Congress has kept the law alive by feeding it new appropriations each year. Funding without authorization is not the way to enact policy, especially one with such a high profile and one which produces such profound effects on our environment and our economy.

I have been to the floor numerous times in those 4 years to recount serious problems with the law as it is being administered.

It is far too costly; $500 million per year is being spent on Snake River salmon alone. No economic commonsense is being applied—or required—under the current law.

The section 7 consultation process is out of control. Dozens of projects have

been delayed past the point of economic viability while waiting for concurrence from the National Marine Fisheries Service.

One year ago, a complete shutdown of all multiple use activities on 6 Idaho national forests nearly became a reality because of confusion over section 7.

Even today, the Forest Service is proposing to shut down guided rafting trips on the Salmon River to protect spawning salmon. But they are proposing to stop rafting at times of the year when there are no fish in the river. None of this makes any sense, and it unnecessarily angers people, but that is the way the law is being applied.

The law makes enemies of private landowners because of the regulation and fear it engenders. You don't build cooperation for endangered species by taking a person's rights or their land.

Despite the obvious need to reauthorize the ESA, reform legislation has been locked in the Senate Environment and Public Works Committee year after year.

My patience has run out. The authorizing committee must generate action on the two reform bills which have sat in committee for months—Senator GORTON's S. 768 and Senator KEMPTHORNE's S. 1364. I am a cosponsor of both bills.

Until we turn seriously to the matter of reauthorization, I will continue to support the moratorium on new listings and designations of critical habitat.

The people of Idaho and the Nation continue to believe that conserving fish and wildlife species for the enjoyment of future generations is still the right thing to do. They want to make changes to the law, but don't want to see the Endangered Species Act eliminated.

Senator KEMPTHORNE's bill walks that line by: using incentives on private lands, not regulations; granting States a greater role; offering realistic conservation alternatives; and requiring that priorities be set and costs controlled.

The committee has been ignoring these good ideas. They are covering their eyes and pretending that no significant problems exist while holding ESA reauthorization at bay.

I am confident we can reform the law in a way which will win the confidence of the American public. We must give it a try. I challenge the committee to move toward open debate and consideration of reform legislation.

Until that happens, I will support the moratorium.

AMENDMENT NO. 3479 TO AMENDMENT NO. 3478

Mrs. HUTCHISON. Mr. President, I offer an amendment to the Reid amendment. I send it to the desk and ask for its immediate consideration. This is a Hutchison-Kempthorne amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas [Mrs. HUTCHISON], for herself and Mr. KEMPTHORNE, proposes an amendment numbered 3479 to amendment No. 3478.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

In the language proposed to be stricken, on page 75 insert the following: ''*Provided further,* That no monies appropriated under this Act or any other law shall be used by the Secretary of Commerce to issue final determinations under subsections (a), (b), (c), (e), (g) or (i) of section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533), until such time as legislation reauthorizing the Act is enacted or until the end of fiscal year 1996, whichever is earlier, except that monies appropriated under this Act may be used to delist or reclassify species pursuant to subsections 4(a)(2)(B), 4(c)(2)(B)(I), and 4(c)(2)(B)(ii) of the Endangered Species Act, and may be used to issue emergency listings under section 4(b)(7) of the Endangered Species Act.''

On page 412, line 23, strike ''$497,670,000'' and insert ''$497,670,001''.

On page 412, line 24, after ''1997,'', insert the following: ''of which $750,001 shall be available for species listings under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533),''.

In the language proposed to be stricken, strike all after the word 1997 on page 413, line 11, through the word Act on page 413, line 20, and insert the following: ''*Provided further,* That no monies appropriated under this Act or any other law shall be used by the Secretary of the Interior to issue final determinations under subsections (a), (b), (c), (e), (g) or (i) of section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533), until such time as legislation reauthorizing the Act is enacted or until the end of fiscal year 1996, whichever is earlier, except that monies appropriated under this Act may be used to delist or reclassify species pursuant to subsections 4(a)(2)(B), 4(c)(2)(B)(I), and 4(c)(2)(B)(ii) of the Endangered Species Act, and may be used to issue emergency listings under section 4(b)(7) of the Endangered Species Act.''

On page 461, line 24, strike ''$1,255,005,000'' and insert ''$1,255,004,999''.

On page 462, line 5, before the colon, insert the following: '', of which not more than $81,349,999 is available for travel expenses''.

UNANIMOUS-CONSENT AGREEMENT

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the Senate resume consideration of the Hutchison-Kempthorne amendment to the Reid amendment at 9:30 a.m. on Wednesday, March 13, after the Members who are here have had a chance to debate, of course; that there be 30 minutes of debate equally divided between Senators HUTCHISON and REID; further, that immediately following that debate, the amendments be temporarily set aside; that immediately following the cloture vote at 2 o'clock p.m., Senator REID be recognized to make a motion to table the Hutchison amendment; further, if the Hutchison amendment is not tabled, the Senate proceed to a vote on the amendment without intervening action, to be followed immediately by a vote on the Reid amendment, as amended, if amended.

The PRESIDING OFFICER. Is there objection?

Mr. CHAFEE. Mr. President, I do not intend to object, but I want to ask one question, if I might. If I understood the proposal correctly, there will be adequate time this evening for further discussion. So the Senator is not cutting things off right now, as I understand it?

Mrs. HUTCHISON. That is correct, Mr. President. The floor will be open for debate unlimited tonight, but this will take effect after the debate has finished tonight, and it will be the procedural order.

Mr. CHAFEE. Mr. President, I thank the Senator.

Mr. REID. Reserving the right to object, Mr. President.

The PRESIDING OFFICER. There is no reservation of the right to object. The Senator is recognized for an inquiry.

Mr. REID. Mr. President, just so I understand the unanimous-consent request, there will be 15 minutes controlled by the Senator from Nevada and 15 minutes controlled by the Senators from Idaho and Texas in the morning?

Mrs. HUTCHISON. That is correct, Mr. President.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Texas is recognized.

ORDER OF PROCEDURE

Mrs. HUTCHISON. Mr. President, I announce, on behalf of the leader, that there will be no further votes tonight, and that the votes will occur as described in the previous order.

The PRESIDING OFFICER. Who seeks recognition? The Senator from Idaho is recognized.

Mr. KEMPTHORNE. Mr. President, let me acknowledge the chairman of the Environment and Public Works Committee, Senator CHAFEE, who spoke just a few moments ago. He referenced the hearings that we held around the country. I want to compliment Senator CHAFEE, because while he is the chairman of the full committee, he still attended all the hearings. In addition to the hearings, he took part in the field trips associated with them. That fact just speaks volumes as to how he is approaching this issue—trying to see the perspective of those of us from States that are natural resource based who feel how onerous the Endangered Species Act has been in its administration. I think he also heard from the people in the West that they support the goals of the Endangered Species Act. They want to make it work. Right now, it is not working.

Senator REID, who is the ranking member of the subcommittee that I am privileged to chair, has pointed out that we are engaged in those sessions

where we regularly are discussing the elements of a reauthorization of the Endangered Species Act. Our staffs are fully engaged in this so that we can come up with a reform of the Endangered Species Act, because just as Senator REID has stated that he has heard no group say that we ought to abolish the Endangered Species Act, I do not think I have heard of any Senator saying we should not reform the existing act. So we are engaged in that.

Senator CHAFEE and Senator BAUCUS, who spoke moments ago, said that we ought to abandon any sloganeering and the rhetoric. Boy, do I agree with that.

This issue on the Endangered Species Act, without question, is one of the most polarized issues that Congress will deal with, because you are so quickly labeled if you deal with the Endangered Species Act. You are going to be labeled either antibusiness or antienvironment. Now choose. But which of those is a winning label?

That is why we have to stop this nonsense of the rhetoric that is escalating this and do what is right for the species and for the people who are the stewards of this land trying to protect the species and bring about the well-being of these species.

We undertook this same sort of effort with the Safe Drinking Water Act: 10 months of sitting down at the table, back and forth, back and forth. And I will tell you, for a number of those months, Senator CHAFEE and I did not agree. But we ultimately agreed, as did Senator BAUCUS and Senator REID.

We are trying to do the same sort of process so that we can bring about meaningful reform of the Endangered Species Act.

I do not know if it is possible this year. I do not know if this thing has been so highly politically charged and if somebody has made a determination that this is going to be the political litmus test on whether or not you are proenvironment or not. If that has happened, then we can stop right now, because it will not happen. We will play politics with it. And that is wrong.

I stood here on the floor of the Senate when we dealt with the enactment of the funds for listing activities, the rescission package. I stood here and I defended the money that was authorized and appropriated because it is a meaningful activity. I am pleased to cosponsor the second-degree amendment offered by the Senator from Texas, Senator HUTCHISON, because the amendment is very straightforward. It allows all listing-related activities except the final determination that a species is threatened or endangered. And significantly, it also allows the Secretary to emergency list a species under the existing regulations. It also allows the down listing of endangered to threatened and the delisting of final rules. Straightforward.

I want to discuss then the very real need for Endangered Species Act reform and the role of the current moratorium that is on the books right now and how it applies. When we enacted the moratorium initially last year there was a sense that we needed a timeout from the listing process, a sense that the Endangered Species Act as it is currently implemented is not working. The act is not saving the species that we all want to preserve. It is not saving those species.

The purpose of the moratorium was to give all of us and the administration and Congress an opportunity to explore meaningful reform of the act to make it work better.

That purpose for the moratorium is just as relevant today and maybe even more so. Together with my colleague, Senator REID, who is the ranking member of the subcommittee that I chair, I am using this timeout to reform and improve the Endangered Species Act.

Our goal—and I emphasize the words ''our goal''—is to develop the bill over the next few weeks that will actually preserve endangered species and improve their habitat. This is a goal that we can all share. But the moratorium is an important element of that effort. People outside of the beltway who have to live with the real-life impact of the Endangered Species Act understand the importance of the moratorium.

Let me read an excerpt from a letter I received last week from the American Farm Bureau. They state:

> Authorization of the Endangered Species Act expired over 3 years ago. Congress has clearly failed in its responsibility to address the issue surrounding how our Nation is protecting endangered species. This has occurred despite the calls for change in the act from business, the environmental community, Secretary Babbitt, and others. Farmers and ranchers, thousands of whom attended ESA field hearings throughout the Nation, are concerned that a new Endangered Species Act will never even be considered by the Congress. Clearly without a listing moratorium, there is no incentive to reauthorize the act.

It is for that reason that I cosponsored the amendment by Senator HUTCHISON. The Hutchison amendment as I stated, will continue the moratorium until we either reauthorize the law or at the end of the existing fiscal year. This will keep the pressure on all of us to craft a bill that we believe addresses the real problems with the Endangered Species Act.

The moratorium also applies only to final listings. The Secretary can still perform all of his other functions under the Endangered Species Act, including all preliminary activities up to final listing and actions related to the recovery of listed species.

The Hutchison amendment improves on the current moratorium by recognizing that situations may arise where a species is really in trouble. I do not want to drive any species to extinction. I do not know of anyone else who would willingly do so. Therefore, if there is an emergency and the Secretary has complied with the other requirements of the act, the Secretary can add the species to the list and would have the authority to use this emergency listing power to protect the species.

Finally, the Hutchison amendment allows the Secretary to delist and downlist species if that action is appropriate. The moratorium is an important first step in our effort to achieve substantial reform of the Endangered Species Act.

As chairman of the Drinking Water and Fisheries and Wildlife Subcommittee I have held a number of field hearings as well as hearings here in the Nation's capital to look at the current Endangered Species Act and to identify ways to improve the act.

It is clear from the testimony we gather that the Endangered Species Act has not accomplished what Congress intended when it was written more than 20 years ago. And it is clear that it is possible to achieve better results for species by improving the act. That is what we are engaged in, trying to improve the act.

When Congress passed the Endangered Species Act of 1973, it was intended to slow the extinction of plants and animals that we share this Earth with. When former Senator Jim McClure, who was here when the ESA was first written, testified before the Environment and Public Works Committee just 2 years ago, he referred to the Endangered Species Act as a ''great and noble experiment.''

He stated it was the intent of Congress in 1973 to ''legislate the lofty ideal of a National effort to conserve species * * *.'' He also made it clear that the way the Endangered Species Act has been regulated has made a mockery of that intent. He stated that ''* * * lack of specific direction in some areas of the act could be corrected by the administrative agencies charged with implementing the act.''

But in Roseburg, OR, in Lewiston, ID, and Casper, WY, the people who live with the ESA told us correction has not happened. We heard from a rancher in Joseph, OR, who described how Federal regulators under the threat of a lawsuit from environmentalists tried to stop all grazing on forest lands in the mountains because salmon were spawning in streams that ran through the private lands below. But, in his words, ''the cows were up in the high mountains, as far from the spawning habitat as you could get.'' The ranchers had supporting letters from the Northwest Power Planning Council and the Oregon Department of Fish and Wildlife, but the Federal regulators would not see the reason to this.

We also heard from county officials in Challis, ID, about another lawsuit to shutdown all resource related activities on national forests in Custer the Lemhi Counties for the sake of preserving salmon habitat. The lawsuit would have resulted in a loss of 31 percent of the county's job and a 38-percent decrease in earnings. The impact on salmon would have been negligible since over 90 percent of the salmon spawning ground in Custer County is on private land.

We need to do a better job of making this act work, while recognizing the legitimate needs of people at the same time. We have let the regulators use the Endangered Species Act as a club against the very people who ought to help make the Endangered Species Act work * * * that is the citizens of the United States. The fact is the people spend too much time trying to comply with too much paperwork and too many regulations from too many Federal agencies. Just the consultation process alone can take years, particularly when the agencies involved disagree as they often do. In one case in Idaho, for example, a simple bridge was held up for over a year while the National Marine Fisheries Service reviewed a proposed construction plan that had been already approved by the Corps of Engineers, the Idaho Department of Fish and Game, Idaho Department of Water Resources, and Idaho Department of Environmental Quality. The National Marine Fisheries Service ultimately prevailed. Their bridge cost over four times as much as the original approved design.

Citizens spent too much time being afraid that a threatened or an endangered species will appear on their land and they will then be told what they can and cannot do with their land. In our field hearings, for example, several people testified that land owners who had previously managed their land intelligently in a way to preserve older trees are now cutting them down quickly because they are scared. They are scared that the Federal Government will find new endangered or threatened species down the road and come in and tell them that they will not be able to cut down their trees in the future.

The Endangered Species Act needs to be carefully reviewed, carefully debated, carefully rewritten so that it accomplishes its fundamental purpose to conserve species. We cannot wait any longer. The original reasons for the moratorium remain valid. Until the Endangered Species Act is reformed to accomplish what it was intended to do, there is no reason to add more species to it.

The only condition for removing the moratorium was reform to the Endangered Species Act. Interior Secretary Bruce Babbitt initially said there was no need for legislative changes in the act. After 2 years, though, of initiating administrative corrections to the act, he told my subcommittee that he was recommending a 10-point legislative plan to address endangered species. A 10-point legislative plan.

It appeared the changes he recommended were largely to bring the Endangered Species Act into compliance with his administrative changes. In fact, a major landowner who has spent literally millions of dollars to comply with the Secretary's administrative changes told our committee that they were not sure how their investment would hold up in the courts if they were ever challenged because the changes are not part of the law.

I saw a very real need to include the Secretary's plan in my bill, and so the Secretary's 10-point plan is part of the reform that is being offered.

I also looked at the Western Governor's Association who had been through an exhaustive process to determine what that bipartisan group of Governors needed by way of Endangered Species Act reform. We have incorporated all of the language of the Western Governor's Association into this reform that we are bringing forward.

Last month the President was in Idaho addressing the needs of flood victims in the northern part of my State. During the course of his visit we had a good discussion about these environmental issues. Working off of the cooperation between Federal, State and local governments who are working together to help flood victims, the President acknowledged and made the point that we need to establish the same sort of partnership to reform the Endangered Species Act. I want to take him up on that challenge.

I want to take this opportunity to again compliment Senator REID, because we are working through this process. I hope it will bear the results that we are after. It should. We are making a good-faith effort. It should because it needs to be done. It should because we ought to do it this year instead of having to see that it becomes political fodder and we cannot deal with it.

I want to move forward this year with kind of a bipartisan bill that will incorporate the very real changes that everyone agrees are needed. Until then it only seems appropriate that the timeout represented by the moratorium is the best way to encourage everyone to stay at the table until we get this job done.

Perhaps the administration agrees. The moratorium was not in force during certain periods between continuing resolutions during 1995. The Secretary announced that he was not going to rush through various listing packages or critical habitat designations during that time. Instead, he honored the intent of the moratorium. Why honor the intent of the moratorium when it did not apply, and now seek to overturn it during an emergency bill?

There is an emergency in America concerning the Endangered Species Act. And from the view of my State, that need must be addressed by reform, not just adding more species to the list. If there is an emergency with regards to a particular species as a result of this moratorium, let Members address that.

It is evident to me that if we are to move forward to a safer, cleaner, healthier future, we have to change the way Washington regulates laws like the Endangered Species Act. States and communities must be allowed, even encouraged, to take a greater role in environmental regulations and oversight. After all, who knows better about what each community needs, a local leader or someone hundreds of miles away in Washington, DC?

There are national environmental standards that must be set in the Endangered Species Act, and the Federal Government must make that determination, but Federal resources must be targeted and allocated more effectively, and that's why we must have a greater involvement by State and local officials.

The improvements we need in Washington go beyond State and local involvement. We need to plan for the future of our children, not just for today. Science and technology are constantly changing and improving. In the case of the Endangered Species Act, the Federal Government hasn't kept up with these improvements, and old regulations have become outdated and don't do the best job they can. That is why I want to reform the Endangered Species Act.

In the meantime, Mr. President, I think the moratorium on listings is the best tool we have to ensure that we continue to work toward meaningful reform of the Endangered Species Act.

I conclude by saying this: As I listened to Senator REID make his points about the areas that he thinks we should focus on, I do not find myself in disagreement. He is touching on a number of those issues that I do think we need to deal with. We may have a different approach as to how we correct them. That is what we are discussing at our sessions that we regularly conduct. We need to deal with this.

Senator CHAFEE referenced Noah and the flood—now when I had the discussion with the President, we referenced that too. I have heard people say that you should not change the Endangered Species Act, and they call it Project Noah, where Noah was charged to save those animals two by two. I believe that Noah had to have two-by-fours in order to construct the ark to save those animals, so we need balance. If there had been an Endangered Species Act in existence at the time that Noah was charged with saving those species, I do not know if he would have gotten permits before the floods came.

That is how a lot of landowners feel right now. They want to save the species. They can do it. Who are the very people that can do it? Is it the attorneys in the courtrooms litigating all of this? Absolutely not. Where you save the species is on the ground. On the ground, where their habitat is.

So why do we not change this whole atmosphere from adversaries to advocates? Why do we not enlist all of the American people in this great crusade to save these species? Right now we have them divided right down the middle. I challenge all of us that are dealing with this issue to step up to the plate so that Congress no longer abdicates its responsibility because it is too politically sensitive. We should

deal with it, deal with it for the species, and deal with it for the people who in too many instances are finding that it threatens their well-being, it threatens entire communities.

That is not what was intended by Congress in 1973 when it first enacted the Endangered Species Act. We should be realistic. I am being realistic in cosponsoring the Hutchison second-degree amendment. It is going to keep us at the table. It is at the table that we are going to write the reform that is necessary with regard to the Endangered Species Act.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter from the American Farm Bureau Federation, referenced earlier in my remarks.

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

WASHINGTON, DC,
March 7, 1996.

Hon. DIRK KEMPTHORNE,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR KEMPTHORNE: During consideration of the Continuing Resolution, we urge you to oppose any effort to remove the moratorium on listing of endangered species or the designation of habitat for endangered species.

Authorization of the Endangered Species Act expired over three years ago. Congress has clearly failed in its responsibility to address the issues surrounding how our nation protects endangered species. This has occurred despite the calls for change in the Act from business, the environmental community, Secretary Babbitt and landowners. Farm Bureau, at every level, has involved itself in providing the Congress with a wealth of information on ESA and how farmers and ranchers can be part of the solution in protecting species. Our members, thousands of whom have attended ESA field hearings throughout the nation, are concerned that a new Endangered Species Act will never be even considered by the Congress. Clearly, without a listing moratorium, there is no incentive to reauthorize the Act.

Again, we ask that you oppose any effort to remove the moratorium and support any effort to reauthorize the Act this year.

DEAN R. KLECKNER,
President.

Mr. CHAFEE. Mr. President, I want to express my appreciation for all that the junior Senator from Idaho has done in connection with working on the reauthorization of this act. As he pointed out, he has a determination, and I share that determination, to get this act reauthorized this year.

Here is the situation, Mr. President: As I understand the second-degree amendment that the Senator from Texas and the Senator from Idaho have submitted, and if I am wrong I would appreciate if he would correct me, I have a copy of it here, but there may have been changes to it since. What this does is say to the Secretary of Interior that in an emergency there can be a listing of the animal or plant as endangered.

What that means to me, and here is the problem, the situation has gotten so desperate that it therefore qualifies for an emergency listing. By that time it is close to being too late. That is the whole problem. That is why this moratorium is bad business. Now it said here, well, we agreed to a moratorium last April so, therefore, we agreed to a moratorium in perpetuity. No, I never agreed to anything like that. I agreed to a moratorium last April that took us through to the end of that fiscal year. That does not mean I am for going on and on with this business, especially because of the very point that it seems to me that the second-degree amendment stresses, that by having these moratoriums the situation gets worse and worse, no action is taken, and then you come rushing in under an emergency listing. Yes, that is better than nothing but by that time it is probably too late. The cost is so significant.

In connection with that, I might say they reduce the money that has been proposed by the Senator from Nevada very, very substantially. The moneys that are available are not going to do the trick here as far as saving these species that have now reached the emergency situation.

For those reasons, Mr. President, I do not find that the second-degree amendment solves the problems we have been dealing with here this evening. I hope, as I hoped the original amendment would be approved, namely, the Reid amendment, I hope that careful consideration would be given by all to this second-degree amendment and there will be a motion—I presume by the Senator from Nevada—to table that second-degree amendment. I urge favorable consideration of that motion to table because of the reasons enunciated. Namely, we do not want this situation to reach the emergency status.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BURNS. Mr. President, the debate Senate REID has started regarding the Endangered Species Act is a good one. We need to reexamine this act and where we have succeeded and where we have failed.

However, the amendment by my friend from Nevada moves a step away from reforming a well-intended law. Therefore, I must oppose Senator REID'S amendment.

The Endangered Species Act [ESA] was well intended. But, like many good ideas, its original intent has been twisted and misused. It has been turned away from an act designed to protect species, and instead is being used to close down thousands, if not millions, of acres of land throughout our country.

In Montana, we have wolves being placed in Yellowstone as an experimental population under the Endangered Species Act. We have miles and miles of roads being closed in order to protect grizzly bears. And, we face the threat of listing of the Bull Trout even though our State is taking an incredibly active role in managing this specie. While Montanans are proud of our wildlife, we are equally proud of the lifestyle we cherish. This is based on the balance and wise-use of our lands.

Senator REID'S amendment would repeal a moratorium on the listing of new species on the endangered list. Under the moratorium, prelisting work and recovery activities are still under way. The moratorium does not effect these activities.

But, the moratorium on listing is important because it gives the Congress and the administration an opportunity to reexamine the Endangered Species Act. We need to allow the Environment and Public Works Committee an opportunity to do their job. The committee held a number of hearings last year throughout the United States on the act. Now, we need to allow the committee to report a bill which will address the inadequacies of the act.

While most Americans agree we need to protect and recover endangered species, there are a wide range of beliefs on the extent and costs which should be incurred.

The process is out of control. For every dollar we spend on recovery, we spend another on process. This includes consultation, law enforcement, listing, and permits. That ratio needs to change. We need more recover for our money.

One example for Montana, Idaho, Oregon, and Washington is the salmon. Should we spend $1 billion each year and increase electric rates in the name of the salmon in the Columbia River? Yet we have not recovered one fish in the process.

We can do a better job at protecting species at a lesser cost to the Federal treasury, local communities dependent on natural resources and landowners. I hope the Reid amendment will be rejected and that we can continue to consider a complete reauthorization of the act in the near future.

Mr. President, the work that has been going on now for the reauthorization of the Endangered Species Act has been going on ever since I walked through these doors. I would like to have a nickel for every word that has been spoken about the good intentions of reauthorizing the act. It has not been done yet. Given that track record, it just goes to prove that the way Washington works and the way we regulate have to be looked at.

I would rather this amendment not come up. I do not think this is the time or place to consider this issue, as an amendment on this bill. The Committee on Environment and Public Works has the reauthorization now under consideration and should come forth with legislation for this body to vote on.

We should let that process move forward. The law, in its present form, is not working in the manner in which it was intended or in a way it can be successful. If we who serve here in the Senate are to pursue sensible environmental policy that preserves the gains

that we have made in the last two decades, then this law will have to be changed to make it user friendly, and also to approach the problem of endangered species in a plain, everyday, commonsense way. If there is anything we are short of here, it is common sense.

However, that not being the case in this instance, let us look and see the merits of this amendment and, of course, the second-degree amendment. The moratorium now in effect is just on listings. Until a couple of weeks ago, we had 2,500 to 3,000 candidates on the list to be considered for listing. Under the moratorium, we now have 184. The Secretary of the Interior using a model in which to cut those way back so it does not sound like they are not working to make it work. And recovery plans on those who are actually on the endangered list continue.

Now, I suggest to this body that for as much money as it has cost, the recovery record has not been very good. If the sponsor of this amendment wants to take credit for delaying this bill, thus leaving the employees for the respective departments not knowing—we should give them some predictability and planning for which they are responsible with regard to this Endangered Species Act.

Recovery plans must move on. It cannot move on as long as the appropriation is hung up here in the U.S. Senate. It is not fair to the employees, nor is it fair to the taxpayers of this country, nor is it fair to what we are trying to do, which is to preserve a base of biological diversity that we all know is very, very important.

The sponsors of this amendment must understand that the very people who are administering this law are the ones that are funded by this legislation. But sometimes I do not understand the motives on such predictability.

I do not think we have an endangered species crisis or an environmental crisis here. I do not feel there is any great urgency or a great care for the maintenance or restoration of a healthy biological base or diversity—not in this particular exercise, not on this day. I have a feeling there is a little bit of politics in this. But, after all, that should not surprise any of us. It is like I said, the work goes on. Right now, there are around 900 domestic species that are listed on the threatened or endangered list. There are another 900 on the foreign endangered species list. There were 3,500 to 4,000 a couple of weeks ago on the candidate list, which is now down to 182. So the work continues.

So it is not that the U.S. Fish and Wildlife Service does not have enough work to do without this moratorium, because they do. This has been a very, very expensive law. And, at times, it has defied common sense. In most areas, the law has not worked. It is being used for a purpose that it was not intended for.

I would like to look at a couple of species that have been listed. We have spent over $2 billion in recovery, both in taxpayers' money and ratepayers' money, on the Columbia River trying to recover the sockeye and the chinook salmon. You can buy salmon in any grocery store fresh, frozen, or canned. As you know, we had the terrible accident in Prince William Sound in 1989 when the *Exxon Valdez* ship hit a rock and spilled the crude. Everybody said the fishing would be gone forever. The other day in that particular part of the world—I noticed that the Secretary of Agriculture, Dan Glickman, went to Alaska, and the harvest of salmon was so big that the Department of Agriculture has decided to buy an extra amount of salmon for the school lunch programs around this country.

The market is depressed because of an oversupply. Mr. President, I am sure not opposed to the School Lunch Program. In fact, I am a great supporter of it. I even like the idea that salmon should be a part of the diet. But it does seem strange to me that we have chinook and sockeye salmon on the endangered species list where we will be able to buy it anywhere in the world, and yet, we have spent all that money with the possibility of endangering hydro power production on the Columbia River. I think we can cite a lot of those kinds of instances where common sense has absolutely been laid aside to make it work.

I hope my colleagues will reject this amendment and allow the committee of jurisdiction to complete its work in reforming the law. Let us involve local government; let us involve local citizens when we start talking about listing; and let us separate this business of listing from the business of recovery. Right now, the way the law is written, if a species is put on the endangered list, it is head-over-heels costs. It means nothing. We start the recovery program and, as we have found out, that becomes very expensive. Let us not knee-jerk this around because it is a highly charged issue, just to appease some folks who want an environmental record.

When one has to answer and solve a problem or policy, or enable problem solving to go forward, and we do it by just throwing taxpayer money at it, I do not think that is the correct approach. And if we are to pass on to the next generation a world where clean water and clean air is the hallmark, and a broad-based biological diversity is intact, then we must approach it and we have to make sure that this law survives.

As it is right now, it may not—the total law—because of people and the actions that they take to prevent it being applied to my property or my neighbors' property.

So, Mr. President, the moratorium should stay intact. And there are those who are dedicated. I know that my friend from Nevada—I worked with him on another committee—when he commits himself to something, he does it wholeheartedly and with a great deal of integrity.

They should keep working on this law. They should bring it forward. But I am kind of like the Nike commercial: ''Let's do it.'' Let us quit talking about it and do it. Let us quit dealing with people that might be like a featherbed because the last one that sits on it leaves the biggest impression. Let us do it because the law needs to be reformed. My friend from Nevada understands that, and also my friend from Idaho does.

We want to see it survive, and we want to see it work in the best interest of mankind and also for the species that are involved. Let us look at fairness. Let us look at balance. But let us make sure that it works. Let us involve local government from the county commissioners to the city council. Let us work with Governors and State government. Let us work with the fish and game people and the wildlife biologists that are found in each and every State, because each and every State is unique and they have a very unique biological base.

So let us reject the Reid amendment totally, and let us bring forth a new bill. Let us dedicate ourselves to it because I think we owe it to the taxpayers of this country.

Mr. President, I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I reluctantly disagree with my friend from Montana on the bulk of his statement. I say to my friend before he leaves the floor that one of the most pleasant experiences I have had in the U.S. Senate has been working with the junior Senator from Montana on the Appropriations Committee, he being chairman of the Military Construction Subcommittee and me being the ranking member. He is easy to work with, and I think we have been very productive in that subcommittee.

Mr. President, first of all, let us go back and reflect on how we arrived at the point where we are now. The junior Senator from Texas offered an amendment to stop listing further species until the end of the fiscal year. That was the end of last fiscal year—not this fiscal year.

I read from the CONGRESSIONAL RECORD where the Senator said the amendment rescinds $1.5 million of funding for new listings of endangered or threatened species, or designation of critical habitat, through the end of the fiscal year, which is a little more than 6 months from now. It provides remaining funds not to be used for final listings.

Mr. President, this so-called emergency moratorium was to end last October 1. Here it is October, November, December, January, February, and we are in the middle of March—6 months later, almost 1 year later, and it is still going on. That is wrong. The record is replete with examples of why we should not have this moratorium.

There are species of plants and animals that are life-sustaining that will

relieve pain and misery throughout the world. Eighty percent of the drugs prescribed to the American public are compounds that initially come from a plant or other species.

Mr. President, I say to my friend from Montana who gave the example of the oil spill in 1989 that I hope—I am sure—the intent of the Senator was not that we have more oil spills to increase the population of fish around the world. We all know that there is a lot of fish where the oil was spilled. It was not because of the oil being spilled there.

I also say to my friend from Montana that the numbers of species that he talked about is daily. The Department of the Interior published within the past couple of weeks; the prepublication copy was February 23 of this year. The Department of the Interior Fish and Wildlife Service, 50 Code of the Federal Register, Part 17, Endangered/Threatened Wildlife and Plants, revealed plants and animals that are candidates of listing as endangered or threatened species. There are 182. They eliminated the others.

So, as I indicated earlier, Mr. President, we have 243 species that have already been proposed for listing. We have 182 that are candidate species. This is what we have to make sure of —that we are allowed to process these in an appropriate order. This does not mean when the moratorium is lifted that we are going to have 182 or 243 thrown at the American public in a day or two. It will take years. But the process needs to go forward for the reasons that I have mentioned.

We are dealing literally with life and death. We have been very patient. The chairman of the full committee voted with the junior Senator from Texas on the original moratorium. I think everyone who voted for it was willing to say, ''Well, we will give it until the end of this fiscal year.'' But then, after the fiscal year, we got into the continuing resolution process. I think there were 10 CR's offered in the past few months, and in each one of those the moratorium was extended and extended and extended, and it has been to the detriment of the American public. We owe it to the American public to process these species of plants and animals that are listed. Doing so, Mr. President, will benefit mankind and certainly do the thing that is fair.

The emergency listing in the second-degree amendment is very transparent. It is only a way to give people who want to say they want an environmental vote to vote environmentally. As we have already established an emergency listing, that is not how we should list things. We should not wait until the animals are gone before we list them. It should be an orderly process so we make it much better and easier on everyone.

Mr. President, I will await the debate in the morning, and I yield the floor.

The PRESIDING OFFICER. According to the previous order, there is no further debate.

Does the Senator from Montana seek recognition?

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

MODIFICATION TO AMENDMENT NO. 3473

Mr. BURNS. Mr. President, I ask unanimous consent to modify amendment No. 3473, to make technical changes that I will send to the desk.

Further, I ask unanimous consent to restore text at the end of amendment No. 3473. Language that appears on pages 778, line 1 through 781, line 4 of amendment No. 3466 was inadvertently deleted.

I send the technical changes to the desk.

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

So, the modification to amendment No. 3473 is as follows:

Under the heading ''Departmental Management, Salaries and Expenses'', $12,000,000, of which $10,000,000 shall be only for terminal leave, severance pay, and other costs directly related to the reduction of the number of employees in the Department.

In addition to the amounts provided for in Title I of this Act for the Department of Health and Human Services:

Under the heading ''Health Resources and Services'', $55,256,000: *Provided*, That $52,000,000 of such funds shall be used only for State AIDS Drug Assistance Programs authorized by section 2616 of the Public Health Service Act and shall be distributed to States as authorized by section 2618(b)(2) of such Act; and

Under the heading ''Substance Abuse and Mental Health Services'', $134,107,000.

PART 3—GENERAL PROVISION

Notwithstanding any other provision of this Act, section 4002 shall not apply to part 1 of chapter 3 of title IV.

On page 539, lines 18 and 19, and page 540, line 10, decrease each amount by $200,000,000.

On page 546, increase the rescission amount on line 21 by $15,000,000.

On page 583, lines 4 and 14, decrease each amount by $224,000,000.

ADMINISTRATION FOR CHILDREN AND FAMILIES
JOB OPPORTUNITIES AND BASIC SKILLS

(RESCISSION)

Of the funds made available under this heading elsewhere in this Act, there is rescinded an amount equal to the total of the funds within each State's limitation for fiscal year 1996 that are not necessary to pay such State's allowable claims for such fiscal year.

Section 403(k)(3)(F) of the Social Security Act (as amended by Public Law 100–485) is amended by adding: ''reduced by an amount equal to the total of those funds that are within each State's limitation for fiscal year 1996 that are not necessary to pay such State's allowable claims for such fiscal year (except that such amount for such year shall be deemed to be $1,000,000,000 for the purpose of determining the amount of the payment under subsection (1) to which each State is entitled),''.

FEDERAL AVIATION ADMINISTRATION GRANTS-IN-AID FOR AIRPORTS

(AIRPORT AND AIRWAY TRUST FUND)

(RESCISSION OF CONTRACT AUTHORIZATION)

Of the available contract authority balances under this account, $616,000,000 are rescinded.

FLOODING

Mr. GORTON. Mr. President, as Senator HATFIELD knows, Cowlitz County has been digging out, literally and figuratively, from the effects of Mt. St. Helens ever since 1980. These last two floods have exacerbated the movement of sediment in the Toutle, Cowlitz and Columbia Rivers creating both flooding and navigation concerns. Will the current Senate bill provide funding so the Corps of Engineers can use authorities available to them to review and correct these newly created problems?

Mr. HATFIELD. Yes, this bill provides funding for the corps to address problems such as those raised by my good friend, the Senator from Washington.

Mr. CONRAD. Mr. President, I note that the chairman and ranking member of the Commerce/State/Justice Appropriations Subcommittee are on the floor at this time. Senator DORGAN and I would like to engage them in a colloquy concerning the amendments which we offered and which were accepted yesterday to help prevent flooding at Devils Lake, ND

The omnibus appropriations bill now includes emergency funding to address flooding at Devils Lake, ND. The lake is located in Benson and Ramsey Counties, as well as in the Devils Lake Sioux Indian Reservation. Last year, as my colleagues know, the lake reached a 120-year high water level, causing more than $35 million in damages. The National Weather Service projects that the lake will rise an additional 2½ to 3 feet this year. It is our understanding that the additional $10 million provided to the Economic Development Administration is to undertake emergency flood prevention efforts at Devils Lake. These emergency funds are critical to the area's economy, and will help prevent some of the $50 million in flood damages expected this year at Devils Lake.

Mr. DORGAN. It is also our intention that the State of North Dakota or its designee be the EDA grant recipient in order to get emergency funding to the Devils Lake area as quickly as possible. An Interagency Task Force, headed by FEMA Director James Lee Witt, has recommended that 100,000 acre-feet of water be stored on upper basin lands as part of a comprehensive strategy to deal with the unprecedented high water. Additionally, the Army Corps of Engineers' Contingency Plan and the Interagency Task Force recommended raising essential roads that are expected to experience flood damage. Would the Chairman of the Commerce, Justice, and State Appropriations Subcommittee agree that water storage and elevating roadways are critical to ensuring the economic well-being of Devils Lake?

Mr. GREGG. It is my understanding that water storage and elevating roadways are essential to the area's economy, and that only those projects recommended by the Interagency Task Force or identified by the Corps of Engineers' contingency plan would be appropriate uses of the emergency supplemental funds for Devils Lake under

this bill. Is it the Senators' understanding that the State of North Dakota would provide the customarily required non-Federal cost share?

Mr. DORGAN. It is my understanding that North Dakota would provide whatever non-Federal share is customarily required by EDA.

Mr. CONRAD. That is my understanding as well.

Mr. HOLLINGS. Let me add that I agree with the comments of Senator GREGG. Projects of those types would fit well within the parameters of the emergency supplemental appropriations language.

Mr. DORGAN. I thank the Senators for their comments. I want to express my appreciation to the chairman and ranking member of the Appropriations Subcommittee on Commerce, Justice, and State for their assistance.

Mr. CONRAD. I also want to thank the Senators for clarifying the intent of Congress regarding emergency funding for Devils Lake. This funding will help prevent tens of millions of dollars of damages in Benson and Ramsey Counties and on the Devils Lake Sioux Indian Reservation.

Mr. CRAIG. Mr. President, the disastrous flooding in the northwestern United States has covered many areas with layers of flood-borne boulders, gravel, woody debris, and associated materials. Among those areas of particular concern are U.S. Department of Agriculture [USDA] Conservation Reserve Program [CRP] lands. The CRP program provides cost-share assistance to reestablish destroyed permanent vegetative cover. It is my understanding that present Department policy prohibits USDA from providing cost-share assistance of clear CRP lands of debris to reestablish permanent cover. However, the severity of this flood has covered these lands with unusually heavy and extensive deposits of materials that must be removed before permanent cover can be reestablished. It is also my understanding that the Department has the discretion to allow cost-sharing assistance to remove such materials. We are told that these lands are not eligible to use Emergency Conservation Program funds for clearing debris.

Mr. HATFIELD. Mr. President, our states, which border each other and have suffered from the same natural disaster, have similar and shared problems. I would inform the Senator that section 1101 of chapter 11 of title II of this bill gives cabinet secretaries of involved departments authority to waive or specify alternative requirements of any statute of regulation to expedite the provision of disaster assistance to affected areas. I believe that the Secretary of Agriculture can and should use this authority to provide cost sharing assistance to clear lands enrolled in the CRP reestablished cover.

Mr. COCHRAN. Mr. President, I concur with my friend from Oregon, the distinguished Chairman of the Appropriations Committee, that this would be an appropriate use of this authority.

Mr. CRAIG. Mr. President, as you know, my State of Idaho was devastated like others in the Northwest from floods in recent months. Many agricultural lands have sustained damage which must be repaired if the land is to be returned to productive use. It is my understanding that a need of $1,167,000 has been determined for conservation work and streambank stabilization in Idaho through the Agricultural Conservation Program, which was not requested by the President. However, it is also my understanding that the Department of Agriculture administers the Emergency Watershed and Flood Prevention Operations Program and the Emergency Conservation Program, which could fund these needed activities in Idaho and other affected states in the Northwest. I would ask my colleague, the chairman of the Appropriations Subcommittee on Agriculture, Rural Development and Related Agencies if this is his understanding as well?

Mr. COCHRAN. Mr. President, I appreciate the distinguished Senator's inquiry. This bill includes $107,514,000 for watershed and flood prevention operations and $30,000,000 for the Emergency Conservation Program. USDA has determined that these amounts should be sufficient to cover the damage sustained in the Northwest and other areas which have experienced natural disasters.

Mr. PRESSLER. Mr. President, the omnibus appropriations bill before us today is a wide ranging piece of legislation with programs that impact teachers, doctors, job trainees, police officers, and businessmen. I do want to single out one small piece of this legislation that is very important for South Dakota students and families, especially those in rural areas.

You see, many small banks and credit unions have been leaving the Federal student loan program due to burdensome audits imposed by the Department of Education. The audits on guarantee agencies and schools were extended to lenders in the Higher Education Act Amendments of 1992. I fully agree with the goal of cracking down on fraud and abuse in the student loan program.

However, these audits on small lenders are clearly a case of the cure being worse than the illness. The audits are duplicative and in the case of many small financial institutions, exceeding the profitability of the program. The audits are bureaucratic overkill. Expenditures are wasted, as the Department of Education does not even review all of the audits. For lenders with small portfolios, it does not make sense to stay in a program that is losing money. As a result, small lenders are leaving the program, forcing students and families to take their student loan business away from their hometown banks. When hometown lenders leave the program, students and communities are the real losers.

I was pleased to have worked with the chairman of the Labor and Human Resources Committee, Senator KASSEBAUM, to include language in the Balanced Budget Act to correct this problem by creating an exemption for lenders with portfolios under $5 million. I am equally pleased that the Appropriations Committee included the same language in the bill before us today. I want to thank the chairman of the Appropriations Committee, Senator HATFIELD, and the Subcommittee Chairman, Senator SPECTER, for adding this provision, which will allow students to continue doing business with their hometown banks. I am pleased this problem will be resolved for small lenders and their communities.

Mr. KENNEDY. Mr. President, I wish to make an observation about funding in this Appropriations bill for the Police Corps program.

I have long supported the Police Corps concept, because I believe it represents an innovative way to improve public safety and strengthen the ties between police departments and the communities they serve. I was proud to be an original sponsor of the Police Corps legislation, which was enacted into law in 1994 as part of the omnibus crime bill.

In the Senate-passed version of the crime bill, the Police Corps program was authorized at $100 million for the first year, $250 million the second year, and such sums as were necessary thereafter. Clearly, the Senate contemplated a truly national program. Regrettably, the pending bill contains only $10 million for this important program, so a national effort is not feasible at this time. I am nonetheless pleased that the Police Corps will finally get off the ground.

It is my view that the $10 million appropriated in this bill should be used to support a limited number of pilot programs, rather than spread thinly over many jurisdictions. With this much reduced amount, the Police Corps concept can only receive a fair trial if the money is concentrated in a few jurisdictions that make a serious effort to implement the program comprehensively. If instead the money were dispersed across the country as 435 separate Police Corps grants, each grant would support only one Police Corps officer. The administrative overhead alone would essentially swallow the entire appropriation.

This program will be administered by the Department of Justice. I expect—and I believe that my view is shared by the Appropriations Committee and the full Senate—that the Attorney General will allocate the $10 million to no more than four or five jurisdictions. It is my understanding that several police departments are already prepared to apply for grants and then implement the program swiftly and conscientiously.

I also understand that the administration intends to request increased funds for the Police Corps Program in fiscal year 1997, at which time other jurisdictions can be added.

I look forward to the commencement of the Police Corps effort, and expect that in the jurisdictions in which it is implemented it will make a real difference in public safety and police-community relations.

MORNING BUSINESS

Mr. BURNS. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak up to 5 minutes each.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, March 11, 1996, the Federal debt stood at $5,017,403,575,141.97.

On a per capita basis, every man, woman, and child in America owes $19,044.49 as his or her share of that debt.

LOBOS WIN WAC BASKETBALL TOURNAMENT

Mr. BINGAMAN, Mr. President, I would like to take a moment to say a few words about the University of New Mexico men's basketball team, which this week completed one of its best seasons ever by winning the Western Athletic Conference Tournament title.

This has been an excellent year for the Lobo basketball program, winning 27 games so far and winning the conference tournament in dramatic fashion. The Lobos were able to pull out a triple-overtime win over Fresno State in the semi-final, and then were able to come back from that emotional game to upset an excellent Utah team for the conference tournament championship.

What makes the victories especially gratifying for New Mexicans is the large number of New Mexico high school basketball players that make up this team. Being a sparsely populated state, our universities have often needed to recruit from throughout the country for athletes. Often our schools would field teams, both successful and unsuccessful, that included no native New Mexicans. It is a tribute to the quality of New Mexico's high school athletic programs that athletes such as Kenny Thomas, David Gibson, Royce Olney and Daniel Santiago have played such an integral part in this season's achievements.

I congratulate coach Dave Bliss and his team for making its fourth appearance in six years in the NCAA Men's Basketball Tournament and for winning the Western Athletic Conference Championship.

I also congratulate Don Flanangan and the UNM Women's which made it to the conference finals.

I would also like to take this opportunity to recognize the coaching efforts of Lou Henson, who has announced his retirement from coaching after 21 years at the University of Illinois. Before beginning his fine career at Illinois, Henson both played and coached at New Mexico State University. He coached the 1970 Aggies to the Final Four and in 1989 brought the Illini there as well. Henson leaves collage basketball with an overall record of 663 wins against 223 losses. He has been a credit to the game and to New Mexico.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting one nomination which was referred to the Committee on Foreign Relations.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2012. A communication from the Director of the Office of Management and Budget, the Executive Office of the President, transmitting, pursuant to law, the report on appropriations legislation within five days of enactment; to the Committee on the Budget.

EC–2013. A communication from the Assistant Secretary of the Interior for Water and Science, transmitting, pursuant to law, the report of a proposed contract amendment; to the Committee on Energy and Natural Resources.

EC–2014. A communication from the Director of Administration and Management, Office of the Secretary of Defense, transmitting, pursuant to law, a report relative to the Pentagon Reservation; to the Committee on Appropriations.

EC–2015. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-180 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2016. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-181 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2017. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-185 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2018. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-189 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2019. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-190 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2020. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-191 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2021. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-192 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2022. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-193 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2023. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-194 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2024. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-195 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2025. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-196 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2026. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-198 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2027. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-199 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2028. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-200 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2029. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-197 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2030. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-201 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2031. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-202 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2032. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-215 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2033. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-217 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2034. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of

D.C. Act 11-218 adopted by the Council on January 4, 1996; to the Committee on Governmental Affairs.

EC–2035. A communication from the District of Columbia Auditor, transmitting, pursuant to law, the report entitled ''Audit of the Boxing and Wrestling Commission for Fiscal Year 1994''; to the Committee on Governmental Affairs.

EC–2036. A communication from the District of Columbia Auditor, transmitting, pursuant to law, the report entitled ''Evaluation of the D.C. Lottery Board's Wagering Cancellation Methodology''; to the Committee on Governmental Affairs.

EC–2037. A communication from the District of Columbia Auditor, transmitting, pursuant to law, the report entitled ''Review of the Fiscal Year 1995 Comprehensive Annual Financial Report''; to the Committee on Governmental Affairs.

EC–2038. A communication from the District of Columbia Auditor, transmitting, pursuant to law, the report entitled ''Review and Analysis of the District's Accounts Receivable''; to the Committee on Governmental Affairs.

EC–2039. A communication from the District of Columbia Auditor, transmitting, pursuant to law, the report entitled ''Analysis of the Revised Fiscal Year 1996 General Fund Revenue Estimates in Support of the Mayor's Budget for Fiscal Year 1996''; to the Committee on Governmental Affairs.

EC–2040. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-213 adopted by the Council on February 6, 1996; to the Committee on Governmental Affairs.

EC–2041. A communication from the District of Columbia Auditor, transmitting, pursuant to law, the report entitled ''Review of the Boxing Event of October 15, 1995 Regulated by the District of Columbia Boxing and Wrestling Commission''; to the Committee on Governmental Affairs.

EC–2042. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report under the Chief Financial Officers Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC–2043. A communication from the Chief Financial Officer of the Export-Import Bank, transmitting, pursuant to law, the report under the Chief Financial Officers Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC–2044. A communication from the Executive Officer of the National Science Board, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1995; to the Committee on Governmental Affairs.

EC–2045. A communication from the General Counsel and Corporate Secretary of the Legal Services Corporation, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1995; to the Committee on Governmental Affairs.

EC–2046. A communication from the Chairman of the Federal Housing Finance Board, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1995; to the Committee on Governmental Affairs.

EC–2047. A communication from the Chairman of the Board of Governors of the U.S. Postal Service, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1995; to the Committee on Governmental Affairs.

EC–2048. A communication from the Secretary of the Mississippi River Commission, Corps of Engineers, Department of the Army, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1995; to the Committee on Governmental Affairs.

EC–2049. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1995; to the Committee on Governmental Affairs.

EC–2050. A communication from the Executive Secretary of the National Labor Relations Board, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1995; to the Committee on Governmental Affairs.

EC–2051. A communication from the Chairman of the U.S. Parole Commission, Department of Justice, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1995; to the Committee on Governmental Affairs.

EC–2052. A communication from the Director of the Office of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1995; to the Committee on Governmental Affairs.

EC–2053. A communication from the Chairman of the Merit Systems Protection Board, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1995; to the Committee on Governmental Affairs.

REPORTS OF COMMITTEE

The following report of committee was submitted:

By Mr. HATFIELD, from the Committee on Appropriations:

Special Report entitled ''Revised Allocation to Subcommittees of Budget Totals From the Concurrent Resolution for Fiscal Year 1996'' (Rept. No. 104–240).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on Armed Services:

The following-named officers for promotion in the Regular Air Force of the United States to the grade indicated under title 10, United States Code, section 624:

To be brigadier general

Col. Brian A. Arnold, 000–00–0000
Col. John R. Baker, 000–00–0000
Col. Richard T. Banholzer, 000–00–0000
Col. John L. Barry, 000–00–0000
Col. John D. Becker, 000–00–0000
Col. Robert F. Behler, 000–00–0000
Col. Scott C. Bergren, 000–00–0000
Col. Paul L. Bielowicz, 000–00–0000
Col. Franklin J. Blaisdell, 000–00–0000
Col. John S. Boone, 000–00–0000
Col. Clayton G. Bridges, 000–00–0000
Col. John W. Brooks, 000–00–0000
Col. Walter E.L. Buchanan III, 000–00–0000
Col. Carrol H. Chandler, 000–00–0000
Col. John L. Clay, 000–00–0000
Col. Richard A. Coleman, Jr., 000–00–0000
Col. Paul R. Dordal, 000–00–0000
Col. Michael M. Dunn, 000–00–0000
Col. Thomas F. Gioconda, 000–00–0000
Col. Thomas B. Goslin, Jr., 000–00–0000
Col. Jack R. Holbein, Jr., 000–00–0000
Col. John G. Jernigan, 000–00–0000
Col. Charles L. Johnson II, 000–00–0000
Col. Lawrence D. Johnston, 000–00–0000
Col. Dennis R. Larsen, 000–00–0000
Col. Theodore W. Lay II, 000–00–0000
Col. Fred P. Lewis, 000–00–0000
Col. Stephen R. Lorenz, 000–00–0000
Col. Maurice L. McFann, Jr., 000–00–0000
Col. John W. Meincke, 000–00–0000
Col. Howard J. Mitchell, 000–00–0000
Col. William A. Moorman, 000–00–0000
Col. Teed M. Moseley, 000–00–0000
Col. Robert M. Murdock, 000–00–0000
Col. Michael C. Mushala, 000–00–0000
Col. David A. Nagy, 000–00–0000
Col. Wilbert D. Pearson, Jr., 000–00–0000
Col. Timothy A. Peppe, 000–00–0000
Col. Craig P. Rasmussen, 000–00–0000
Col. John F. Regni, 000–00–0000
Col. Victor E. Renuart, Jr., 000–00–0000
Col. Richard V. Reynolds, 000–00–0000
Col. Earnest O. Robbins II, 000–00–0000
Col. Steven A. Roser, 000–00–0000
Col. Mary L. Saunders, 000–00–0000
Col. Glen D. Shaffer, 000–00–0000
Col. James N. Soligan, 000–00–0000
Col. Billy K. Stewart, 000–00–0000
Col. Francis X. Taylor, 000–00–0000
Col. Rodney W. Wood, 000–00–0000

The following-named captains in the line of the U.S. Navy for promotion to the permanent grade of rear admiral (lower half), pursuant to title 10, United States Code, section 624, subject to qualifications therefore as provided by law:

UNRESTRICTED LINE OFFICER

To be rear admiral (lower half)

Capt. William Wilson Pickavance, Jr., 000–00–0000

ENGINEERING DUTY OFFICER

To be rear admiral (lower half)

Capt. George Richard Yount, 000–00–0000

Pursuant to an order of the Senate of June 29, 1990,

Ordered, that the following nomination be referred jointly to the Committees on Armed Services and Energy and Natural Resources:

*Alvin L. Alm, of Virginia, to be an Assistant Secretary of Energy (Environmental Management)

The following-named officers for promotion in the Regular Army of the United States to the grade indicated, under title 10, United States Code, sections 611(a) and 624:

To be brigadier general

Col. Joseph W. Arbuckle, 000–00–0000
Col. Barry D. Bates, 000–00–0000
Col. William G. Boykin, 000–00–0000
Col. Charles M. Burke, 000–00–0000
Col. Charles C. Campbell, 000–00–0000
Col. James L. Campbell, 000–00–0000
Col. Joseph R. Capka, 000–00–0000
Col. George W. Casey, Jr., 000–00–0000
Col. John T. Casey, 000–00–0000
Col. Dean W. Cash, 000–00–0000
Col. Dennis D. Cavin, 000–00–0000
Col. Robert F. Dees, 000–00–0000
Col. Larry J. Dodgen, 000–00–0000
Col. John C. Doesburg, 000–00–0000
Col. James E. Donald, 000–00–0000
Col. David W. Foley, 000–00–0000
Col. Harry D. Gatanas, 000–00–0000
Col. Robert A. Harding, 000–00–0000
Col. Roderick J. Isler, 000–00–0000
Col. Dennis K. Jackson, 000–00–0000
Col. Alan D. Johnson, 000–00–0000
Col. Anthony R. Jones, 000–00–0000
Col. William J. Lennox, Jr., 000–00–0000
Col. James J. Lovelace, Jr., 000–00–0000
Col. Jerry W. McElwee, 000–00–0000
Col. David D. McKiernan, 000–00–0000
Col. Clayton E. Melton, 000–00–0000
Col. Willie B. Nance, Jr., 000–00–0000
Col. Robert W. Noonan, Jr., 000–00–0000
Col. Kenneth L. Privratsky, 000–00–0000
Col. Hawthorne L. Proctor, 000–00–0000
Col. Ralph R. Ripley, 000–00–0000
Col. Earl M. Simms, 000–00–0000
Col. Zannie O. Smith, 000–00–0000
Col. Robert L. VanAntwerp, Jr., 000–00–0000
Col. Hans A. VanWinkle, 000–00–0000

Col. Robert W. Wagner, 000–00–0000
Col. Daniel R. Zanini, 000–00–0000

AIR FORCE

The following-named officers for promotion in the Regular Air Force of the United States to the grade indicated under title 10, United States Code, section 624:

To be major general

Brig. Gen. Thomas R. Case, 000–00–0000
Brig. Gen. Donald G. Cook, 000–00–0000
Brig. Gen. Charles H. Coolidge, Jr., 000–00–0000
Brig. Gen. John R. Dallager, 000–00–0000
Brig. Gen. Richard L. Engel, 000–00–0000
Brig. Gen. Marvin R. Esmond, 000–00–0000
Brig. Gen. Bobby O. Floyd, 000–00–0000
Brig. Gen. Robert H. Foglesong, 000–00–0000
Brig. Gen. Jeffrey R. Grime, 000–00–0000
Brig. Gen. John W. Hawley, 000–00–0000
Brig. Gen. Michael V. Hayden, 000–00–0000
Brig. Gen. William T. Hobbins, 000–00–0000
Brig. Gen. John D. Hopper, Jr., 000–00–0000
Brig. Gen. Raymond P. Huot, 000–00–0000
Brig. Gen. Timothy A. Kinnan, 000–00–0000
Brig. Gen. Michael C. Kostelnik, 000–00–0000
Brig. Gen. Lance W. Lord, 000–00–0000
Brig. Gen. Ronald C. Marcotte, 000–00–0000
Brig. Gen. Gregory S. Martin, 000–00–0000
Brig. Gen. Michael J. McCarthy, 000–00–0000
Brig. Gen. John F. Miller, Jr., 000–00–0000
Brig. Gen. Charles H. Perez, 000–00–0000
Brig. Gen. Stephen B. Plummer, 000–00–0000
Brig. Gen. David A. Sawyer, 000–00–0000
Brig. Gen. Terryl J. Schwalier, 000–00–0000
Brig. Gen. George T. Stringer, 000–00–0000
Brig. Gen. Gary A. Voellger, 000–00–0000

AIR FORCE

The following-named officers for appointment in the Air National Guard of the U.S. Air Force, to the grade indicated, under the provisions of Title 10, United States Code, Sections 8373, 8374, 12201, and 12212:

To be major general

Brig. Gen. James F. Brown, 000–00–0000
Brig. Gen. James McIntosh, 000–00–0000

To be brigadier general

Col. Gary A. Brewington, 000–00–0000
Col. William L. Fleshman, 000–00–0000
Col. Allen H. Henderson, 000–00–0000
Col. John E. Iffland, 000–00–0000
Col. Dennis J. Kerkman, 000–00–0000
Col. Stephen M. Koper, 000–00–0000
Col. Anthony L. Liguori, 000–00–0000
Col. Kenneth W. Mahon, 000–00–0000
Col. William H. Phillips, 000–00–0000
Col. Jerry H. Risher, 000–00–0000
Col. William J. Shondel, 000–00–0000

AIR FORCE

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under Title 10, United States Code, Section 601:

To be lieutenant general

Major Gen. Richard C. Bethurem, 000–00–0000

The following-named officer for appointment to the grade of general while assigned to a position of importance and responsibility under Title 10, United States Code, Section 601:

To be general

Lt. Gen. Michael E. Ryan, 000–00–0000

The following-named officer for reappointment to the grade of general while assigned to a position of importance and responsibility under Title 10, United States Code, Section 601:

To be general

Gen. Richard E. Hawley, 000–00–0000

ARMY

The following U.S. Army National Guard officer for promotion in the Reserve of the Army to the grade indicated under Title 10, United States Code, sections 3385, 3392 and 12203(a):

To be major general

Brig. Gen. Stanhope S. Spears, 000–00–0000

(The above nominations were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. KOHL:

S. 1604. A bill to improve the Juvenile Justice and Delinquency Prevention Act requirements regarding separate detention and confinement of juveniles, and for other purposes; to the Committee on the Judiciary.

By Mr. MURKOWSKI (by request):

S. 1605. A bill to amend the Energy Policy and Conservation Act to manage the Strategic Petroleum Reserve more effectively and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HATCH (for himself, Mrs. FEINSTEIN, Mr. THURMOND, Mr. DEWINE, Mr. KOHL, and Mr. BIDEN):

S. 1606. A bill to control the use of biological agents that have the potential to pose a severe threat to public health and safety, and for other purposes; to the Committee on the Judiciary.

By Mrs. FEINSTEIN (for herself, Mr. GRASSLEY, Mr. REID, and Mr. KYL):

S. 1607. A bill to control access to precursor chemicals used to manufacture methamphetamine and other illicit narcotics, and for other purposes; to the Committee on the Judiciary.

By Mr. MCCAIN (for himself and Mr. INOUYE):

S. 1608. A bill to extend the applicability of certain regulatory authority under the Indian Self-Determination and Education Assistance Act, and for other purposes; to the Committee on Indian Affairs.

By Mr. BIDEN:

S. 1609. A bill to provide for the rescheduling of flunitrazepan into schedule I of the Controlled Substances Act, and for other purposes; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CAMPBELL:

S. Con. Res. 44. Concurrent resolution authorizing the use of the Capitol Grounds for an event sponsored by the Specialty Equipment Market Association; to the Committee on Rules and Administration.

By Mr. DOLE (for himself and Mr. HELMS):

S. Con. Res. 45. Concurrent resolution authorizing the use of the Capitol Rotunda on May 2, 1996, for the presentation of the Congressional Gold Medal to Reverend and Mrs. Billy Graham; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KOHL:

S. 1604. A bill to improve the Juvenile Justice and Delinquency Prevention Act requirements regarding separate detention and confinement of juveniles, and for other purposes; to the Committee on the Judiciary.

THE JUVENILE JAIL IMPROVEMENT ACT OF 1996

● Mr. KOHL. Mr. President, I introduce the Juvenile Jail Improvement Act of 1996.

We face a growing and frightening tide of juvenile violence. And that tide is threatening to swamp our rural sheriffs. It is increasingly common for rural sheriffs to face a terrible dilemma every time they arrest a juvenile—they either have to release a potentially violent juvenile on the street to await trial or they have to spend invaluable time and manpower chauffeuring the juvenile around their State to an appropriate detention facility. Either way, the current system makes little sense and needs to be changed.

Let me explain how this dilemma works. In most rural communities, the only jail available is built exclusively for adults. There are no special juvenile facilities. But sometimes, the community can create a separate portion of the jail for juveniles. However, under current law, a juvenile picked up for criminal activity can only be held in a separate portion of an adult facility for up to 24 hours. After that, the juvenile must be transported—often across hundreds of miles—to a separate juvenile detention facility, often to be returned to the very same jail 2 or 3 days later for a court date. This system often leaves rural law enforcement crisscrossing the State with a single juvenile—and results in massive expenses for law enforcement with little benefit for juveniles, who spend endless hours in a squad car. Such a process does not serve anyone's interests.

And that is not all that rural sheriffs face. Even qualifying for the 24-hour exception can be a nightmare. That's because juveniles can be kept in adult jails only under a very stringent set of rules. Keeping juveniles in an adult jail is known as collocation. It can only be done if there is strict sight and sound separation between the adults and the juveniles as well as completely separate staff. For many small communities, making these physical and staff changes to their jails is prohibitively expensive.

So sheriffs faced with diverting officers to drive around the State in search of a detention facility may chose to let the juvenile free while awaiting trial. This prospect should frighten anyone who is aware of the growing trend in juvenile violence.

Today, I am introducing legislation that is designed to cure this problem. My legislative solution is simple, straightforward and effective. It extends from 24 to 72 hours the time during which rural law enforcement may collocate juvenile offenders in an adult facility, as long as juveniles remain separated from adults. It also relaxes the requirements for acceptable collocation. After taking a hard look at how the collocation rules have

worked—and in what ways they have failed—this legislation comes to a reasonable compromise, and, as a result, it has the support of the Badger Sheriffs Association.

Mr. President, one of our most important goals is assuring that any changes to these rules does not sacrifice the safety and welfare of arrested juveniles. In addition to the growing fear about juvenile violence, we have witnessed a growing anger and frustration at juveniles. That frustration should not lead us to forget the painful lessons we learned many years ago about abusive and dangerous treatment of delinquent children. Twenty years ago, we learned about kids who were thrown in jail where they were victimized and abused by adult prisoners; or where, without proper supervision, they committed suicide; or, where, guarded by people who only had experience with adult prisoners, they were disciplined savagely. When we give in to the temptation to just throw juveniles in jail and teach them a tough lesson, we are often ill rewarded. So even as we loosen these collocation requirements, we must bear in mind that the juvenile justice system still has as its principle goal rehabilitation, not harsh retribution.

My conversations with administrators, sheriffs, and juvenile court judges have led me to conclude that we must bring greater flexibility—and less redtape—to the Juvenile Justice Act. It is my hope that this legislation—which offers greater flexibility while retaining important protections regarding the separation of juveniles from adults—will meet with strong support from the Senate.

Mr. President, I ask unanimous consent that the full text of this bill be printed in the RECORD.

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

S. 1604

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Juvenile Jail Improvement Act''.

SEC. 2. FINDINGS.

Congress finds that—

(1) current Juvenile Justice and Delinquency Prevention Act rules and regulations concerning the separation of adults from juveniles during short periods of detention or confinement have proven unduly burdensome for rural law enforcement;

(2) altering requirements concerning the length of stay permitted in a State-approved portion of a county jail or secure detention facility, while retaining the separation of juveniles from adults, would diminish these burdens without harm to juveniles;

(3) the requirement of completely separate staffing during these short stays also creates large burdens yet yields little benefit for juveniles; and

(4) experience with shared staff indicates that juveniles are not harmed by the use of shared staff, so long as the staff members are appropriately trained and certified, and juveniles do not have regular contact with adults.

SEC. 3. CLARIFICATION OF CONTACT RULES.

Section 223(a)(14) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633(a)(14)) is amended—

(1) by striking ''1997'' and inserting ''2001'';

(2) by striking ''pursuant to an enforceable State law requiring such appearances within twenty-four hours after being taken into custody (excluding weekends and holidays)'' and inserting ''and permit the detention or confinement of juveniles in a State approved portion of a county jail or secure detention facility for up to 72 hours''; and

(3) by striking ''such exceptions are'' and all that follows through the end of the paragraph and inserting the following: ''such exceptions—

''(A) are limited to areas that are in compliance with paragraph (13) and—

''(i) are outside a Standard Metropolitan Statistical Area; and

''(ii) have no existing acceptable alternative placement available that is easily accessible;

''(B) permit the same staff members to oversee both juveniles and adults only if such staff members have been properly trained and certified to supervise juveniles; and

''(C) ensure that juveniles have no regular contact with adult persons who are incarcerated because they have been convicted of a crime or are awaiting trial on criminal charges;''.●

By Mr. MURKOWSKI (by request):

S. 1605. A bill to amend the Energy Policy and Conservation Act to manage the strategic petroleum reserve more effectively and for other purposes; to the Committee on Energy and Natural Resources.

THE ENERGY POLICY AND CONSERVATION ACT AMENDMENTS ACT OF 1996

● Mr. MURKOWSKI. Mr. President, pursuant to an executive communication referred to the Committee on Energy and Natural Resources, at the request of the Secretary of Energy, I send to the desk a bill to amend and extend certain authorities in the Energy Policy and conservation Act which either have expired or will expire June 30, 1996.

Although I do not necessarily agree with all of the provisions of this bill, the reauthorization of the programs covered by the legislation, including the strategic petroleum reserve, is an important issue that must be fully considered by the committee and the Senate. Thus, I introduce this draft legislation today and ask unanimous consent that the executive communication and the bill be printed in the RECORD

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

S. 1605

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the ''Energy Policy and Conservation Act Amendments Act''.

SEC. 2. Section 2 of the Energy Policy and Conservation Act (42 U.S.C. 6201) is amended—

(1) in paragraph (1) by striking ''standby'' and '', subject to congressional review to impose rationing, to reduce demand for energy through the implementation of energy conservation plans, and'', and

(2) by striking paragraphs (3) and (6).

SEC. 3. Title I of the Energy Policy and Conservation Act (42 U.S.C. 6211–6251) is amended—

(a) by striking section 102 (42 U.S.C. 6211),

(b) in section 105 (42 U.S.C. 6213)—

(1) by amending subsection (a) to read as follows—

''(a) The Secretary of the Interior shall prohibit the bidding for any right to develop crude oil, natural gas, and natural gas liquids on any lands located on the Outer Continental Shelf by any person if more than one major oil company, more than one affiliate of a major oil company, or a major oil company and any affiliate of a major oil company, has or have a significant ownership interest in that person, when the Secretary determines prior to any lease sale that this bidding would adversely affect competition or the receipt of fair market value.'', and

(2) by striking subsections (c) and (e).

(c) by striking section 106 (42 U.S.C. 6214),

(d) in section 151 (42 U.S.C. 6231)—

(1) in subsection (a) by striking ''limited'' and ''short-term'', and

(2) by amending subsection (b) to read as follows:

''(b) It is the policy of the United States to provide for the creation of a Strategic Petroleum Reserve for the storage of up to 1 billion barrels of petroleum products to reduce the impact of disruptions in supplies of petroleum products or to carry out obligations of the United States under the international energy program.'',

(e) in section 152 (42 U.S.C. 6232)—

(1) by striking paragraphs (1) and (7), and

(2) in paragraph (11) by striking '', the Early Storage Reserve, and the Regional Petroleum Reserve '', and by adding a period after Industrial Petroleum Reserve.

(f) by striking section 153 (42 U.S.C. 6233),

(g) in section 154 (42 U.S.C. 6234)—

(1) by amending subsection (a) to read as follows:

''(a) A Strategic Petroleum Reserve for the storage of up to 1 billion barrels of petroleum products shall be created pursuant to this part.''.

(2) by amending subsection (b) to read as follows:

''(b) The Secretary, acting through the Strategic Petroleum Reserve Office and in accordance with this part, shall exercise authority over the development, operation, and maintenance of the Reserve.'', and

(3) by striking subsections (c), (d), and (e).

(h) by striking section 155 (42 U.S.C. 6235),

(i) in section 156(b) (42 U.S.C. 6236(b)), by striking ''To implement the Early Storage Reserve Plan or the Strategic Petroleum Reserve Plan which has taken effect pursuant to section 159(a), the'' and inserting ''The''.

(j) by striking section 157 (42 U.S.C. 6237),

(k) by striking section 158 (42 U.S.C. 6238),

(l) by amending the heading for section 159 (42 U.S.C. 6239) to read, ''Development, Operation, and Maintenance of the Reserve'',

(m) in section 159 (42 U.S.C. 6239)—

(1) by striking subsections (a), (b), (c), (d), and (e),

(2) by amending subsection (f) to read as follows:

''(f) In order to develop, operate, or maintain the Strategic Petroleum Reserve the Secretary may:

''(1) issue rules, regulations, or orders;

''(2) acquire by purchase, condemnation, or otherwise, land or interests in land for the location of storage and related facilities;

''(3) construct, purchase, lease, or otherwise acquire storage and related facilities;

''(4) use, lease, maintain, sell, or otherwise dispose of storage and related facilities acquired under this part, under such terms and conditions as the Secretary may deem necessary or appropriate;

''(5) acquire, subject to the provisions of section 160, by purchase, exchange, or otherwise, petroleum products for storage in the Strategic Petroleum Reserve;

''(6) store petroleum products in storage facilities owned and controlled by the United States or in storage facilities owned by others if those facilities are subject to audit by the United States;

''(7) execute any contracts necessary to develop, operate, or maintain the Strategic Petroleum Reserve;

''(8) require an importer of petroleum products or refiner to acquire and to store and maintain, in readily available inventories, petroleum products in the Industrial Petroleum Reserve, under section 156;

''(9) require the storage of petroleum products in the Industrial Petroleum Reserve, under section 156, on terms that the Secretary specifies, in storage facilities owned and controlled by the United States or in storage facilities other than those owned by the United States if those facilities are subject to audit by the United States;

''(10) require the maintenance of the Industrial Petroleum Reserve;

''(11) bring an action, when the Secretary considers it necessary, in any court having jurisdiction over the proceedings, to acquire by condemnation any real or personal property, including facilities, temporary use of facilities, or other interests in land, together with any personal property located on or used with the land, and

''(12) to the extent provided in an Appropriations Act, and not withstanding section 649(b) of the Department of Energy Organization Act (42 U.S.C. 7259(b)), the Secretary is authorized to store in unused SPR facilities by lease or otherwise petroleum product owned by a foreign government or its representative, petroleum product stored under this paragraph is not part of the Reserve, is not subject to part C of this title, and notwithstanding any provision of this Act, may be exported from the United States.''.

(3) in subsection (g)—

(A) by striking ''implementation'' and inserting ''development'', and

(B) by striking ''Plan''.

(4) by striking subsections (h) and (i),

(5) by amending subsection (j) to read as follows:

''(j) When the Secretary determines that a 750,000,000 barrel inventory can reasonably be expected to be reached in the Reserve within 5 years, a plan for expansion will be submitted to the Congress.'', and

(6) by amending subsection (l) to read as follows:

''(l) During any period in which drawdown and distribution are being implemented, the Secretary may issue rules, regulations, or orders to implement the drawdown and distribution of the Strategic Petroleum Reserve in accordance with section 553 of title 5, United States Code, without regard to rulemaking requirements in section 523 of this Act, and section 501 of the Department of Energy Organization Act (42 U.S.C. 7191).

(n) in section 160 (42 U.S.C. 6240)—

(1) in subsection (a), by striking all before the dash and inserting the following:

''(a) To the extent funds are available under section 167(b) (2) and (3) and for the purposes of implementing the Strategic Petroleum Reserve, the Secretary may acquire place in storage, transport, or exchange.''.

(2) in subsection (b), by striking ''including the Early Storage Reserve and the Regional Petroleum Reserve'' and paragraph (2), and

(3) by striking subsections (c), (d), (e), and (g).

(o) in section 161 (42 U.S.C. 6241)—

(1) by striking subsections (b) and (c),

(2) by amending subsection (d)(1) to read as follows:

''(d)(1) No drawdown and distribution of the Strategic Petroleum Reserve may be made unless the President has found drawdown and distribution is required by a severe energy supply interruption or by obligations of the United States under the international energy program.'',

(3) by amending subsection (e) to read as follows:

''(e)(1) The Secretary shall sell any petroleum products withdrawn from the Strategic Petroleum Reserve at public sale to the highest qualified bidder in the amounts for the period, and after a notice of sale the Secretary considers proper, and without regard to Federal, State, or local regulations controlling sales of petroleum products.

''(2) The Secretary may cancel in whole or in part any offer to sell petroleum products as part of any drawdown and distribution under this Section.'', and

(4) in subsection (g)—

(A) in paragraph (1), by striking ''Distribution Plan'' and inserting ''distribution procedures'',

(B) by striking paragraphs (2) and (6), and

(C) in paragraph (4), by striking ''90'' and inserting ''95''.

(p) by striking section 164 (42 U.S.C. 6244),

(q) by amending section 165 (42 U.S.C. 6245) to read as follows—

''SEC. 165. The Secretary shall report annually to the President and the Congress on actions taken to implement this part. This report shall include—

''(1) the status of the physical capacity of the Reserve and the type and quantity of petroleum in the Reserve;

''(2) an estimate of the schedule and cost to complete planned equipment upgrade or capital investment in the Reserve, including those carried out as part of operational maintenance or extension of life activities;

''(3) an identification of any life-limiting conditions or operational problems at any Reserve facility, and proposed remedial actions including an estimate of the schedule and cost of implementing such remedial actions;

''(4) a description of current withdrawal and distribution rates and capabilities, and an identification of any operational or other limitations on such rates and capabilities;

''(5) an identification of purchases of petroleum made in the preceding year and planned in the following year, including quantity, price, and type of petroleum;

''(6) a summary of the actions taken to develop, operate, and maintain the Reserve;

''(7) a summary of the financial status and financial transactions of the Strategic Petroleum Reserve and Strategic Petroleum Reserve Petroleum Accounts for the year;

''(8) a summary of expenses for the year, and the number of Federal and contractor employees;

''(9) the status of contracts for development, operation, maintenance, distribution, and other activities related to the implementation of this part, and

''(10) any recommendation for supplemental legislation or policy or operational changes the Secretary considers necessary and appropriate to implement this part.''.

(r) in section 166 (42 U.S.C. 6246) by striking all after ''appropriated'' and inserting ''the funds necessary to implement this part.'',

(s) in section 167 (42 U.S.C. 6247)—

(1) in subsection (b)—

(A) by inserting ''for test sales of petroleum products from the Reserve,'' after ''Strategic Petroleum Reserve,'', and by inserting ''for'' before ''the drawdown'',

(B) by striking paragraph (1), and

(C) in paragraph (2), by striking ''after fiscal year 1982''.

(t) in section 171 (42 U.S.C. 6249)—

(1) by amending subparagraph (b)(2)(B) to read as follows:

''(B) the Secretary notifies each House of the Congress of the determination and identifies in the notification the location, type, and ownership of storage and related facilities proposed to be included, or the volume, type, and ownership of petroleum product proposed to be stored, in the Reserve, and an estimate of the proposed benefits.''.

(u) in section 172 (42 U.S.C. 6249a), by striking subsections (a) and (b),

(v) by striking section 173 (42 U.S.C. 6249b), and

(w) in section 181 (42 U.S.C. 6251), by striking ''June 30, 1996'' each time it appears and inserting ''September 30, 2001''.

SEC. 4. Title II of the Energy Policy and Conservation Act (42 U.S.C. 6211–6251) is amended—

(a) by striking Part A (42 U.S.C. 6261 through 6264),

(b) by striking ''section 252(l)(1)'' in section 251(e)(1) (42 U.S.C. 6271(e)(1)) and inserting ''section 252(k)(1)'',

(c) in section 252(42 U.S.C. 6272)—

(1) in subsections (a)(1) and (b), by striking ''allocation and information provisions of the international energy program'' and inserting ''international emergency response provisions'',

(2) in subsection (d)(3), by striking ''known'' and inserting after ''circumstances'' ''known at the time of approval'',

(3) in subsection (e)(2) by striking ''shall'' and inserting ''may'',

(4) in subsection (f)(2) by inserting ''voluntary agreement or'' after ''approved'',

(5) by amending subsection (h) to read as follows—

''(h) Section 708 of the Defense Production Act of 1950 shall not apply to any agreement or action undertaken for the purpose of developing or carrying out—

''(1) the international energy program, or

''(2) any allocation, price control, or similar program with respect to petroleum products under this Act.'',

(6) in subsection (i) by inserting ''annually, or'' after ''least'' and by inserting ''during an international energy supply emergency'' after ''months'',

(7) in subsection (k) by amending paragraph (2) to read as follows—

''(2) The term ''international emergency response provisions'' means—

''(A) the provisions of the international energy program which relate to international allocation of petroleum products and to the information system provided in the program, and

''(B) the emergency response measures adopted by the Governing Board of the International Energy Agency (including the July 11, 1984, decision by the Governing Board on ''Stocks and Supply Disruptions'') for—

''(i) the coordinated drawdown of stocks of petroleum products held or controlled by governments, and

''(ii) complementary actions taken by governments during an existing or impending international oil supply disruption'', and

(8) by amending subsection (l) to read as follows—

''(l) The antitrust defense under subsection (f) shall not extend to the international allocation of petroleum products unless allocation is required by chapters III and IV of the international energy program during an international energy supply emergency.''.

(d) by adding at the end of section 256(h). ''There are authorized to be appropriated for fiscal years 1996 through 2001, such sums as may be necessary.'',

(e) by striking Part C (42 U.S.C. 271 through 272), and

(f) in section 281 (42 U.S.C. 6285), by striking ''June 30, 1996'' each time it appears and inserting ''September 30, 2001''.

SEC. 5. (a) Title III of the energy Policy and Conservation Act (42 U.S.C. 6291–6325 and 6361–6374) is amended—

(1) in section 365(f) (42 U.S.C. 6325(f)) by amending paragraph (1) to read as follows:

''(1) Except as provided in paragraph (2), for the purpose of carrying out this part, there are authorized to be appropriated $24,650,000 million for fiscal year 1996 and for fiscal years 1997 through 2001, such sums as may be necessary.'', and

(2) section 397 (42 U.S.C. 6371f) is amended to read as follows: ''For the purpose of carrying out this part, there are authorized $26,849,000 million to be appropriated for fiscal year 1996 and for fiscal years 1997 through 2001, such sums as may be necessary.''.

(b) in section 400BB(b) (42 U.S.C. 6374a(b)) by amending paragraph (1) to read as follows:

''(1) There are authorized to be appropriated to the Secretary for carrying out this section such sums as may be necessary for fiscal years 1996 through 2001, to remain available until expended.''.

SEC. 6. Title V of the Energy Policy and Conservation Act (42 U.S.C. 6381–6422) is amended—

(1) by striking section 507 (42 U.S.C. 6385), and

(2) by striking section 522 (42 U.S.C. 6392).

SECTION-BY-SECTION

SECTION 2. AMENDMENTS TO THE STATEMENT OF PURPOSES

Section 2 of the bill would amend section 2 of the Energy Policy and Conservation Act (EPCA).

Paragraph (1) would strike language referring to standby energy conservation and rationing authorities in title II, part A, which expired June 30, 1985.

Paragraph (2) would strike paragraphs (3) and (6) of the Statement of Purposes to reflect the bill's elimination of sections 102 (incentives to develop underground coal mines) and 106 (Production of oil or gas at the maximum efficient rate and temporary emergency production rate).

SECTION 3. AMENDMENTS TO TITLE I OF EPCA

Subsection (a) would strike section 102 of EPCA.

Section 102 of EPCA provides a loan guaranty program to encourage the opening of underground coal mines. Coal supply, however, is abundant, and the loan guarantee program has been inactive since the early 1980s. Because there is no current or foreseeable need for the program authorized by section 102 of EPCA, it is appropriate to delete the section.

Subsection (b) would amend section 105(a) of EPCA by providing that the Secretary of the Interior may allow joint bidding by major oil companies unless the Secretary determines that this bidding would adversely affect competition or the receipt of fair market value. If the Secretary decides to prohibit joint bidding, it may be done without issuing a rule, as previously required. This change would render unnecessary the exemption process required in section 105(c). The report required in section 105(e) has been issued to Congress.

Subsection (c) would strike section 106 of EPCA.

Section 106 of EPCA directs the Secretary of the Interior to determine the maximum efficient rate of production and the temporary emergency rate of production, if any, for each field on Federal lands which produces or is capable of producing significant volumes of crude oil or natural gas. The President may then require production at those rates, and the owner may sue for damages if economic loss is incurred.

Subsection (d) would amend section 151 of EPCA to clarify the policy for establishing a strategic reserve of petroleum products, and delete references to the Early Storage Reserve, the objectives of which have been achieved.

Subsection (e) would amend section 152 of EPCA by deleting the definition of ''Early Storage Reserve'' and ''Regional Petroleum Reserve.'' Requirements for and all references to these parts of the program would be deleted by this bill.

Subsection (f) would strike section 153 of EPCA and amend section 154 to reflect the transfer of the Strategic Petroleum Reserve Office from the Federal Energy Administration to the Department of Energy.

Subsection (g) would amend section 154 of EPCA to eliminate requirements for a Strategic Petroleum Reserve Plan, and for specified fill rates and schedules, but would retain authority for a one billion barrel Reserve.

The Strategic Petroleum Reserve Plan is largely obsolete because the sites that are described for development in the Plan have now been developed. The need for the Drawdown and Distribution Plan, contained in Plan Amendment 4, is eliminated by the amendment to section 159, which would codify competitive sales as the drawdown and distribution policy and elimination allocation as a method of distribution.

Subsection (h) would delete section 155 of EPCA, which requires the establishment of an Early Storage Reserve. All of the volumetric goals for the Early Storage Reserve have been accomplished, and there is no longer a distinction between the Early Storage Reserve and any other facilities or petroleum that make up the Strategic Petroleum Reserve.

Subsection (i) would amend section 156(b) of EPCA on the Industrial Petroleum Reserve authority to remove references to the Early Storage Reserve and the Strategic Petroleum Reserve Plan, which are being deleted by other amendments.

Subsection (j) would delete section 157, Regional Petroleum Reserve. Section 157 of the Act requires the establishment of regional petroleum reserve of refined products in Federal Energy Administration regions that are dependent upon imports for more than 20 percent of their consumption. The Department determined to substitute crude oil for products and also determined that the Gulf Coast area is near enough to all areas to provide protection.

Subsection (k) would delete 158 of EPCA.

Section 158 requires reports to Congress on Utility Reserves, Coal Reserves, and Remote Crude Oil and Natural Gas Reserves within six months of passage of the original Act. This requirement has been fulfilled.

Subsection (l) would amend the heading for section 159 of EPCA to reflect amendment to its contents.

Subsection (m) would amend section 159 of EPCA.

Paragraph (1) would eliminate subsections (a) through (e) of section 159 of EPCA, which require Congressional review of the Strategic Petroleum Reserve Plan and provide for Plan amendments, to reflect the deletion of the requirement for a Strategic Petroleum Reserve Plan in subsection (g) of this amendment.

Paragraph (2) would amend subsection 159(f) of EPCA to eliminate references to the Strategic Petroleum Reserve Plan and the Early Storage Reserve Plan. This amendment also would clarify and make explicit the Secretary's discretionary authority to lease, sell, or otherwise dispose of underutilized Strategic Petroleum Reserve facilities. If necessary or appropriate, lease terms could exceed the five-year limitation of section 649(b) of the Department of Energy Organization Act. In addition, the Secretary is given authority to lease under-utilized Strategic Petroleum Reserve facilities to foreign governments or their representatives. These leases also may exceed the five-year limitation of section 649(b).

Paragraph (3) would remove references in subsection (g) of section 159 of EPCA to the Strategic Petroleum Reserve Plan.

Paragraph (4) would delete subsections 159(h) and (i) of EPCA. Subsection 159(h) deals with interim storage facilities which provide for storage of petroleum prior to the creation of Government-owned facilities. That authority is no longer needed since the Reserve has 592 million barrels of oil in storage and significant unutilized storage capacity Subsection 159(i) required the submission of a report to Congress within 18 months after enactment of the 1990 EPCA Amendments on the results of contract negotiations conducted pursuant to part C of EPCA. The Department did not conclude any contracts pursuant to part C and the reporting provision has expired by its own terms.

Paragrah (5) would amend subsection 159(j) of the EPCA to reflect the elimination of the statutory requirement for a Strategic Petroleum Reserve Plan by amendment of section 154 of the Act. This amendment would continue the requirement for submission to Congress of proposed plans for expansion of storage capacity following a determination by the Secretary that the Reserve can reasonably be expected to be filed to 750 million barrels within five years. This reflects the uncertain financing situation for filling available capacity in the Reserve and makes planning for capacity expansion beyond current capacity premature.

Paragraph (6) would amend subsection 159(l) to eliminate the reference to the Distribution Plan, but would retain the Secretary's authority, during drawdown and distribution of the Reserve, to promulgate regulations necessary to the drawdown and distribution without regard to rulemaking requirements in section 523 of this Act and section 501 of the Department of Energy Organization Act.

Subsection (n) would amend section 160 of EPCA.

Paragraph (1) would amend subsection 160(a) of EPCA to provide that the Secretary's authority to acquire petroleum products for the Strategic Petroleum Reserve is contingent on the availability of funds.

Paragraph (2) would amend subsection 160(b) of EPCA by striking the references to the Early Storage Reserve and the Regional Petroleum Reserve, which would be eliminated by this bill.

Paragraph (3) would strike subsections 160 (c), (d), (e), and (g) of EPCA.

Subsection 160(c) of EPCA requires minimum fill rates. These requirements have proved unrealistic given changes in oil markets and availability of financing. The proposed amendment gives the Secretary flexibility to fill the Reserve contingent upon the availability of funds.

Subsection 160(d) links sales authority for the United States' share of crude oil at Naval Petroleum Reserve Numbered 1 to a fill level of 750,000,000 barrels or a fill rate of 75,000 barrel per day. The requirement for Strategic Petroleum Reserve fill is dependent on the availability of financing for Strategic Petroleum Reserve acquisition, and the logistics of moving Naval Petroleum Reserve Numbered 1 crude oil to the Strategic Petroleum Reserve have proved to be very problematic.

Subsection 160(e) describes various exceptions to the linkage between the Naval Petroleum Reserve Numbered 1 crude oil sales authority and the Strategic Petroleum Reserve fill rate, which would be eliminated by this bill.

Subsection 160(g) requires a refined petroleum product reserve test in fiscal years 1992–94, and a report to Congress. The test was not conducted due to insufficient appropriations in fiscal year 1992 and fiscal year 1993 and was waived in fiscal year 1994. The required report has been submitted.

Subsection (o) would amend section 161 of EPCA.

Paragraph (1) would strike subsections 161 (b) and (c) of EPCA, because they refer to both the Strategic Petroleum Reserve Plan and the Early Storage Reserve Plan which would be eliminated by this bill.

Paragraph (2) would amend subsection 161(d)(1) of EPCA by eliminating the references to the Distribution Plan contained in the Strategic Petroleum Reserve Plan but would not change the existing conditions for Presidential decision to draw down and distribute the Reserve.

Paragraph (3) would amend subsection 161(e) of EPCA to require the Secretary to distribute oil from the Reserve via a public competitive sale to the highest qualified bidder. The amendment eliminates the Secretary's allocation authority.

The amendment also would make explicit the authority of the Secretary to cancel a sale in progress. This authority would enable the Secretary to respond to inordinately low bids, changes in market conditions, or a sudden reversal in the nature of the shortage or emergency.

Paragraph (4) would amend subsection 161(g) of EPCA.

Subparagraph (4)(A) would amend subsection 161(g)(1) of EPCA to substitute ''distribution procedures'' for ''Distribution Plan''.

Subparagraph (4)(B) would strike subsection 161(g)(2) of EPCA because it refers to the Distribution Plan eliminated by the bill, and subsection 161(g)(6) of EPCA because it refers to the minimum required fill rate eliminated by the bill.

Subparagraph (4)(C) would amend section 161(g)(4) of EPCA to prevent the Secretary from selling oil during a test sale of the Strategic Petroleum Reserve at a price less than ''95 percent'' of the sales price of comparable crude oil being sold in the same area at the time the Secretary is offering crude oil for sale rather than ''90 percent'' currently stipulated in this section. Since 10 percent of current prices upward of $1.50 per barrel, the Department believes a smaller range of difference in price would protect the Department from selling the oil below normal variations in market prices.

Subection (p) would strike section 164 of EPCA. Section 164 of EPCA required a study of the use of Naval Petroleum Reserve No 4 jointly by the Secretaries of Energy, the Interior and the Navy, with a report to Congress within 180 days of the passage of the original Act. The study and report were completed.

Subsection (q) would amend section 165 of EPCA by deleting the requirement for quarterly reports on the operation of the Strategic Petroleum Reserve, and requiring instead an annual report consistent with other parts of this amendment. Quarterly reports, considered important during the early growth period of the Strategic Petroleum Reserve to inform the Congress of progress in construction and the rate of fill, are now unnecessary, and their deletion would save administrative costs. Subsection (q) would also eliminate references to the Strategic Petroleum Reserve Plan, the Distribution Plan, and the Early Storage Reserve, which are eliminated by the bill and would change some of the requirements for information to be included in the annual report to reflect more accurately the current status of the Reserve.

Subsection (r) would amend section 166 of EPCA to authorize appropriations necessary to implement the Strategic Petroleum Reserve, and to delete year specific authorizations for the early years of the Reserve.

Subsection (s) would amend section 167 of EPCA to clarify that funds generated by test sales will be deposited in the SPR Petroleum Account. The amendment would remove language specific to fiscal year 1982 which limits the amount of money in the SPR Petroleum Account that year. The amendment also would delete reference to the use of funds for interim storage, which will not be needed because the permanent facilities are complete for the storage of 750 million barrels of oil.

Subsection (t) would amend section 171 of EPCA to eliminate the reference to a requirement for information identical to that in section 154(e) of EPCA. Section 154(e) describes information that is included in the Strategic Petroleum Reserve Plan, which is deleted in this legislation. Instead, when the Secretary notifies the Congress that the Department intends to contract for storage of petroleum under part C, the notification will include a requirement for information more pertinent to the contract.

Subsection (u) would amend section 172 of EPCA.

Paragraph (1) would delete subsections (a) and (b). The exemption in subsection (a) from the requirement for a Strategic Petroleum Reserve Plan amendment is no longer necessary because the bill eliminates the requirement for Plan amendments. Subsection (b) provides that, for purposes of meeting the fill rate requirement in section 160 (d)(1) of EPCA part C contract oil which is removed from the Reserve at the end of the contract agreement shall be considered part of the Reserve until the beginning of the fiscal year following the fiscal year in which the oil is removed. This subsection is unnecessary since the requirement for specific fill rates is deleted by amendment of section 160 of the Act.

Subsection (v) would delete section 173 of EPCA which requires congressional review and therefore, public scrutiny of the details of contracts even though no implementing legislation is needed, and requires a 30-day ''lie before'' period before the contract can go into effect. This requirement is a substantial impediment to acquisition of oil for the Reserve by ''leasing'' and other alternative financing methods authorized by EPCA, part C.

Subsection (w) would amend section 181 of EPCA by extending the expiration date of title I, parts B and C from June 30, 1996 to September 30, 2001.

Public Law 103–406 extended the expiration date to June 30, 1996.

SECTION 4. AMENDMENTS TO TITLE II OF EPCA

Subsection (a) would strike part A of EPCA title II, which contains the authorities for gasoline rationing and other mandatory energy conservation measures which expired on July 1, 1985.

Subsection (b) would amend section 251(e)(1) by striking section ''252(l)(l)'' and inserting in lieu thereof ''252(k)(1).''

Subsection (c) would amend section 252 of EPCA, which makes available to United States oil companies a limited antitrust defense and breach of contract defense for actions taken to carry out a voluntary agreement or plan of action to implement the ''allocation and information provisions'' of the Agreement on an International Energy Program (''IEP''). These limited defenses are now available only in connection with the companies' participation in planning for and implementation of the IEP's emergency oil sharing and information programs. The amendment would extend the section 252 antitrust defense (but not the breach of contract defense) to U.S. companies when they assist the International Energy Agency (''IEA'') in planning for and implementing coordinated drawdown of government-owned or government-controlled petroleum stocks. In 1984, largely at the urging of the United States, the IEA's Governing Board adopted a decision on ''Stocks and Supply Disruptions'' which established a framework for coordinating the drawdown of member countries' government-owned and government-controlled petroleum stocks in those oil supply disruptions that appear capable of causing severe economic harm, whether or not sufficient to activate the IEP emergency oil sharing and information programs. During the 1990–91 Persian Gulf crisis the IEA successfully tested the new coordinated stockdraw policy.

Paragraph 1 would amend subsections 252(a) and (b) of EPCA. These sections would be amended by substituting the term ''international emergency response provisions'' for the term ''allocation and information provisions of the international energy program.'' The new term establishes the scope of oil company activities covered by the antitrust defense and includes actions to assist the IEA in implementing coordinated drawdown of petroleum stocks.

Paragraph 2 would amend paragraph 252(d)(3) of EPCA to clarify that a plan of action submitted to the Attorney General for approval must be as specific in its description of proposed substantive actions as is reasonable ''in light of circumstances known at the time of approval'' rather than ''in light of known circumstances.''

Paragraph 3 would amend paragraph 252(e)(2) of EPCA to give the Attorney General flexibility in promulgating rules concerning the maintenance of records by oil companies related to the development and carrying out of voluntary agreements and plans of action.

Paragraph 4 would amend paragraph 252(f)(2) of EPCA to clarify that the antitrust defense applies to oil company actions taken to carry out an approved voluntary agreement as well as an approved plan of action.

Paragraph 5 would amend subsection 252(h) of EPCA to strike the reference to section 708(A) of the Defense Production Act of 1950, which was repealed by Public Law 102–558 (October 28, 1992), and the reference to the Emergency Petroleum Allocation Act of 1973, which expired in 1981.

Paragraph 6 would amend subsection 252(i) of EPCA to require the Attorney General and the Federal Trade Commission to submit reports to Congress and to the President on the impact of actions authorized by section 252 on competition and on small businesses annually rather than every six months, except during an ''international energy supply emergency,'' when the reports would be required every six months.

Paragraph 7 would amend paragraph 252(k)(2) of EPCA by substituting a definition of the term ''international emergency response provisions'' for the present definition of ''allocation and information provisions of the international energy program.'' The new term, which establishes the scope of company actions covered by the antitrust defense, covers (A) the allocation and information provisions of the IEP and (B) emergency response measures adopted by the IEA Governing Board for the coordinated drawdown of stocks of petroleum products held or controlled by governments and complementary actions taken by governments during an existing or impending international oil supply disruption, whether or not international allocation of petroleum products is required by the IEP.

Paragraph 8 would amend subsection 252(l) of EPCA to make clear that the antitrust defense does not extend to international allocation of petroleum unless the IEA's Emergency Sharing System has been activated.

Subsection (d) would amend subsection 256(h) of EPCA to authorize appropriations for fiscal years 1996 through 2001 for the activities of the interagency working group and interagency working subgroups established by section 256 of EPCA to promote exports of renewable energy and energy efficiency products and services.

Subsection (e) would strike EPCA part C, which was added to the EPCA by the Energy Emergency Preparedness Act of 1982 and which required the submission to Congress of reports on energy emergency legal authorities and response procedures. The reporting requirement was fulfilled in 1982.

Subsection (f) would amend section 281 of EPCA by extending the expiration date of title II from June 30, 1996 to September 30, 2001.

Public Law 103–406 extended the expiration date to June 30, 1996.

SECTION 5. AMENDMENTS TO TITLE III OF EPCA

Subsection (a) would amend sections 365 and 397 of EPCA, which provide authorization for appropriations for fiscal years 1991, 1992, and 1993 for State Energy Conservation programs and the Energy Conservation Program for Schools and Hospitals. The amendment would authorize appropriations of $24.651 million for section 365 and $26.849 million for section 397 for fiscal year 1996 and such funds as may be necessary for fiscal years 1997 through 2001.

Subsection (b) would amend section 400BB to extend the authorization for the appropriation of the Alternative Fuels Truck Commercial Application Program to fiscal year 2001.

SECTION 6. AMENDMENTS TO TITLE V OF EPCA

Paragraph 1 would delete section 507 of the Act, which provides that the Energy Information Administration must continue to gather the same data on pricing, supply and distribution of petroleum products as it did on September 1, 1981. This section hinders the flexibility of the Administrator to collect information that is currently meaningful. There is no reason to have a statutory prohibition against modifying and amending the types of data collected.

Paragraph 2 would delete section 522 of the Act, which provides conflict of interest disclosure requirements for the Federal Energy Administration. This section was superseded by the Department of Energy Organization Act.

SECRETARY OF ENERGY,
Washington, DC, October 10, 1995.

Hon. AL GORE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a legislative proposal cited as the ''Energy Policy and Conservation Act Amendments Act of 1995.'' This proposal would amend and extend certain authorities in the Energy Policy and Conservation Act (Act) which either have expired or will expire June 30, 1996. Not all sections of the current act are proposed for extension.

The Act was passed in 1975. Title I authorizes the creation and maintenance of the Strategic Petroleum Reserve that would mitigate shortages during an oil supply disruption. Title II contains authorities essential for meeting key United States obligations to the International Energy Agency. This is our method of coordinating energy emergency response programs with other countries. The current antitrust defense available to American companies participating in the International Energy Agency would be clarified by the proposed legislation. Titles I and II are proposed for extension beyond their June 30, 1996 expiration date.

Title III contains authorities for certain energy efficiency and conservation programs. The authorization of appropriations has expired for these programs. These successful and very cost beneficial programs, designed to encourage and subsidize demand reducing investment and manufacturing, are proposed for extension without amendment. Title V contains residual provisions from the Federal Energy Administration pertaining to energy data bases and information, and general and administrative matters. Those provisions which hinder the flexibility of the Administrator of the Energy Information Administration to collect currently meaningful information are proposed for deletion.

The proposed legislation would extend the Strategic Petroleum Reserve, participation in the International Energy Program, and conservation and efficiency authorities to September 30, 2001. It would revise or delete certain provisions which are outdated or unnecessary.

The proposed legislation and a sectional analysis are enclosed.

The Office of Management and Budget advises that enactment of this proposal would be in accord with the program of the President. We look forward to working with the Congress toward enactment of this legislation.

Sincerely,

HAZEL R. O'LEARY.

Enclosures.

SECTION-BY-SECTION

SECTION 2. AMENDMENTS TO THE STATEMENT OF PURPOSES

Section 2 of the bill would amend section 2 of the Energy Policy and Conservation Act (EPCA).

Paragraph (1) would strike language referring to standby energy conservation and rationing authorities in title II, part A, which expired June 30, 1985.

Paragraph (2) would strike paragraphs (3) and (6) of the Statement of Purposes to reflect the bill's elimination of sections 102 (incentives to develop underground coal mines) and 106 (Production of oil or gas at the maximum efficient rate and temporary emergency production rate).

SECTION 3. AMENDMENTS TO TITLE I OF EPCA

Section (a) would strike section 102 of EPCA.

Section 102 of EPCA provides a loan guaranty program to encourage the opening of underground coal mines. Coal supply, however, is abundant, and the loan guarantee program has been inactive since the early 1980s. Because there is no current or foreseeable need for the program authorized by section 102 of EPCA, it is appropriate to delete the section.

Section (b) would amend section 105(a) of EPCA by providing that the Secretary of the Interior may allow joint bidding by major oil companies unless the Secretary determines that this bidding would adversely affect competition or the receipt of fair market value. If the Secretary decides to prohibit joint bidding, it may be done without issuing a rule, as previously required. This change would render unnecessary the exemption process required in section 105(c). The report required in section 105(e) has been issued to Congress.

Section (c) would strike section 106 of EPCA.

Section 106 of EPCA directs the Secretary of the Interior to determine the maximum efficient rate of production and the temporary emergency rate of production, if any, for each field on Federal lands which produces or is capable of producing significant volumes of crude oil or natural gas. The President may then require production at those rates, and the owner may sue for damages if economic loss is incurred.

Subsection (d) would amend section 151 of EPCA to clarify the policy for establishing a strategic reserve of petroleum products, and delete references to the Early Storage Reserve, the objectives of which have been achieved.

Subsection (e) would amend section 152 of EPCA by deleting the definition of ''Early Storage Reserve'' and ''Regional Petroleum Reserve.'' Requirements for and all references to these parts of the program would be deleted by this bill.

Subsection (f) would strike section 153 of EPCA and amend section 154 to reflect the transfer of the Strategic Petroleum Reserve Office from the Federal Energy Administration to the Department of Energy.

Subsection (g) would amend section 154 of EPCA to eliminate requirements for a Strategic Petroleum Reserve Plan, and for specified fill rates and schedules, but would retain authority for a one billion barrel Reserve.

The Strategic Petroleum Reserve Plan is largely obsolete because the sites that are described for development in the Plan have now been developed. The need for the Drawdown and Distribution Plan, contained in Plan Amendment 4, is eliminated by the amendment to section 159, which would codify competitive sale as the drawdown and distribution policy and eliminate allocation as a method of distribution.

Subsection (h) would delete section 155 of EPCA, which requires the establishment of an Early Storage Reserve. All of the volumetric goals for the Early Storage Reserve have been accomplished, and there is no longer a distinction between the Early Storage Reserve and any other facilities or petroleum that make up the Strategic Petroleum Reserve.

Subsection (i) would amend section 156(b) of EPCA on the Industrial Petroleum Reserve authority to remove references to the Early Storage Reserve and the Strategic Petroleum Reserve Plan, which are being deleted by other amendments.

Subsection (j) would delete section 157, Regional Petroleum Reserve. Section 157 of the Act requires the establishment of regional petroleum reserve of refined products in Federal Energy Administration regions that are dependent upon imports for more than 20 percent of their consumption. The Department determined to substitute crude oil for products and also determined that the Gulf Coast area is near enough to all areas to provide protection.

Subsection (k) would delete 158 of EPCA.

Section 158 requires reports to Congress on Utility Reserves, Coal Reserves, and Remote Crude Oil and Natural Gas Reserves within six months of passage of the original Act. This requirement has been fulfilled.

Subsection (l) would amend the heading for section 159 of EPCA to reflect amendment to its contents.

Subsection (m) would amend section 159 of EPCA.

Paragraph (l) would eliminate subsections (a) through (e) of section 159 of EPCA, which require Congressional review of the Strategic Petroleum Reserve Plan and provide for Plan amendments, to reflect the deletion of the requirement for a Strategic Petroleum Reserve Plan in subsection (g) of this amendment.

Paragraph (2) would amend subsection 159 (f) of EPCA to eliminate references to the Strategic Petroleum Reserve Plan and the Early Storage Reserve Plan. This amendment also would clarify and make explicit

the Secretary's discretionary authority to lease, sell, or otherwise dispose of underutilized Strategic Petroleum Reserve facilities. If necessary or appropriate, lease terms could exceed the five-year limitation of section 649(b) of the Department of Energy Organization Act. In addition, the Secretary is given authority to lease under-utilized Strategic Petroleum Reserve facilities to foreign governments or their representatives. These leases also may exceed the five-year limitation of section 649(b).

Paragraph (3) would remove references in subsection (g) of section 159 of EPCA to the Strategic Petroleum Reserve Plan.

Paragraph (4) would delete subsections 159(h) and (i) of EPCA. Subsection 159(h) deals with interim storage facilities which provide for storage of petroleum prior to the creation of Government-owned facilities. That authority is no longer needed since the Reserve has 592 million barrels of oil in storage and significant unutilized storage capacity. Subsection 159(i) required the submission of a report to Congress within 18 months after enactment of the 1990 EPCA Amendments on the results of contract negotiations conducted pursuant to part C of EPCA. The Department did not conclude any contracts pursuant to part C, and the reporting provision has expired by its own terms.

Paragraph (5) would amend subsection 159(j) of EPCA to reflect the elimination of the statutory requirement for a Strategic Petroleum Reserve Plan by amendment of section 154 of the Act. This amendment would continue the requirement for submission to Congress of proposed plans for expansion of storage capacity following a determination by the Secretary that the Reserve can reasonably be expected to be filled to 750 million barrels within five years. This reflects the uncertain financing situation for filling available capacity in the Reserve and makes planning for capacity expansion beyond current capacity premature.

Paragraph (6) would amend subsection 159(l) to eliminate the reference to the Distribution Plan, but would retain the Secretary's authority, during drawdown and distribution of the Reserve, to promulgate regulations necessary to the drawdown and distribution without regard to rulemaking requirements in section 523 of this Act and section 501 of the Department of Energy Organization Act.

Subsection (n) would amend section 160 of EPCA.

Paragraph (1) would amend subsection 160(a) of EPCA to provide that the Secretary's authority to acquire petroleum products for the Strategic Petroleum Reserve is contingent on the availability of funds.

Paragraph (2) would amend subsection 160(b) of EPCA by striking the references to the Early Storage Reserve and the Regional Petroleum Reserve, which would be eliminated by this bill.

Paragraph (3) would strike subsections 160(c), (d), (e), and (g) of EPCA.

Subsection 160(c) of EPCA requires minimum fill rates. These requirements have proved unrealistic given changes in oil markets and availability of financing. The proposed amendment gives the Secretary flexibility to fill the Reserve contingent upon the availability of funds.

Subsection 160(d) links sales authority for the United States' share of crude oil at Naval Petroleum Reserve Numbered 1 to a fill level of 750,000,000 barrels or a fill rate of 75,000 barrels per day. The requirement for Strategic Petroleum Reserve fill is dependent on the availability of financing for Strategic Petroleum Reserve acquisition, and the logistics of moving Naval Petroleum Reserve Numbered 1 crude oil to the Strategic Petroleum Reserve have proved to be very problematic.

Subsection 160(e) describes various exceptions to the linkage between the Naval Petroleum Reserve Numbered 1 crude oil sales authority and the Strategic Petroleum Reserve fill rate, which would be eliminated by this bill.

Subsection 160(g) requires a refined petroleum product reserve test in fiscal years 1992–94, and a report to Congress. The test was not conducted due to insufficient appropriations in fiscal year 1992 and fiscal year 1993 and was waived in fiscal year 1994. The required report has been submitted.

Subsection (o) would amend section 161 of EPCA.

Paragraph (1) would strike subsections 161 (b) and (c) of EPCA, because they refer to both the Strategic Petroleum Reserve Plan and the Early Storage Reserve Plan which would be eliminated by this bill.

Paragraph (2) would amend subsection 161(d)(1) of EPCA by eliminating the references to the Distribution Plan contained in the Strategic Petroleum Reserve Plan but would not change the existing conditions for Presidential decision to draw down and distribute the Reserve.

Paragraph (3) would amend subsection 161(e) of EPCA to require the Secretary to distribute oil from the Reserve via a public competitive sale to the highest qualified bidder. The amendment eliminates the Secretary's allocation authority.

The amendment also would make explicit the authority of the Secretary to cancel a sale in progress. This authority would enable the Secretary to respond to inordinately low bids, changes in market conditions, or a sudden a reversal in the nature of the shortage or emergency.

Paragraph (4) would amend subsection 161(g) of EPCA.

Subparagraph (4)(A) would amend subsection 161(g)(1) of EPCA to substitute ''distribution procedures'' for ''Distribution Plan.''

Subparagraph (4)(B) would strike subsection 161(g)(2) of EPCA because it refers to the Distribution Plan eliminated by the bill, and subsection 161(g)(6) of EPCA because it refers to the minimum required fill rate eliminated by the bill.

Subparagraph (4)(C) would amend section 161(g)(4) of EPCA to prevent the Secretary from selling oil during a test sale of the Strategic Petroleum Reserve at a price less than ''95 percent'' of the sales price of comparable crude oil being sold in the same area at the time the Secretary is offering crude oil for sale rather than ''90 percent'' currently stipuled in this section. Since 10 percent of current prices ranges upward of $1.50 per barrel, the Department believes a smaller range of difference in price would protect the Department from selling the oil below normal variations in market prices.

Subsection (p) would strike section 164 of EPCA. Section 164 of EPCA required a study of the use of Naval Petroleum Reserve No. 4 jointly by the Secretaries of Energy, the Interior and the Navy, with a report to Congress within 180 days of the passage of the original Act. The study and report were completed.

Subsection (q) would amend section 165 of EPCA by deleting the requirement for quarterly reports on the operation of the Strategic Petroleum Reserve and requiring instead an annual report consistent with other parts of this amendment. Quarterly reports considered important during the early growth period of the Strategic Petroleum Reserve to inform the Congress of progress in construction and the rate of fill, are now unnecessary, and their deletion would save administrative costs. Subsection (q) would also eliminate references to the Strategic Petroleum Reserve Plan, the Distribution Plan, and the Early Storage Reserve, which are eliminated by the bill and would change some of the requirements for information to be included in the annual report to reflect more accurately the current status of the Reserve.

Subsection (r) would amend section 166 of EPCA to authorize appropriations necessary to implement the Strategic Petroleum Reserve, and to delete year specific authorizations for the early years of the Reserve.

Subsection (s) would amend section 167 of EPCA to clarify that funds generated by test sales will be deposited in the SPR Petroleum Account. The amendment would remove language specific to fiscal year 1982 which limits the amount of money in the SPR Petroleum Account that year. The amendment also would delete reference to the use of funds for interim storage, which will not be needed because the permanent facilities are complete for the storage of 750 million barrels of oil.

Subsection (t) would amend section 171 of EPCA to eliminate the reference to a requirement for information identical to that in section 154(e) of EPCA. Section 154(e) describes information that is included in the Strategic Petroleum Reserve Plan, which is deleted in this legislation. Instead, when the Secretary notifies the Congress that the Department intends to contract for storage of petroleum under part C, the notification will include a requirement for information more pertinent to the contract.

Subsection (u) would amend section 172 of EPCA.

Paragraph (1) would delete subsections (a) and (b). The exemption in subsection (a) from the requirement for a Strategic Petroleum Reserve Plan amendment is no longer necessary because the bill eliminates the requirement for Plan amendments. Subsection (b) provides that, for purposes of meeting the fill rate requirement in section 160(d)(1) of EPCA, part C contract oil which is removed from the Reserve at the end of the contract agreement shall be considered part of the Reserve until the beginning of the fiscal year following the fiscal year in which the oil is removed. The subsection is unnecessary since the requirement for specific fill rates is deleted by amendment of section 160 of the Act.

Subsection (v) would delete section 173 of EPCA which requires congressional review and, therefore, public scrutiny of the details of contracts even though no implementing legislation is needed, and requires a 30-day ''lie before'' period before the contract can go into effect. This requirement is a substantial impediment to acquisition of oil for the Reserve by ''leasing'' and other alternative financing methods authorized by EPCA, part C.

Subsection (w) would amend section 181 of EPCA by extending the expiration date of title I, parts B and C from June 30, 1996 to September 30, 2001.

Public Law 103–406 extended the expiration date to June 30, 1996.

SECTION 4. AMENDMENTS TO TITLE II OF EPCA

Subsection (a) would strike part A of EPCA title II, which contains the authorities for gasoline rationing and other mandatory energy conservation measures which expired on July 1, 1985.

Subsection (b) would amend section 251(e)(1) by striking section ''252(l)(1)'' and inserting in lieu thereof ''252(k)(1).''

Section (c) would amend section 252 of EPCA, which makes available to United States oil companies a limited antitrust defense and breach of contract defense for actions taken to carry out a voluntary agreement or plan of action to implement the ''allocation and information provisions'' of the

Agreement on an International Energy Program (''IEP''). These limited defenses are now available only in connection with the companies' participation in planning for and implementation of the IEP's emergency oil sharing and information programs. The amendment would extend the section 252 antitrust defense (but not the breach of contract defense) to U.S. companies when they assist the International Energy Agency (''IEA'') in planning for and implementing coordinated drawndown of government-owned or government-controlled petroleum stocks. In 1984, largely at the urging of the United States, the IEA's Governing Board adopted a decision on ''Stocks and Supply Disruptions'' which established a framework for coordinating the drawdown of member countries' government-owned and government-controlled petroleum stocks in those oil supply disruptions that appear capable of causing severe economic harm, whether or not sufficient to activate the IEP emergency oil sharing and information programs. During the 1990–91 Persian Gulf crisis the IEA successfully tested the new coordinated stockdraw policy.

Paragraph 1 would amend subsections 252 (a) and (b) of EPCA. These sections would be amended by substituting the term ''international emergency response provisions'' for the term ''allocation and information provisions of the international energy program.'' The new term establishes the scope of oil company activities covered by the antitrust defense and includes actions to assist the IEA in implementing coordinated drawdown of petroleum stocks.

Paragraph 2 would amend paragraph 252(d)(3) of EPCA to clarify that a plan of action submitted to the Attorney General for approval must be as specific in its description of proposed substantive actions as is reasonable ''in light of circumstances known at the time of approval'' rather than ''in light of known circumstances.''

Paragraph 3 would amend paragraph 252(e)(2) of EPCA to give the Attorney General flexibility in promulgating rules concerning the maintenance of records by oil companies related to the development and carrying out of voluntary agreements and plans of action.

Paragraph 4 would amend paragraph 252(f)(2) of EPCA to clarify that the antitrust defense applies to oil company actions taken to carry out an approved voluntary agreement as well as an approved plan of action.

Paragraph 5 would amend subsection 252(h) of EPCA to strike the reference to section 708(A) of the Defense Production Act of 1950, which was repealed by Public Law 102–558 (October 28, 1992), and the reference to the Emergency Petroleum Allocation Act of 1973, which expired in 1981.

Paragraph 6 would amend subsection 252(i) of EPCA to require the Attorney General and the Federal Trade Commission to submit reports to Congress and to the President on the impact of actions authorized by section 252 on competition and on small businesses annually rather than every six months, except during an ''international energy supply emergency,'' when the reports would be required every six months.

Paragraph 7 would amend paragraph 252(k)(2) of EPCA by substituting a definition of the term ''international emergency response provisions'' for the present definition of ''allocation and information provisions of the international energy program.'' The new term, which establishes the scope of company actions covered by the antitrust defense, covers (A) the allocation and information provisions of the IEP and (B) emergency response measures adopted by the IEA Governing Board for the coordinated drawdown of stocks of petroleum products held or controlled by governments and complementary actions taken by governments during an existing or impending international oil supply disruption, whether or not international allocation of petroleum products is required by the IEP.

Paragraph 8 would amend subsection 252(1) of EPCA to make clear that the antitrust defense does not extend to international allocation of petroleum unless the IEA's Emergency Sharing System has been activated.

Subsection (d) would amend subsection 256(h) of EPCA to authorize appropriations for fiscal years 1996 through 2001 for the activities of the interagency working group and interagency working subgroups established by section 256 of EPCA to promote exports of renewable energy and energy efficiency products and services.

Subsection (e) would strike EPCA part C, which was added to the EPCA by the Energy Emergency Preparedness Act of 1982 and which required the submission to Congress of reports on energy emergency legal authorities and response procedures. The reporting requirement was fulfilled in 1982.

Subsection (f) would amend section 281 of EPCA by extending the expiration date of title II from June 30, 1996 to September 30, 2001.

Public Law 103–406 extended the expiration date of June 30, 1996.

SECTION 5. AMENDMENTS TO TITLE III OF EPCA

Subsection (a) would amend sections 365 and 397 of EPCA, which provide authorization for appropriations for fiscal years 1991, 1992, and 1993 for State Energy Conservation programs and the Energy Conservation Program for Schools and Hospitals. The amendment would authorize appropriations of $24,651 million for section 365 and $26,849 million for section 397 for fiscal year 1996 and such funds as may be necessary for fiscal years 1997 through 2001.

Subsection (b) would amend section 400BB to extend the authorization for the appropriation of the Alternative Fuels Truck Commercial Application Program to fiscal year 2001.

SECTION 6. AMENDMENTS TO TITLE V OF EPCA

Paragraph 1 would delete section 507 of the Act, which provides that the Energy Information Administration must continue to gather the same data on pricing, supply and distribution of petroleum products as it did on September 1, 1981. This section hinders the flexibility of the Administrator to collect information that is currently meaningful. There is no reason to have a statutory prohibition against modifying and amending the types of data collected.

Paragraph 2 would delete section 522 of the Act, which provides conflict of interest disclosure requirements for the Federal Energy Administration. This section was superseded by the Department of Energy Organization Act.●

By Mr. HATCH (for himself, Mrs. FEINSTEIN, Mr. THURMOND, Mr. DEWINE, Mr. KOHL, and Mr. BIDEN):

S. 1606. A bill to control the use of biological agents that have the potential to pose a severe threat to public health and safety, and for other purposes; to the Committee on the Judiciary.

THE BIOLOGICAL AGENTS ENHANCED PENALTIES AND CONTROL ACT

Mr. HATCH. Mr. President, I rise to introduce a bill that has a simple but important purpose: To decrease the opportunity for terrorists to use a biological weapons.

S. 1606 is cosponsored by Senators FEINSTEIN, THURMOND, DEWINE, KOHL, and BIDEN. I welcome this broad bipartisan support to respond quickly to this threat to the safety of Americans.

It may surprise the American people to know that very dangerous, indeed deadly, organisms that cause diseases and death in human beings are available for purchase across State lines—not only by legitimate users, but by those who may use them with criminal intent. These organisms include the agents that cause the bubonic plague, anthrax, and other diseases.

Perversely, the Federal Government has stricter regulations on the interstate transportation of biological agents causing disease in plants and animals than it has for the interstate transportation of agents that cause disease in humans.

I favor regulatory reform and a reduction in the Government's overall regulatory burden on the American people. But that is not to say that the Federal Government has no legitimate regulatory role to play. The interstate transport of dangerous biological agents should be regulated.

A recent Washington Post story reported that, in May 1995, an individual in Ohio faxed an order for three vials of the agent that causes the bubonic plague, a disease that killed one-third of the people of 14th century Europe, from the American Type Culture Collection [ATCC] in Maryland. The purchaser's letterhead appeared to be that of a laboratory.

When the purchaser called ATCC to complain about slow delivery, the sales representative became concerned about whether the caller was someone who should have the plague agent. Ohio police, public officials, the FBI, and emergency workers ultimately scoured the purchaser's home.

In the home they found nearly a dozen M–1 rifles, smoke grenades, blasting caps, and white separatist literature. The deadly micro-organisms were found in the glove compartment of the purchaser's automobile, still packed as shipped.

The purchaser was prosecuted under wire and mail fraud statutes. But these charges would not have been possible if the purchaser had not sent a false statement on the letterhead of a nonexistent laboratory stating that the laboratory assumed responsibility for the shipment, as the seller had required.

Unfortunately, both current laws and regulations are deficient in protecting Americans from the threat of the diversion of potentially dangerous biological agents. Gaps exist in current regulations that allow anyone to possess deadly biological agents, also referred to as human pathogens, and gaps exist in our criminal laws that make prosecution of people who attempt to obtain these agents for illegitimate purposes very difficult.

I would like to take a moment to discuss these problems with you.

Biological agents that cause disease in humans are available to several legitimate groups of users. First, small

quantities of biological agents can be found in patient samples that are analyzed by clinical laboratories. Second, biological agents are used in the conduct of legitimate basic and clinical science research by scientists across the country, both within and outside of Government. Third, the Department of Defense has facilities to investigate biological agents, not as weapons, but to develop protective strategies in the event of military use of these agents during war. Currently, however, anyone else can also obtain these agents under Federal law. The only limits on who may purchase deadly biological agents are those imposed by the sellers themselves.

There are many regulations in place with regard to the management of biological agents. These regulations come from many different governmental sources, including the CDC, the Postal Service, U.S. Department of Agriculture, Department of Commerce, Food and Drug Administration, and the Department of Transportation, among others. Unfortunately, the regulations were developed by these agencies with little or no apparent integration with other agencies, and with narrow purposes in mind. They were also developed in an era when domestic terrorism was not thought of as a real risk.

In addition to the lack of coordination of efforts in the regulation of biological agents, existing regulations have not kept up with advancing science. For instance, biological agents are currently classified by CDC into four classes, based on several criteria. This ranges from class 1 organisms, which are considered to be nonharmful to humans under ordinary circumstances, to class 4 organisms, which are considered to be highly harmful to humans. In the manual ''Biosafety in Microbiological and Biomedical Laboratories,''—hereafter Biosafety manual—CDC defines how legitimate laboratories should manage agents in these various classes.

Again, these biohazard levels are designed for the protection of laboratory personnel and to prevent the accidental release of these agents into the environment. They do not take into account potential theft of these agents, or attempt to prevent misdirection of these agents to terrorists. In addition, the biosafety manual that establishes biohazard levels was last revised in 1993. It has not kept up with classification changes, or with the new strains of organisms that are constantly being described by microbiologists.

Another example of how current regulation has not kept up with advancing scientific knowledge is the definition of what a biological agent actually is. The Centers for Disease Control and Prevention [CDC] defines a biological agent—human pathogen—as ''a viable micro-organism or its toxin which causes, or may cause, human disease'' [42 CFR 72]. This definition includes algae, bacteria, protozoa, fungi, and viruses.

Unfortunately, threats now exist that we did not even know about when this definition was written. For instance, we now are experiencing a rapid growth in the field of gene technology. This technology now gives scientists the ability to deliberately or accidentally insert genes into micro-organisms that could broaden their host range, alter their route of disease transmission to humans, make them more toxic, or make them more difficult to treat.

CDC has wide authority to regulate biological agents that pose a threat to human health, and could establish rules limiting who may possess these agents. Current regulations do not protect communities from intentional diversion of biological agents or the potential for these agents to be turned into weapons of mass destruction.

This fact was recognized by CDC testimony before the Senate Judiciary committee last week. Dr. James M. Hughes, the Assistant Surgeon General and Director of the National Center for Infectious Diseases for the CDC testified:

> The current safeguards governing the acquisition and distribution, in the United States, of infectious and/or toxic agents are not comprehensive. There is no single set of consistent regulations but rather a number of different departmental regulations that address the shipping and handling of infectious agents. Taken together, these are effective at controlling the packaging, labeling, and transport of infectious materials, but they are not completely effective at controlling the possession and transfer of human infectious agents within the United States.

Unfortunately, efforts by CDC and others have been slow. To date, there have been at least two multiagency task forces established to look at this issue. The first task force completed its work and made recommendations in July 1995. The second task force is well underway in the development of a regulatory system, but there does not appear to be a sufficient sense of urgency to get the job done.

According to CDC's March 6 testimony before the Judiciary Committee, CDC does not plan to release proposed regulations for at least another 6 months. That means that it might be another year before final rules regulating who may possess dangerous biological agents are in place and enforceable.

Why is that a problem? Current criminal law has gaps that prevent the prosecution of someone who obtains biological agents under false pretenses, or who possesses these agents with the intent to harm others. Under current Federal law, it is legal for anyone to possess biological agents—we must wait until they actually use it as a weapon before there is anything we can do about it.

These gaps in current criminal law were discussed in detail during the hearings before the Judiciary Committee. Mr. Mark M. Richard, the Deputy Assistant Attorney General, testified on behalf of the Department of Justice. Mr. Richard stated that the multiagency task force looking into this issue determined ''that there were no comprehensive Federal regulations governing the control of these dangerous organisms.''

My colleagues and I believe that current regulation and law have left us vulnerable to the potential use of biological agents as a terrorist weapon. We have not kept pace with science and technology, nor have we recognized that we live in a more dangerous world than we once did. We further believe that action must be taken sooner, rather than later, to avoid a potential disaster.

This bill strikes a balance between protecting citizens from the threat that biological agents will be used as a weapon of domestic terrorism and placing over-burdensome demands on legitimate users of biological agents.

The first title of our bill is directed at placing appropriate criminal provisions in place as requested by the Justice Department. Our provisions ensure that persons who develop or use biological organisms as a weapon will face severe and certain punishment.

Our bill does this by amending sections 175 to 178 of Title 18, which relate to prohibitions with respect to biological weapons. As it currently is written, this provision makes it criminal to knowingly develop, produce, transfer, acquire, or possess any biological agent, toxin, or delivery system for use as a weapon. It also prohibits knowingly assisting a foreign state or organization to do so. My bill will strengthen this provision to include an attempt, threat, and conspiracy prohibition within its scope. In addition, I broaden the definitions of biological agent, toxin, and vector in section 178 to cover biological products that can be engineered as a result of advances made in the field of biotechnology.

The second statute in Title 18 that we amend is section 2332a. That provision currently makes it a criminal offense to use a weapon of mass destruction. Under current law, a ''weapon of mass destruction'' is defined to include ''any weapon involving a disease organism.'' 18 U.S.C. §2332a(b)(2)(C). This bill will expand that definition to include in its coverage the biological agents and toxins, as defined in section 178, including bioengineered products, that can be used as a weapon of mass destruction. In addition, we add a threat provision to this statute.

The second title of our bill requires the Secretary of Health and Human Services to establish interim regulations within 90 days and to issue proposed rules within 180 days that regulate the transfer within the United States of biological agents which have the potential to pose a severe threat to the public health and safety.

I believe that the time limits required in our bill are reasonable and prudent, and allow the Secretary of Health and Human Services adequate time to develop appropriate regulations in this area. In fact, Dr. James

Hughes testified last week that this process is well underway.

The Judiciary Committee has been very concerned about the immediate potential for diversion of dangerous biological agents under the current law and regulation. In fact, at our hearing last week, we were disturbed to learn from agency representatives that no measures are in place to guard against reoccurrence of a situation like the Ohio case.

For this reason, on March 6, Senators FEINSTEIN, SPECTER, KOHL, and I sent a letter to the President urging that he:

* * * direct the Centers for Disease Control and Prevention to implement on a priority basis emergency procedures which will protect the American people against the threat of dangerous, diverted pathogenic materials.

In addition, our new legislation includes a requirement for the establishment of interim rules while the long-term rules are developed.

In closing, Mr. President, I believe that the threat for the intentional diversion of biological agents is real, and that these agents pose a threat for use as a weapon of domestic terrorism.

We are submitting a comprehensive bill that fixes the gaps in criminal code and requires the rapid development and implementation of a regulatory program that will limit the people who may possess these materials to those who have a legitimate need to possess them. Obviously, time is of the essence, and I hope that the Senate will act as quickly as possible on the Biological Agents Enforcement Enhancement and Control Act.

I ask unanimous consent that the text of S. 1606 be inserted in the RECORD.

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

S. 1606

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Biological Agents Enhanced Penalties and Control Act''.

SEC. 2. FINDINGS.

The Congress finds that—

(1) certain biological agents have the potential to pose a severe threat to public health and safety;

(2) such biological agents can be used as weapons by individuals or organizations for the purpose of domestic or international terrorism or for other criminal purposes;

(3) the transfer and possession of potentially hazardous biological agents should be regulated to protect public health and safety; and

(4) efforts to protect the public from exposure to such agents should ensure that individuals and groups with legitimate objectives continue to have access to such agents for clinical and research purposes.

SEC. 3. CRIMINAL ENFORCEMENT.

(a) BIOLOGICAL WEAPONS.—Chapter 10 of title 18, United States Code is amended—

(1) in section 175(a), by inserting ''or attempts, threatens, or conspires to do the same,'' after ''to do so,'';

(2) in section 177(a)(2), by inserting ''threat,'' after ''attempt,''; and

(3) in section 178—

(A) in paragraph (1), by striking ''or infectious substance'' and inserting ''infectious substance, or biological product that may be engineered as a result of biotechnology, or any naturally occurring or bioengineered component of any such microorganism, virus, infectious substance, or biological product'';

(B) in paragraph (2)—

(i) by inserting ''the toxic material of plants, animals, microorganisms, viruses, fungi, or infectious substances, or a recombinant molecule'' after ''means'';

(ii) by striking ''production—'' and inserting ''production, including—'';

(iii) in subparagraph (A), by inserting ''or biological product that may be engineered as a result of biotechnology'' after ''substance''; and

(iv) in subparagraph (B), by inserting ''or biological product'' after ''isomer''; and

(C) in paragraph (4), by inserting ''; or molecule, including a recombinant molecule, or biological product that may be engineered as a result of biotechnology,'' after ''organism''.

(b) TERRORISM.—Section 2332a(a) of title 18, United States Code, is amended—

(1) by inserting '', threatens,'' after ''attempts''; and

(2) by inserting '', including any biological agent, toxin, or vector (as those terms are defined in section 178)'' after ''destruction''.

SEC. 4. REGULATORY CONTROL OF BIOLOGICAL AGENTS.

(a) LIST OF BIOLOGICAL AGENTS.—

(1) IN GENERAL.—The Secretary shall, through regulations promulgated under subsection (c), establish and maintain a list of each biological agent that has the potential to pose a severe threat to public health and safety.

(2) CRITERIA.—In determining whether to include an agent on the list under paragraph (1), the Secretary shall—

(A) consider—

(i) the effect on human health of exposure to the agent;

(ii) the degree of contagiousness of the agent and the methods by which the agent is transferred to humans;

(iii) the availability and effectiveness of immunizations to prevent and treatments for any illness resulting from infection by the agent; and

(iv) any other criteria the Secretary considers appropriate; and

(B) consult with scientific experts representing appropriate professional groups.

(b) REGULATION OF TRANSFERS OF LISTED BIOLOGICAL AGENTS.—The Secretary shall, through regulations promulgated under subsection (c), provide for—

(1) the establishment and enforcement of safety procedures for the transfer of biological agents listed pursuant subsection (a), including measures to ensure—

(A) proper training and appropriate skills to handle such agents; and

(B) proper laboratory facilities to contain and dispose of such agents;

(2) safeguards to prevent access to such agents for use in domestic or international terrorism or for any other criminal purpose;

(3) the establishment of procedures to protect the public safety in the event of a transfer or potential transfer of a biological agent in violation of the safety procedures established under paragraph (1) or the safeguards established under paragraph (2); and

(4) appropriate availability of biological agents for research, education, and other legitimate purposes.

(c) TIMES LIMITS.—The Secretary shall carry out subsections (a) and (b) by issuing—

(1) interim rules not later than 90 days after the date of the enactment of this Act;

(2) proposed rules not later than 180 days after the date of the enactment of this Act; and

(3) final rules not later than 360 days after the date of the enactment of this Act.

(d) DEFINITIONS.—For purposes of this section—

(1) the term ''biological agent'' has the same meaning as in section 178 of title 18, United States Code; and

(2) the term ''Secretary'' means the Secretary of Health and Human Services.

By Mrs. FEINSTEIN (for herself, Mr. GRASSLEY, Mr. REID and Mr. KYL):

S. 1607. A bill to control access to precursor chemicals used to manufacture methamphetamine and other illicit narcotics, and for other purposes; to the Committee on the Judiciary.

METHAMPHETAMINE CONTROL ACT OF 1996

Mrs. FEINSTEIN. Mr. President, I rise today to introduce, along with Senators GRASSLEY, REID, and KYL, the Methamphetamine Control Act of 1996. This is legislation that, first, increases the regulation of precursor chemicals necessary to produce methamphetamine, a dangerous narcotic also known as speed, crank or ice.

Second, it increases the penalties for possession of controlled chemicals or paraphernalia used to make methamphetamine.

This legislation has been drafted over the past 6 months with the input of the Drug Enforcement Agency, the California Attorney General's Bureau of Narcotics Enforcement, the California Narcotics Officers Association, and local, State, and Federal law enforcement and prosecutors. I have a particular interest in this issue because of the ravaging effects that methamphetamine has had in my own State and other States in the Southwest.

Let me, for just a moment, explain how serious this problem is today. Methamphetamine has been around for a long time. But what once was a small-scale drug operation run by motorcycle gangs has now been taken over by at least one Mexican drug cartel. According to DEA, it is a multibillion-dollar industry in America.

California has become the front line in this new and dangerous drug war. DEA has designated California as the ''source country,'' a source country for methamphetamine, much like Colombia is the source country for cocaine. It has identified that 93 percent of the methamphetamine seized nationwide has its point of origin in California.

The explosion of this drug is being documented in hospital emergency rooms around California, and the epidemic is spreading eastward. In Sacramento just 4 weeks ago, law enforcement made the largest seizure in county history—80 pounds; street value, $2.5 million.

Large-scale labs are now commonplace. Last year in the Central Valley, law enforcement convicted a man who manufactured in excess of 900 pounds with a street value of $5 million. Literally hundreds of illicit laboratories

exist throughout the State. In two counties alone, Riverside and San Bernardino, there were 589 methamphetamine labs discovered in 1995.

Labs can be in apartments, in mobile homes, in moving vehicles, and in hotel rooms. They can be dismantled in a matter of hours. They are explosive, toxic, and they burn. Law enforcement has indicated that drug dealers come in, set up, produce their drugs in hotels, and leave.

The California Environmental Protection Agency expects that 1,150 sites will require cleanup by the end of this year in California. Most of the chemicals—iodine, refrigerants, hydrochloric gas, sodium hydroxide—are toxic and, in the case of red phosphorous, one of the precursor chemicals, highly flammable and explosive.

Two months ago, a mobile home in Riverside used as a methamphetamine lab exploded, killing three small children. Incredibly enough, the mother of these children pleaded with neighbors that they not call for help. Before firefighters could find the children's burnt bodies, the woman walked away from the scene.

Police in Phoenix say methamphetamine is mainly responsible for the 40-percent jump in homicides the city is experiencing.

In Contra-Costa County, law enforcement reports that methamphetamine is involved in 89 percent of domestic disputes.

Last year in San Diego, rival methamphetamine smuggling rings were responsible for 26 homicides.

In 1994, among all adults arrested in the San Diego area, 42 percent of men and 53 percent of women tested positive for amphetamines. Sutter Memorial Hospital in Sacramento says that methamphetamine-affected babies now outnumber crack-addicted babies 7–1.

The Methamphetamine Control Act which we are introducing today is carefully crafted. It is a targeted piece of legislation. It is drafted with the help of Federal, State, and local law enforcement, and it is aimed at the supply side of the problem.

This bill would increase criminal penalties that can be applied to large-scale methamphetamine manufacturers throughout our Nation. It restricts access to the precursor chemicals used in mass quantities to produce methamphetamine.

It would increase the penalties for possession of controlled chemicals or specialized equipment like the triple-neck flasks used to make methamphetamine.

It would add chemicals used to make methamphetamine—iodine, red phosphorous, and hydrochloric gas—to the Chemical Diversion and Trafficking Act.

It imposes a civil ''three strikes and you're out'' law, for companies that are found to be selling chemicals used to make methamphetamine.

There are in our State about seven rogue chemical companies. Anyone with $100 and a mail order catalog can put themselves into business in manufacturing methamphetamine. They can buy large-scale quantities of those chemicals that go into making methamphetamine.

This bill would double the maximum criminal penalty for possession of a chemical identified under the Chemical Diversion and Trafficking Act in methamphetamine production and would increase the maximum criminal penalty from 4 to 10 years for those who possess the specialized equipment used to manufacture methamphetamine.

It would remove the loophole on pseudoephedrine in the Controlled Substances Act. Pseudoephedrine, a common ingredient in many over-the-counter medicines, is now used as a substitute for ephedrine to make methamphetamine.

I have met with retailers and manufacturers of over-the-counter medicines and I understand the concerns about regulations which the DEA has proposed to control the illicit diversion of pseudoephedrine to make methamphetamine. I intend to work with these groups over the coming weeks to ensure that the 37 million Americans who rely on these products continue to have access to them.

We are creating an informal advisory group comprised of executives of chemical manufacturers and supply house companies, DEA officials, and other law enforcement agencies to devise strategies to see that this law is responsibly and sensibly enforced.

This bill includes a sense-of-the-Congress resolution supporting efforts for global chemical control.

The point is that many chemicals used to make methamphetamine, such as ephedrine, are tightly controlled in the United States but are literally smuggled into the United States through countries with little or no control, like Mexico. This legislation would express the sense of the Congress that ephedrine-producing countries should require approval from the Mexican Government for shipments of ephedrine and pseudoephedrine to Mexico, where they then come into this country.

I am very pleased, Mr. President, that this is a bipartisan effort. I am delighted to have the cosponsorship of Senators GRASSLEY and KYL. I note that this bill is also being introduced in the House today by Congressman RIGGS and Congressman VIC FAZIO.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1607

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Methamphetamine Control Act of 1996''.

SEC. 2. REGULATION OF CHEMICAL SUPPLY HOUSES.

Section 310 of the Controlled Substances Act (21 U.S.C. 830) is amended by adding at the end the following new subsection:

''(d)(1) Any chemical supply house that sells a listed chemical, after having been provided a warning under paragraph (2) within the previous 10 years, to a person who uses, or intends or attempts to use, the listed chemical, or causes the listed chemical to be used or attempted to be used, to manufacture or produce methamphetamine shall—

''(A) be subject to a civil penalty of not more than $250,000; or

''(B) for the second violation of this subsection, be ordered to cease the production and sale of any chemicals.

''(2) The Attorney General, acting through the Administrator of the Drug Enforcement Administration, shall provide a written warning to each chemical supply house that violates paragraph (1).

''(3) For purposes of this subsection, the term 'chemical supply house' means any manufacturer, wholesaler, or retailer, who owns, or who represents the owner of, any operation or business enterprise engaging in regulated transactions.

''(4) All amounts received from enforcement of the civil penalty under paragraph (1) shall be used by the Administrator of the Environmental Protection Agency for the environmental cleanup of clandestine laboratories used, or intended or attempted to be used, to manufacture methamphetamine.''.

SEC. 3. INCREASED PENALTIES FOR POSSESSION AND DISTRIBUTION OF LISTED CHEMICALS.

(a) IN GENERAL.—Section 401(d) of the Controlled Substances Act (21 U.S.C. 841(d)) is amended by striking ''10 years'' and inserting ''20 years in a case involving a list I chemical or 10 years in a case involving a list II chemical''.

(b) AMENDMENT OF SENTENCING GUIDELINES.—The United States Sentencing Commission shall amend the Federal Sentencing Guidelines to reflect the amendment made by subsection (a).

SEC. 4. INCREASED PENALTIES FOR MANUFACTURE AND POSSESSION OF EQUIPMENT USED TO MAKE METHAMPHETAMINE.

Section 403(d) of the Controlled Substances Act (21 U.S.C. 843(d)) is amended—

(1) by striking ''(d) Any person'' and inserting ''(d)(1) Except as provided in paragraph (2), any person''; and

(2) by adding at the end the following new paragraph:

''(2) Any person who, with the intent to manufacture methamphetamine, violates subsection (a) (6) or (7), shall be sentenced to a term of imprisonment of not more than 10 years, a fine of not more than $30,000, or both.''.

SEC. 5. REGULATION OF PSEUDOEPHEDRINE.

Section 102(39)(A)(iv) of the Controlled Substances Act (21 U.S.C. 802(3(9)(A)(iv)) is amended by striking ''ephedrine'' each place it appears and inserting ''ephedrine or pseudoephedrine,''.

SEC. 6. ADDITION OF SUBSTANCES TO DEFINITION OF LISTED CHEMICALS.

Section 102 of the Controlled Substances Act (21 U.S.C. 802) is amended—

(1) in paragraph (34) by adding at the end the following new subparagraph:

''(Y) Iodine.''; and

(2) in paragraph (35), by adding at the end the following new subparagraphs:

''(I) Red phosphorous.

''(J) Hydrochloric gas.''.

SEC. 7. SUPPORT FOR INTERNATIONAL EFFORTS TO CONTROL DRUGS.

It is the sense of the Congress that—

(1) the rise in manufacture and usage of the illegal narcotic methamphetamine is of major concern to the United States;

(2) a substantial portion of the ephedrine used to make methamphetamine is smuggled across the United States-Mexico border;

(3) the countries of China, India, the Czech Republic, Germany, and Slovenia are the largest manufacturers of ephedrine and pseudoephedrine;

(4) one means of preventing the international diversion of ephedrine and pseudoephedrine is the letter of nonobjection, which requires that the government of a country receiving a shipment of the chemical is aware of and approves the shipment, the quantity involved, the company receiving the shipment, and the ultimate use of the chemical;

(5) therefore, all ephedrine and pseudoephedrine producing countries should require letters of nonobjection from the Mexican government before exporting ephedrine or pseudoephedrine to that country; and

(6) all ephedrine and pseudoephedrine producing countries and Mexico should cooperate in any way possible to deter the smuggling of ephedrine and pseudoephedrine into the United States.

Mr. GRASSLEY. Mr. President, today I am pleased to introduce the Methamphetamine Control Act of 1996 with my colleague Senator FEINSTEIN. This bipartisan bill takes aim at a rapidly growing problem in America—the abuse of methamphetamine, known on the street as meth or crank.

I am from Iowa—a rural State which most people do not associate with rampant crime or drug use. But in Iowa today, meth use has increased dramatically. According to a report prepared by the Governor's alliance on substance abuse, seizures of methamphetamine in Des Moines increased an astounding 4,000 percent from 1993 to 1994. I repeat: meth seizures in Des Moines increased by 4,000 percent. The increase statewide was 400 percent. These numbers are scary, Mr. President. According to the Iowa Department of Public Health, 7.3 percent of Iowans seeking help from substance abuse treatment centers in 1995 cited meth as their primary addiction. That's up over 5 percent from 1994, when only 2.2 percent cited meth as their primary addiction.

Why has meth become such a problem? I do not think anyone knows definitively, but experts have been able to identify some of the reasons. Meth is cheap; a meth high lasts for a very, very long time, so you get more for your money; and perhaps most disturbingly, meth does not have the stigma associated with cocaine and crack. Kids know that crack is dangerous. But they have not yet learned that meth is.

In Waterloo, IA, though, people are beginning to learn this sad and painful lesson. According to the New York Times, a 17-year-old Iowan who had been a good boy, descended into meth addiction. His behavior changed for the worse. Last October, this young man checked himself into the hospital because he believed that he had the flu. He died only days later because meth had so destroyed his immune system that he developed a form of meningitis. I will never forget the words of this boy's mother: ''He made some wrong decisions and this drug sucked him away.'' I ask unanimous consent that this New York Times article be printed in the RECORD.

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

[From the New York Times, Feb. 22, 1996]

GOOD PEOPLE GO BAD IN IOWA, AND A DRUG IS BEING BLAMED

(By Dirk Johnson)

NEWTON, IA. Feb. 16.—In this small town surrounded by corn fields, nothing but Sunday morning church bells ever made much noise, and the jail sat three-quarters empty most of the time.

And then about a year or so ago, things started to go haywire.

Crime began to soar, coupled with an outbreak of irrational behavior; a man with a spotless record pulled a string of burglaries; some parents suddenly became so neglectful that their children were taken away; a man fled his workplace to get a gun, terrified that helicopters were coming after him; motorists in routine traffic stops greeted the police with psychotic tirades.

Prosecutors linked all of these cases and many more in this town of 15,000 people to the influx of the drug methamphetamine, and its frequent side-effects of paranoia and violent behavior.

A problem for several years in California and other Southwestern states, the drug is now making its way across America, ruining lives and families along the way and raising the concern of policy makers in Washington.

''Meth seems to have taken control of these people,'' said Steve Johnson, the prosecutor here in Jasper County, where the 24-bed jail is now overflowing, and 90 percent of the inmates have a problem with the drug. ''It's scary stuff. We're pretty frustrated and don't know exactly what to do to get it under control.''

The drug, also known as crank or ice, is a stimulant that is swallowed, snorted or injected. It is much cheaper than cocaine, and its high lasts longer, the authorities say. Users may stay awake for several days at a stretch, feeling euphoric and full of energy before finally plunging into terrible depression and paranoia.

''This is the most malignant, addictive drug known to mankind,'' said Dr. Michael Abrams of Broadlawn Medical Center in Des Moines, where more patients were admitted during the past year for abuse of methamphetamine than for alcoholism. ''It is often used by blue-collar workers, who feel under pressure to perform at a fast pace for long periods. And at first, it works. It turns you into wonder person. You can do everything—for a while.''

Crack, wicked as it is, cannot compare to the destructive power of methamphetamine, Dr. Abrams said, He said the drug, because of its molecular structure, is more stimulating to the brain than any other drug.

The effects of cocaine, whether snorted or smoked, might be gone from the brain in 5 or 10 minutes, Dr. Abrams said, while methamphetamine continues to work on receptors in the brain for 8 to 24 hours.

The price of the drug here might be $100 a gram, about the same as that for powdered cocaine, but would last a user for a week while the cocaine would probably be used in a day.

Cocaine, which comes from the coca plant, is a natural substance. Methamphetamine is purely synthetic. ''The body has enzymes that break down cocaine,'' he said, ''but not with methamphetamine.''

Methamphetamine causes psychotic and violent reactions, he said, because the drug throws out of control the production of the brain chemical dopamine, which plays an important part in movement, thought and emotion, as is the case with schizophrenia. Over time, the drug damages the brain.

''A person addicted to this stuff looks and acts exactly like a paranoid schizophrenic,'' he said. ''You cannot tell any difference.''

He said that a crack addict could reach the same point of psychotic behavior but that it would take ''much longer and much more of the drug.''

The drug, combined with the effects of sleep deprivation, can cause people to go mad, with ghastly consequences. In a case last July, a man in New Mexico, who was high on methamphetamine and alcohol, beheaded his 14-year-old son and tossed the severed head from his van window onto a busy highway.

The drug has already exacted a big death toll in Western states. In California, it was blamed for more than 400 deaths from overdose and suicide in 1994, the latest year with complete records on the drug. In Phoenix, it killed 122 people in 1994, the authorities said.

Here in Iowa, the ravages of the drug have reached what law-enforcement and health officials call an epidemic level. The police in Des Moines seized $4.5 million worth of methamphetamine in the last year alone.

And for the first time in Polk County, which includes Des Moines, arrests for drugs now surpass the number of arrests for drunken driving. Methamphetamine accounts for 65 percent of the drug arrests.

The drug is often manufactured in makeshift laboratories in rural areas, where the stench given off during its production is more likely to go undetected, and where law-enforcement agencies are more thinly spread.

Drug agents found seven such laboratories in Iowa last year. In the first six weeks of this year, they found five more. One of them, in a house trailer near the small town of Centerville, exploded and burned a man over 40 percent of his body.

The drug is also making its way into schools throughout Iowa, with some ghastly consequences.

One night about a year ago, 17-year-old Travis Swope of Waterloo sat down with his parents, Tim and Keely, and began to tremble. ''I'm scared,'' the boy told them. He said he could not eat or sleep, and that he had been taking a drug called crank.

His parents, who had never heard of the drug, were shocked, but supportive. Mr. Swope, a maintenance worker at the John Deere Company, said his union insurance would cover drug treatment. The next day, however, Travis said he would quit on his own. And his parents believed him.

''I was in denial,'' Mr. Swope said. ''I though it was something he'd get through.''

Travis, who was a first-rate athlete, seemed better for a while. But then he lost weight and looked pale, all the while insisting that he was not using drugs. Then this manner changed.

''He had never been disrespectful to us,'' his mother said. ''But all of a sudden, he'd be like, 'I'll be home when I decide to come home!' That wasn't Travis. It was like he was a different kid.''

At the end of September, there was a blowup with his father, and Travis was told to leave the house.

On Oct. 6, Travis checked into a hospital, feeling as if he had a terrible case of the flue. In fact, the drug had broken down his immune system and he had developed a form of meningitis. Ten days later, he was dead.

''Learn about this drug, and sit down with your sons and daughters,'' said Mrs. Swope, her voice breaking with emotion as she talked with a reporter. ''I learned way too

late, and I feel like I failed him. Travis was a really good kid—not a perfect kid. He made some wrong decisions, and this drug sucked him away.''

Mr. Swope said there were times he avoided discussions about drugs with his son, because he feared it would lead to a confrontation. ''But I would give everything to have him sitting here now,'' he said, ''being mad at me.''

While it seems puzzling why otherwise intelligent people would risk ruining their lives with this poison, drug counselors point out that stimulants have long held appeal in American culture. Going back more than a generation, students, athletes and workers have sought endurance by taking ''uppers'' or ''speed'' in tablets called Black Cadillacs or White Crosses.

The old country song by Dave Dudley, ''Six Days on the Road,'' spoke in the voice of a long-haul trucker in a big hurry: ''I'm taking little white pills, and my eyes are open wide.''

Methamphetamine made inroads among many blue-collar people because it did not carry the stigma of being a hard drug, the authorities said.

''Crack has the stigma of being an inner-city drug, and powder cocaine is thought to be for affluent people,'' said Mike Balmer, the chief deputy sheriff in Jasper County. ''But speed was a working-class drug. It's what people used to get them through a shift at the factory or keep up on a construction site.''

Indeed, the use of methamphetamine goes back many years, perhaps to the 20' or 30's. But today's form is farm more powerful, and deadly.

Years ago, the authorities said, a typical street does of methamphetamine consisted of perhaps 20 percent of ephedrine, the ingredient that delivers the kick. New methods that emerged in the late 1980's and early 90's often using a synthetic psuedoephedrine, have yielded a much more potent substance. Now the drug contains over 90 percent of the active ingredient.

Even before the big influx of methamphetamine, the use of stimulants was a problem in Iowa. A public health survey in 1993 found that the use of stimulants like amphetamines among Iowans was twice the national average, a finding that caused some scholars to wonder if an intense Midwestern work ethic was mainly to blame.

The latest statistics show that more than 35 percent of the people going to Iowa prisons last year reported using methamphetamine. And 90 percent of the people being committed to the mental health facilities in Polk County have used methamphetamine.

In some cases, the psychotic behavior provoked by the drug becomes permanent. The drug also causes body sores, which are worsened by the incessant scratching by users who feel like bugs are crawling over their bodies.

To fight the drug, Iowa has begun a radio and television advertising campaign to warn people of the dangers. A new prosecutor has been added to the United States Attorney's office in Des Moines, just to concentrate on drugs. At least five counties in Iowa have hired extra prosecutors to deal with the rising tide of methamphetamine cases.

''They haven't seen much of this in the East Coast,'' said Tom Murtha, the director of the First Step-Mercy Franklin Center, an alcohol and drug treatment center. ''But it's coming.''

Mr. GRASSLEY. Mr. President, what America is facing today is nothing short of an epidemic. Meth is cheap and easily manufactured from commonly available chemicals. Today, with Senator FEINSTEIN, we are striking at the root of the problem: chemical suppliers who sell chemicals to illegal meth labs. The harder it is for criminal chemists to get the raw material to make meth, the more difficult it will be to produce. This in turn will make it more expensive. And this will reduce consumption. And that will help keep our kids alive a little longer.

With the rapid increase of meth use among young people, unless we act quickly—and decisively—to pass this bill, I fear for an entire generation of Americans. Mr. President, in the 1980's, we almost lost a generation to crack and power cocaine. Let's not get that close to the edge again.

By Mr. MCCAIN (for himself and Mr. INOUYE):

S. 1608. A bill to extend the applicability of certain regulatory authority under the Indian Self-Determination and Education Assistance Act, and for other purposes; to the Committee on Indian Affairs.

EXTENSION OF THE INDIAN SELF-DETERMINATION CONTRACT REFORM ACT OF 1994

Mr. MCCAIN. Mr. President, I rise today to introduce a measure that would extend for 60 days the authority Congress delegated in 1994 to the Secretary of the Interior and the Secretary of Health and Human Services to promulgate regulations implementing the Indian Self-Determination Contract Reform Act of 1994.

Under longstanding Federal-Indian policies favoring tribal self-determination, the United States has encouraged native American tribal governments and tribal organizations to assume the responsibility of carrying out essential governmental services previously performed by Federal employees of the Bureau of Indian Affairs [BIA] and the Indian Health Service [IHS]. Indian tribes have been waiting since 1988 for regulations that would guide the implementation of the act. The bill I am introducing today would elongate that delay by an additional 60 days, extending the authority to issue final regulations from April 25, 1996 to June 25, 1996.

Despite my initial hesitancy to sponsor such an extension, tribal governments have now convinced me of the need for this 60-day extension. The United South and Eastern Tribes, the National Congress of American Indians, and numerous tribal governments have asked me to support the extension. I respect their judgment and ask that the Congress honor their request. In addition, several days ago the Senate referred executive communication No. 1959 to the Committee on Indian Affairs, which I chair. EC 1959 forwards the request of the Department of Health and Human Services and the Department of the Interior that Congress enact the bill I am introducing today. The Departments argue that a 60-day extension is needed because winter weather conditions and recent Federal employee furloughs related to the budget impasse between the Congress and the administration have made it impossible for the administration to comply with the statutory deadline.

I remain, however, very concerned that further delay in issuing the regulations will erode the power Congress placed with Indian tribes in the negotiated rulemaking provisions of the 1994 act. A 60-day delay could potentially allow the Federal agencies more time to undermine tribal provisions in the negotiated regulations that were published in proposed form in late January.

My concern is based on history. On three occasions, the Congress has had to enact precise statutory directives—in 1988, 1990, and in 1994—to overcome the two Departments' entrenched resistance to the requirements in the original act. When, for example, in 1988 the two Secretaries were given a statutory 10-month timeframe to promulgate regulations with tribal participation, they cut off all tribal input and began a delaying process that extended to 6 years. After 6 years—not 10 months—the Clinton administration released proposed regulations in 1994 that sought in every conceivable way to retard, rather than enhance, tribal self-determination contracting. The Congress responded by promptly enacting the Indian Self-Determination Contract Reform Act of 1994. That act mandated, for the first time in the history of Federal-Indian legislation, that tribal governments be directly involved in the process of drafting the proposed regulations through a negotiated rulemaking format rather than the traditional process of being ''consulted'' on drafts prepared by Federal officials.

In the 1994 act, the Congress accepted the administration's request that the 12-month regulatory period, originally proposed by the Senate, be enlarged to 18 months. That 18-month period ends on April 25, 1996. The Clinton administration assured the Congress that this would be ample time to get the job done.

I am told that the proposed regulations prepared by the joint Federal-Tribal negotiated rulemaking committee were largely completed and ready for publication in October 1995. However, the draft regulations languished in the Office of Management and Budget, or OMB, for over 3 months before they were finally released for publication in the Federal Register on January 24, 1996. Soon after publication, the administration began to mount pressure for an extension.

Mr. President, I am very concerned about reports that OMB officials recently raised dozens of questions and issues after the joint Federal-Tribal negotiated rulemaking committee had finalized the proposed regulations. This is particularly disturbing, because I and other authors of the 1994 act expected the entire administration, including the OMB, to raise its concerns and questions during the negotiated

rulemaking committee's deliberations with the Indian tribes, not afterward. What is most troubling to me, is that tribal representatives on the joint Federal-Tribal negotiated rulemaking committee have informed me that many of these OMB questions reflected a basic lack of understanding of the act and the special statutory and historic context in which these regulations have been developed. It appears that the administration's negotiators did not release these OMB questions to the tribal representatives until late last month. The questions are of the type that could easily have been addressed during the Federal-Tribal negotiated rulemaking process. I am disturbed that the OMB has apparently elected not to participate directly in the negotiations, where the OMB officials could have openly aired their concerns and afforded tribal government representatives an opportunity to respond.

The apparent risk associated with extending the deadline for final promulgation of the regulations is that the OMB, and their allies within the Departments, will have more time to unilaterally undo much of what the joint Federal-Tribal negotiated rulemaking committee has achieved to date as a result of government-to-government negotiations, and more time to resolve, against the Indian tribes, the remaining areas in dispute set forth in the January 24, 1996, notice of proposed rulemaking.

I am deeply concerned that the Departments' resistance to the act has undercut the negotiated rulemaking process, as evidenced by the nature of the issues remaining in dispute. For instance, neither Department wants to use the negotiated rulemaking process to develop their agency procedures, despite the law's directive that they do so. The Interior Department insists on incomprehensible organizational conflict-of-interest provisions which can only serve to undermine the goal of tribal self-determination. The Interior Department insists that a standard contract renewal with no material change must be processed through the full contract application and declination process even though that is plainly not what Congress intended—as the IHS, to its credit, does recognize. The Departments both seek to preserve the right to impose on tribes unpublished requirements, despite the clear statutory prohibitions against doing so. And perhaps most distressingly, the Departments have resisted placing any language in the new regulations that would state that Federal laws and regulations will be interpreted liberally for the benefit of the Indian tribes in order to facilitate contracting activities under the act. This is the position of the Departments despite the fact that this language is a well-settled U.S. Supreme Court rule of statutory construction that applies to all remedial Indian legislation.

To sum it up, Mr. President, I and other Members of Congress in 1994 were persuaded by the Indian tribes to set a hard and fast publication deadline of April 25, 1996 in response to the delays tribes had experienced in getting final regulations under the 1988 amendments. Likewise, at the request of the Indian tribes, Congress mandated that the proposed regulations be developed by a joint, tribal-Federal negotiated rulemaking committee. Assuming substantial tribal involvement in that committee, and good faith on the part of the administration, it would be reasonable to expect that these timeframes could be met. But apparently, 60 more days is needed. Accordingly, I will support the extension with the warning to the administration that I do not want to learn at some later date that the expanded timeframe has allowed the administration additional advantage over tribal governments in the negotiation of the final regulations.

Despite my reservations, I remain hopeful that the ongoing negotiated rulemaking process can be successfully concluded within the extended timeframe. But the Departments and the OMB must commit themselves to this process, just as the Indian tribes have done, and they must resist the temptation to slide back into the paternalistic, adversarial, and bureaucratic thinking that has compelled the Congress since 1988 to micromanage the Departments in the area of tribal self-determination contracting.

I thank my friend, Senator INOUYE, for joining with me as an original cosponsor of the bill. I urge my colleagues to support the 60-day extension and to join me in ensuring that the administration does not, by reason of the 60-day delay, gain any negotiation advantage over the Indian tribes.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1608

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF APPLICABILITY OF CERTAIN REGULATORY AUTHORITY.

Section 107(a)(2)(B) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450k(a)(2)(B)) is amended by striking ''18 months'' and inserting ''20 months''.

By Mr. BIDEN:

S. 1609. A bill to provide for the rescheduling of flunitrazepan into schedule I of the Controlled Substances Act, and for other purposes; to the Committee on the Judiciary.

CONTROLLED SUBSTANCES ACT LEGISLATION

• Mr. BIDEN. Mr. President, the best time to target a new drug with uncompromising enforcement pressure is before abuse of that drug has overwhelmed our communities.

The advantages of doing so are clear—there are fewer pushers trafficking in the drug and, most important, fewer lives and fewer families will have suffered from the abuse of the drug.

Today, we are tracking the arrival of two new drugs—rohypnol and what is called ''special K''—as they begin to show popularity in several States. So, today is the time for action against these drugs.

Heightening this urgency is one stark fact—these new drugs are being used primarily by our children—our teens and young adults. One need not be unduly alarmist, but we must proceed with dispatch to do what we can to stop the spread of rohypnol and special K.

That is why I am today introducing legislation to make both these drugs subject to much stricter regulation. This can be accomplished by moving these drugs to different schedules under the Federal Controlled Substances Act.

This is not a step to be taken lightly, because there is a regulatory procedure in place for scheduling controlled substances. But, unfortunately, this regulatory procedure can take years to accomplish our goal, and what we need to do must be done in months, not years.

In the past decade, Congress has taken legislative action to change schedules in at least two other instances.

In 1984, in response to an alarming increase in illicit trafficking and nonmedical abuse of the drug, Congress enacted legislation to move quaaludes, a previously medically approved sedative, to schedule one of the Controlled Substances Act.

In the decade since this legislation took effect, quaalude abuse has decreased significantly, with emergency room quaalude overdose reports down 80 percent from 1985 to 1994.

And in legislation I sponsored, which was passed as part of the 1990 Crime Control Act, steroids were reclassified as a schedule three substance, subjecting them to more strict controls and penalties.

This change was also in response to an explosion of abuse—particularly by young athletes. The effects of this legislation has also been significant, with the rate of annual use of steroids down 42 percent in the first 2 years following the enactment of the legislation.

It is now time to legislate stricter controls for rohypnol and special K. The record high drug abuse rates of the 1970's were accompanied by a unique drug culture signified by the presence of ''club'' drugs—drugs that were popular with youth and young adults who frequented dance clubs and often mixed drugs with alcohol and other substances.

Recently, club drugs have made a resurgence in popularity, and they are often showing up at both bars and ''raves,'' all-night dance marathons popular with teens.

Club drugs are typified by the way they suddenly gain popularity and become the drug of choice, becoming trendy among youth. Often these drugs

are legally manufactured but are being used by youth in ways unintended by the manufacturer and unapproved by the Food and Drug Administration.

Rohypnol and special K are two of the drugs which have recently hit the youth scene and quickly become popular. Both of these drugs are very dangerous drugs whose current legal status does not reflect the dangers inherent in their abuse.

Rohypnol abuse was first documented in the United States in 1993. Although abuse was first noted in southern Florida, in the past 2 years abuse has spread rapidly, and rohypnol activity has now been reported in more than 30 States.

Without rapid and strong Government action, abuse will continue to spread to uncontrollable levels.

Teenagers find rohypnol attractive for a number of reasons. Frighteningly, one major reason is that youth do not see rohypnol as dangerous because it has a legitimate medical use in some areas of the world, and they mistakenly believe that if they are taking a drug which is in its original packaging from the manufacturer, it is both safe and unadulterated.

In addition, there are few existing means for testing and prosecuting youth for rohypnol possession and intoxication. The combination of rohypnol and alcohol makes it possible for youth to feel very intoxicated while still remaining under the legal blood-alcohol level for driving.

In addition to gaining attention for increasing rate of abuse, rohypnol has also been the focus of another social problem: crime, particularly date rape. In fact, in many areas and in a number of newspaper accounts, rohypnol has been referred to as a ''date rape drug.''

This connection between rohypnol and rape is due to the drug's disinhibitory effects and its likelihood of causing amnesia when combined with alcohol.

Unfortunately, this amnesiac effect is one of the reasons many people who abuse rohypnol are attracted to it. It is commonly reported that people taking rohypnol in combination with alcohol typically have blackouts, or memory losses lasting 8 to 24 hours.

The novelty of blackouts attract youth, particularly youth who are combining drugs with alcohol.

This has led to rohypnol being referred to as the ''forget me pill'' or the ''forget pill.'' Even more frightening, many people are finding the drug attractive as a way of creating blackouts in others.

The combination of disinhibition and memory loss caused by rohypnol mixed with alcohol makes women especially vulnerable to being victims of date rape by people who convince women to take rohypnol while drinking or put the drug in a woman's drink without her knowledge.

Recently, in Florida and Texas, there have been a number of investigations into these types of victimizations.

There have also been a number of reports of teens and young adults who have entered drug abuse treatment facilities in Florida, reporting rohypnol abuse and suicidal feelings they experienced while using rohypnol.

The most famous example of rohypnol overdose made the news with the attempted suicide of Kurt Cobain, lead singer of the rock band Nirvana. Cobain ultimately succeeded in committing suicide on March 18, 1994, but the rock singer had attempted suicide earlier in the month when he fell into a coma following a near fatal mixture of champagne and rohypnol. Cobain remained comatose for nearly 2 days before regaining consciousness after this drug experience.

Special K is also hitting the club scene at alarming rates. This drug is a hallucinogen very similar to PCP. Special K, or ketamine hydrochloride, has become popular as a new designer drug.

Although this drug has been in existence for several years, its abuse has rapidly become more prevalent in recent years.

Now many parties and raves at dance clubs are called bump parties, as a way of conveying special K is available. It is particularly attractive to kids at these types of events because along with its mind-altering effects, the drug gives a burst of energy, and it can be mixed with water so kids can take it in public without attracting attention.

In fact, a club in New Jersey was recently closed by police after it was discovered that teens were attending raves there where club employees distributed bottled water for this purpose.

In addition to seizures in New Jersey, recent newspaper articles have mentioned seizures in Maryland, New York, Pennsylvania, Arizona, California, and Florida. Drug tracking experts have also cited the presence of special K in Georgia and the District of Columbia, and in my home State of Delaware.

Special K is considered the successor to PCP—or angel dust, as it is known on the street—due to similarity of the two drugs' chemical compositions and mind-altering effects. There have also been reports of PCP being sold to people who think they are buying special K.

Ketamine is primarily a veterinary anesthetic. Although it has some limited use for human medical treatment, its use in this manner is not extensive due to the unpleasant and often dangerous side effects that can accompany its use.

It is clear that the current controls on rohypnol and ketamine do not reflect the dangers these drugs now pose to our society, particularly to women and children. In the United States rohypnol is classified under the Federal Controlled Substances Act as only a schedule four drug, and ketamine is not scheduled at all.

Last week, the Treasury Department announced that custom officials would begin seizing all rohypnol which is brought across U.S. borders. This is a step in the right direction. But this ban on all rohypnol is only the first step.

Further action is needed to make sure cracking down on the illegal trafficking of rohypnol is a high priority and that illegal traffickers of rohypnol are given tough sanctions.

That is why I am introducing legislation to increase the restrictions on both special K and rohypnol. By moving rohypnol to schedule one of the Federal Controlled Substances Act and adding special K to schedule two of the act, this legislation will subject both drugs to tighter controls, increased penalties for unlawful activity involving the two drugs, and will increase the attention and enforcement efforts directed at the drugs by Federal, State, and local law and drug enforcement officials.

In essence, these tighter regulations will mean that rohypnol will be subjected to the same restrictions and penalties as heroin, and special K will face the same controls as cocaine.

I hope my colleagues will join me in seeing to speedy passage of this legislation—taking action to make these drugs less available to our youth now.

I ask unanimous consent that a copy of the bill appear in the RECORD.

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

S. 1609

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RESCHEDULING.

Notwithstanding sections 201 and 202 (a) and (b) of the Controlled Substances Act (21 U.S.C. 811, 812 (a),(b)) respecting the scheduling of controlled substances, the Attorney General shall, by order—

(1) transfer flunitrazepam from schedule IV of such Act to schedule I of such Act; and

(2) add ketamine hydrochloride to schedule II of such Act.●

ADDITIONAL COSPONSORS

S. 942

At the request of Mr. BOND, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 942, a bill to promote increased understanding of Federal regulations and increased voluntary compliance with such regulations by small entities, to provide for the designation of regional ombudsmen and oversight boards to monitor the enforcement practices of certain Federal agencies with respect to small business concerns, to provide relief from excessive and arbitrary regulatory enforcement actions against small entities, and for other purposes.

S. 960

At the request of Mr. SANTORUM, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 960, a bill to amend title 18, United States Code, to exempt qualified current and former law enforcement officers from State laws prohibiting the

carrying of concealed handguns, and for other purposes.

S. 984

At the request of Mr. GRASSLEY, the name of the Senator from Tennessee [Mr. FRIST] was added as a cosponsor of S. 984, a bill to protect the fundamental right of a parent to direct the upbringing of a child, and for other purposes.

S. 1183

At the request of Mr. HATFIELD, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 1183, a bill to amend the Act of March 3, 1931 (known as the Davis-Bacon Act), to revise the standards for coverage under the Act, and for other purposes.

S. 1423

At the request of Mr. GREGG, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 1423, a bill to amend the Occupational Safety and Health Act of 1970 to make modifications to certain provisions, and for other purposes.

S. 1483

At the request of Mr. KYL, the names of the Senator from Indiana [Mr. COATS] and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 1483, a bill to control crime, and for other purposes.

S. 1487

At the request of Mr. GRAMM, the names of the Senator from North Carolina [Mr. FAIRCLOTH], the Senator from South Carolina [Mr. HOLLINGS], the Senator from New Hampshire [Mr. SMITH], and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 1487, a bill to establish a demonstration project to provide that the Department of Defense may receive Medicare reimbursement for health care services provided to certain Medicare-eligible covered military beneficiaries.

S. 1506

At the request of Mr. ABRAHAM, the name of the Senator from Tennessee [Mr. FRIST] was added as a cosponsor of S. 1506, a bill to provide for a reduction in regulatory costs by maintaining Federal average fuel economy standards applicable to automobiles in effect at current levels until changed by law, and for other purposes.

S. 1537

At the request of Mr. ROBB, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1537, a bill to require the Administrator of the Environmental Protection Agency to issue a regulation that consolidates all environmental laws and health and safety laws applicable to the construction, maintenance, and operation of above-ground storage tanks, and for other purposes.

S. 1578

At the request of Mr. FRIST, the names of the Senator from Kentucky [Mr. MCCONNELL], the Senator from Ohio [Mr. DEWINE], and the Senator from Oklahoma [Mr. INHOFE] were added as cosponsors of S. 1578, a bill to amend the Individuals With Disabilities Education Act to authorize appropriations for fiscal years 1997 through 2002, and for other purposes.

SENATE CONCURRENT RESOLUTION 43

At the request of Mr. THOMAS, the names of the Senator from New York [Mr. D'AMATO] and the Senator from Kentucky [Mr. FORD] were added as cosponsors of Senate Concurrent Resolution 43, a concurrent resolution expressing the sense of the Congress regarding proposed missile tests by the People's Republic of China.

SENATE RESOLUTION 226

At the request of Mr. DOMENICI, the name of the Senator from California [Mrs. FEINSTEIN] was added as a cosponsor of Senate Resolution 226, a resolution to proclaim the week of October 13 through October 19, 1996, as ''National Character Counts Week.''

AMENDMENT NO. 3467

At the request of Mr. BRYAN, his name was added as a cosponsor of amendment No. 3467 proposed to H.R. 3019, a bill making appropriations for fiscal year 1996 to make a further downpayment toward a balanced budget, and for other purposes.

SENATE CONCURRENT RESOLUTION 44—RELATIVE TO CAPITOL GROUNDS

Mr. CAMPBELL submitted the following concurrent resolution which was referred to the Committee on Rules and Administration:

S. CON. RES. 44

Whereas the United States public has demonstrated a continuing love affair with motor vehicles since their introduction 100 years ago, enjoying vehicles for transportation, for enthusiast endeavors ranging from racing to show competitions, and as a mode of individual expression;

Whereas research and development in connection with motorsports competition and specialty applications have provided consumers with life-saving safety features, including seat belts, air bags, and many other important innovations;

Whereas hundreds of thousands of amateur and professional participants enjoy motorsports competitions each year throughout the United States;

Whereas such competitions have a total annual attendance in excess of 14,500,000 spectators, making the competitions among the most widely attended in United States sports; and

Whereas sales of motor vehicle parts and accessories for performance and appearance enhancement, restoration, and modification exceeded $15,000,000,000 in 1995, resulting in 500,000 jobs for United States citizens: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. USE OF CAPITOL GROUNDS FOR SPECIALTY MOTOR VEHICLE AND EQUIPMENT EVENT.

The Speciality Equipment Market Association shall be permitted to sponsor a public event displaying racing, restored and customized motor vehicles, and transporters on the Capitol Grounds on May 15, 1996, or such other date as the Speaker of the House of Representatives and the President pro tempore of the Senate may jointly designate.

SEC. 2 CONDITIONS.

The event to be carried out under this resolution shall be free of admission charge to the public and arranged not to interfere with the needs of Congress, under conditions to be prescribed by the Architect of the Capitol and the Capitol Police Board. The Speciality Equipment Market Association shall assume full responsibility for all expenses and liabilities incident to all activities associated with the event.

SEC. 3. STRUCTURE AND EQUIPMENT.

For the purposes of this resolution, the Speciality Equipment Market Association is authorized to erect upon the Capitol Grounds, subject to the approval of the Architect of the Capitol, such stage, sound amplification devices, tents, and other related structures and equipment as may be necessary for the event to be carried out under this resolution.

SEC. 4. ADDITIONAL ARRANGEMENTS.

The Architect of the Capitol and the Capitol Police Board are authorized to make any additional arrangement that may be required to carry out the event under this resolution.

SEC. 5. LIMITATIONS ON REPRESENTATIONS.

The Speciality Equipment Market Association (including its members) shall not present, either directly or indirectly, that this resolution or any activity carried out under this resolution in any way constitutes approval or endorsement by the Federal Government of the Speciality Equipment Market Association (or its members) or any product or service offered by the Speciality Equipment Market Association (or its members).

SENATE CONCURRENT RESOLUTION 45—RELATIVE TO THE CAPITOL ROTUNDA

Mr. DOLE (for himself and Mr. HELMS) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 45

Resolved by the Senate (the House of Representatives concurring), That the rotunda of the United States Capitol is hereby authorized to be used on May 2, 1996 at 2 o'clock post meridian for the presentation of the Congressional Gold Medal to Reverend and Mrs. Billy Graham. Physical preparations for the conduct of the ceremony shall be carried out in accordance with such conditions as may be prescribed by the Architect of the Capitol.

AMENDMENTS SUBMITTED

THE 1996 BALANCED BUDGET DOWNPAYMENT ACT, II

MURKOWSKI (AND STEVENS) AMENDMENT NO. 3472

(Ordered to lie on the table.)

Mr. MURKOWSKI (for himself and Mr. STEVENS) submitted an amendment intended to be proposed by them to amendment No. 3466 proposed by Mr. HATFIELD to the bill (H.R. 3019) making appropriations for fiscal year 1996 to make a further downpayment toward a balanced budget, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . None of the funds appropriated or otherwise made available for activities of the Department of Agriculture Agricultural Marketing Service may be expended until such time as food safety and inspection programs implemented or accepted by the Food and Drug Administration for the safety of American and overseas consumers are adopted as the standard required for the purposes of Department of Agriculture surplus seafood commodity purchase programs.

SPECTER (AND OTHERS) AMENDMENT NO. 3473

Mr. SPECTER (for himself, Mr. HARKIN, and Mr. WELLSTONE) proposed an amendment to amendment No. 3467 proposed by Mr. HARKIN to amendment No. 3466 proposed by Mr. HATFIELD to the bill H.R. 3019, supra; as follows:

In lieu of the language proposed to be inserted, insert the following:

PART 1—AMOUNTS

In addition to the amounts provided in Title I of this Act for the Department of Labor:

Under the heading ''Training and Employment Services'', $1,213,300,000, of which $487,300,000 is available for obligation for the period July 1, 1996 through June 30, 1997, and of which $91,000,000 is available from July 1, 1996, through September 30, 1997, for carrying out activities of the School-to-Work Opportunities Act, and of which $635,000,000 is for carrying out title II, part B of the Job Training Partnership Act;

Under the heading ''State Unemployment Insurance and Employment Service Operations'', $18,000,000, which shall be available for obligation for the period July 1, 1996 through June 30, 1997;

In addition to the amounts provided for in Title I of this Act for the Department of Health and Human Services:

Under the heading ''Children and Families Services Programs'', $136,700,000.

In addition to the amounts provided for in Title I of this Act for the Department of Education:

Under the heading ''Education Reform'', $151,000,000, which shall become available on October 1, 1996 and shall remain available through September 30, 1997: *Provided*, That $60,000,000 shall be for the Goals 2000: Educate Act and $91,000,000 shall be for the School-to-Work Opportunities Act.

Under the heading ''Education for the Disadvantaged'', $814,489,000, which shall become available for obligation on October 1, 1996 and shall remain available through September 30, 1997: *Provided*, That $700,228,000 shall be available for basic grants and $114,261,000 shall be for concentration grants.

Under the heading ''School Improvement Programs'', $208,000,000, which shall become available for obligation on October 1, 1996 and shall remain available through September 30, 1997.

Under the heading ''Vocational and Adult Education'', $82,750,000, which shall become available for obligation on October 1, 1996 and shall remain available through September 30, 1997.

Under the heading ''Student Financial Assistance'', the maximum Pell Grant for which a student shall be eligible during award year 1996–1997 shall be increased by $60.00: *Provided*, That funding for Title IV, part E shall be increased by $58,000,000 and funding for Title IV, Part A, subpart 4 shall be increased by $32,000,000.

Under the heading ''Education Research, Statistics, and Improvement'', $10,000,000 which shall become available for obligation on October 1, 1996 and shall remain available through September 30, 1997, shall be for sections 3136 and 3141 of the Elementary and Secondary Education Act.

PART 2—ADDITIONAL AMOUNTS

In addition to the amounts provided in Title I of this Act for the Department of Labor:

Under the heading ''Departmental Management, Salaries and Expenses'', $12,000,000, of which $10,000,000 shall be only for terminal leave, severance pay, and other costs directly related to the reduction of the number of employees in the Department.

In addition to the amounts provided for in Title I of this Act for the Department of Health and Human Services:

Under the heading ''Health Resources and Services'', $55,256,000: *Provided*, That $52,000,000 of such funds shall be used only for State AIDS Drug Assistance Programs authorized by section 2616 of the Public Health Service Act and shall be distributed to States as authorized by section 2618(b)(2) of such Act; and

Under the heading ''Substance Abuse and Mental Health Services'', $134,107,000.

PART 3—GENERAL PROVISIONS

SEC. 401. AVAILABILITY.

Notwithstanding any other provision of this Act, section 4002 shall not apply to part 1 of chapter 3 of title IV.

SEC. 402. OFFSETS.

Notwithstanding any other provision of this Act, the amounts on page 539, lines 18 and 19, and page 540, line 10, shall each be reduced by $200,000,000.

On page 546, increase the rescission amount on line 21 by $10,000,000.

Notwithstanding any other provision of this Act, the amounts on page 583, lines 4 and 14, shall each be reduced by $159,000,000.

ADMINISTRATION FOR CHILDREN AND FAMILIES

Job Opportunities and Basic Skills

(Rescission)

Of the funds made available under this heading elsewhere in this Act, there is rescinded an amount equal to the total of the funds within each State's limitation for fiscal year 1996 that are not necessary to pay such State's allowable claims for such fiscal year.

Section 403(k)(3)(F) of the Social Security Act (as amended by Public Law 100–485) is amended by adding: ''reduced by an amount equal to the total of those funds that are within each State's limitation for fiscal year 1996 that are not necessary to pay such State's allowable claims for such fiscal year (except that such amount for such year shall be deemed to be $1,000,000,000 for the purpose of determining the amount of the payment under subsection (1) to which each State is entitled),''.

FEDERAL AVIATION ADMINISTRATION

Grants-In-Aid For Airports

(Airport and Airway Trust Fund)

(Rescission of Contract Authorization)

Of the available contract authority balances under this account, $616,000,000 are rescinded.

PART 4—UNITED STATES ENRICHMENT CORPORATION PRIVATIZATION

SEC. 1. SHORT TITLE.

This Act may be cited as the ''USEC Privatization Act''.

SEC. 2. DEFINITIONS.

For purposes of this Act:

(1) The term ''AVLIS'' means atomic vapor laser isotope separation technology.

(2) The term ''Corporation'' means the United States Enrichment Corporation and, unless the context otherwise requires, includes the private corporation and any successor thereto following privatization.

(3) The term ''gaseous diffusion plants'' means the Paducah Gaseous Diffusion Plant at Paducah, Kentucky and the Portsmouth Gaseous Diffusion Plant at Piketon, Ohio.

(4) The term ''highly enriched uranium'' means uranium enriched to 20 percent or more of the uranium-235 isotope.

(5) The term ''low-enriched uranium'' means uranium enriched to less than 20 percent of the uranium-235 isotope, including that which is derived from highly enriched uranium.

(6) The term ''low-level radioactive waste'' has the meaning given such term in section 2(9) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021b(9)).

(7) The term ''private corporation'' means the corporation established under section 5.

(8) The term ''privatization'' means the transfer of ownership of the Corporation to private investors.

(9) The term ''privatization date'' means the date on which 100 percent of the ownership of the Corporation has been transferred to private investors.

(10) The term ''public offering'' means an underwritten offering to the public of the common stock of the private corporation pursuant to section 4.

(11) The ''Russian HEU Agreement'' means the Agreement Between the Government of the United States of America and the Government of the Russian Federation Concerning the Disposition of Highly Enriched Uranium Extracted from Nuclear Weapons, dated February 18, 1993.

(12) The term ''Secretary'' means the Secretary of Energy.

(13) The ''Suspension Agreement'' means the Agreement to Suspend the Antidumping Investigation on Uranium from the Russian Federation, as amended.

(14) The term ''uranium enrichment'' means the separation of uranium of a given isotopic content into 2 components, 1 having a higher percentage of a fissile isotope and 1 have a lower percentage.

SEC. 3. SALE OF THE CORPORATION.

(a) AUTHORIZATION.—The Board of Directors of the Corporation, with the approval of the Secretary of the Treasury, shall transfer the interest of the United States in the United States Enrichment Corporation to the private sector in a manner that provides for the long-term viability of the Corporation, provides for the continuation by the Corporation of the operation of the Department of Energy's gaseous diffusion plants, provides for the protection of the public interest in maintaining a reliable and economical domestic source of uranium mining, enrichment and conversion services, and, to the extent not inconsistent with such purposes, secures the maximum proceeds to the United States.

(b) PROCEEDS.—Proceeds from the sale of the United States' interest in the Corporation shall be deposited in the general fund of the Treasury.

SEC. 4. METHOD OF SALE.

(a) AUTHORIZATION.—The Board of Directors of the Corporation, with the approval of the Secretary of the Treasury, shall transfer ownership of the assets and obligations of the Corporation to the private corporation established under section 5 (which may be consummated through a merger or consolidation effected in accordance with, and having the effects provided under, the law of the State of incorporation of the private corporation, as if the Corporation were incorporated thereunder).

(b) BOARD DETERMINATION.—The Board, with the approval of the Secretary of the

Treasury, shall select the method of transfer and establish terms and conditions for the transfer that will provide the maximum proceeds to the Treasury of the United States and will provide for the long-term viability of the private corporation, the continued operation of the gaseous diffusion plants, and the public interest in maintaining reliable and economical domestic uranium mining and enrichment industries.

(c) ADEQUATE PROCEEDS.—The Secretary of the Treasury shall now allow the privatization of the Corporation unless before the sale date the Secretary of the Treasury determines that the method of transfer will provide the maximum proceeds to the Treasury consistent with the principles set forth in section 3(a).

(d) APPLICATION OF SECURITIES LAWS.—Any offering or sale of securities by the private corporation shall be subject to the Securities Act of 1933 (15 U.S.C. 77a et seq.), the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), and the provisions of the Constitution and laws of any State, territory, or possession of the United States relating to transactions in securities.

(e) EXPENSES.—Expenses of privatization shall be paid from Corporation revenue accounts in the United States Treasury.

SEC. 5. ESTABLISHMENT OF PRIVATE CORPORATION.

(a) INCORPORATION.—The directors of the Corporation shall establish a private for-profit corporation under the laws of a State for the purpose of receiving the assets and obligations of the Corporation at privatization and continuing the business operations of the Corporation following privatization.

(2) The directors of the Corporation may serve as incorporators of the private corporation and shall take all steps necessary to establish the private corporation, including the filing of articles of incorporation consistent with the provisions of this Act.

(3) Employees and officers of the Corporation (including members of the Board of Directors) acting in accordance with this section on behalf of the private corporation shall be deemed to be acting in their official capacities as employees or officers of the Corporation for purposes of section 205 of title 18, United States Code.

(b) STATUS OF THE PRIVATE CORPORATION.—(1) The private corporation shall not be an agency, instrumentality, or establishment of the United States, a Government corporation, or a Government-controlled corporation.

(2) Except as otherwise provided by this Act, financial obligations of the private corporation shall not be obligations of, or guaranteed as to principal or interest by, the Corporation or the United States, and the obligations shall so plainly state.

(3) No action under section 1491 of title 28, United States Code, shall be allowable against the United States based on actions of the private corporation,

(c) APPLICATION OF POST-GOVERNMENT EMPLOYMENT RESTRICTIONS.—Beginning on the privatization date, the restrictions stated in section 207, (a), (b), (c), and (d) of title 18, United States Code, shall not apply to the acts of an individual done in carrying out official duties as a director, officer, or employee of the private corporation, if the individual was an officer or employee of the Corporation (including a director) continuously during the 45 days prior to the privatization date.

(d) DISSOLUTION.—In the event that the privatization does not occur, the Corporation will provide for the dissolution of the private corporation within 1 year of the private corporation's incorporation unless the Secretary of the Treasury or his delegate, upon the Corporation's request, agrees to delay any such dissolution for an additional year.

SEC. 6. TRANSFERS TO THE PRIVATE CORPORATION.

Concurrent with privatization, the Corporation shall transfer to the private corporation—

(1) the lease of the gaseous diffusion plants in accordance with section 7.

(2) all personal property and inventories of the Corporation,

(3) all contracts, agreements, and leases under section 8(a),

(4) the Corporation's right to purchase power from the Secretary under section 8(b).

(5) such funds in accounts of the Corporation held by the Treasury or on deposit with any bank or other financial institution as approved by the Secretary of the Treasury, and

(6) all of the Corporation's records, including all of the papers and other documentary materials, regardless of physical form or characteristics, made or received by the Corporation.

SEC. 7. LEASING OF GASEOUS DIFFUSION FACILITIES.

(a) TRANSFER OR LEASE.—Concurrent with privatization, the Corporation shall transfer to the private corporation the lease of the gaseous diffusion plants and related property for the remainder of the term of such lease in accordance with the terms of such lease.

(b) RENEWAL.The private corporation shall have the exclusive option to lease the gaseous diffusion plants and related property for additional periods following the expiration of the initial term of the lease.

(c) EXCLUSION OF FACILITIES FOR PRODUCTION OF HIGHLY ENRICHED URANIUM.—The Secretary shall not lease to the private corporation any facilities necessary for the production of highly enriched uranium but may, subject to the requirements of the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.), grant the Corporations access to such facilities for purposes other than the production of highly enriched uranium.

(d) DOE RESPONSIBILITY FOR PREEXISTING CONDITIONS.—The payment of any costs of decontamination and decommissioning, response actions, or corrective actions with respect to conditions existing before July 1, 1993, at the gaseous diffusion plants shall remain the sole responsibility of the Secretary.

(e) ENVIRONMENTAL AUDIT.—For purposes of subsection (d), the conditions existing before July 1, 1993, at the gaseous diffusion plants shall be determined from the environmental audit conducted pursuant to section 1403(e) of the Atomic Energy Act of 1954 (42 U.S.C. 2297c–2(e)).

(f) TREATMENT UNDER PRICE-ANDERSON PROVISIONS.—Any lease executed between the Secretary and the Corporation or the private corporation, and any extension or renewal thereof, under this section shall be deemed to be a contract for purposes of section 170d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)).

(g) WAIVER OF EIS REQUIREMENT.—The execution or transfer of the lease between the Secretary and the Corporation or the private corporation, and any extension or renewal thereof, shall not be considered to be a major Federal action significantly affecting the quality of the human environment for purposes of section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332).

SEC. 8. TRANSFER OF CONTRACTS.

(a) TRANSFER OF CONTRACTS.—Concurrent with privatization, the Corporation shall transfer to the private corporation all contracts, agreements, and leases, including all uranium enrichment contracts, that were—

(1) transferred by the Secretary to the Corporation pursuant to section 1401(b) of the Atomic Energy Act of 1954 (42 U.S.C. 2297c(b)), or

(2) entered into by the Corporation before the privatization date.

(b) NONTRANSFERABLE POWER CONTRACTS.—The Corporation shall transfer to the private corporation the right to purchase power from the Secretary under the power purchase contracts for the gaseous diffusion plants executed by the Secretary before July 1, 1993. The Secretary shall continue to receive power for the gaseous diffusion plants under such contracts and shall continue to resell such power to the private corporation at cost during the term of such contracts.

(c) EFFECT OF TRANSFER.—(1) Notwithstanding subsection (a), the United States shall remain obligated to the parties to the contracts, agreements, and leases transferred under subsection (a) for the performance of its obligations under such contracts, agreements, or leases during their terms. Performance of such obligations by the private corporation shall be considered performance by the United States.

(2) If a contract, agreement, or lease transferred under subsection (a) is terminated, extended, or materially amended after the privatization date—

(A) the private corporation shall be responsible for any obligation arising under such contract, agreement, or lease after any extension or material amendment, and

(B) the United States shall be responsible for any obligation arising under the contract, agreement, or lease before the termination, extension, or material amendment.

(3) The private corporation shall reimburse the United States for any amount paid by the United States under a settlement agreement entered into with the consent of the private corporation or under a judgment, if the settlement or judgment—

(A) arises out of an obligation under a contract, agreement, or lease transferred under subsection (a), and

(B) arises out of actions of the private corporation between the privatization date and the date of a termination, extension, or material amendment of such contract, agreement, or lease.

(d) PRICING.—The Corporation may establish prices for its products, materials, and services provided to customers on a basis that will allow it to attain the normal business objectives of a profit making corporation.

SEC. 9. LIABILITIES.

(a) LIABILITY OF THE UNITED STATES.—(1) Except as otherwise provided in this Act, all liabilities arising out of the operation of the uranium enrichment enterprise before July 1, 1993, shall remain the direct liabilities of the Secretary.

(2) Except as provided in subsection (a)(3) or otherwise provided in a memorandum of agreement entered into by the Corporation and the Office of Management and Budget prior to the privatization date, all liabilities arising out of the operation of the Corporation between July 1, 1993, and the privatization date shall remain the direct liabilities of the United States.

(3) All liabilities arising out of the disposal of depleted uranium generated by the Corporation between July 1, 1993, and the privatization date shall become the direct liabilities of the Secretary.

(4) Any stated or implied consent for the United States, or any agent or officer of the United States, to be sued by any person for any legal, equitable, or other relief with respect to any claim arising from any action taken by any agent or officer of the United States in connection with the privatization of the Corporation is hereby withdrawn.

(5) To the extent that any claim against the United States under this section is of the type otherwise required by Federal statute

or regulation to be presented to a Federal agency or official for adjudication or review, such claim shall be presented to the Department of Energy in accordance with procedures to be established by the Secretary. Nothing in this paragraph shall be construed to impose on the Department of Energy liability to pay any claim presented pursuant to this paragraph.

(6) The Attorney General shall represent the United States in any action seeking to impose liability under this subsection.

(b) LIABILITY OF THE CORPORATION.—Notwithstanding any provision of any agreement to which the Corporation is a party, the Corporation shall not be considered in breach, default, or violation of any agreement because of the transfer of such agreement to the private corporation under section 8 or any other action the Corporation is required to take under this Act.

(c) LIABILITY OF THE PRIVATE CORPORATION.—Except as provided in this Act, the private corporation shall be liable for any liabilities arising out of its operations after the privatization date.

(d) LIABILITY OF OFFICERS AND DIRECTORS.—(1) No officer, director, employee, or agent of the Corporation shall be liable in any civil proceeding to any party in connection with any action taken in connection with the privatization if, with respect to the subject matter of the action, suit, or proceeding, such person was acting within the scope of his employment.

(2) This subsection shall not apply to claims arising under the Securities Act of 1933 (15 U.S.C. 77a. et seq.), the Securities Exchange Act of 1934 (15 U.S.C. 78a. et seq.), or under the Constitution or laws of any State, territory, or possession of the United States relating to transactions in securities.

SEC. 10. EMPLOYEE PROTECTIONS.

(a) CONTRACTOR EMPLOYEES.—(1) Privatization shall not diminish the accrued, vested pension benefits of employees of the Corporation's operating contractor at the two gaseous diffusion plants.

(2) In the event that the private corporation terminates or changes the contractor at either or both of the gaseous diffusion plants, the plan sponsor or other appropriate fiduciary of the pension plan covering employees of the prior operating contractor shall arrange for the transfer of all plan assets and liabilities relating to accrued pension benefits of such plan's participants and beneficiaries from such plant to a pension plan sponsored by the new contractor or the private corporation or a joint labor-management plan, as the case may be.

(3) In addition to any obligations arising under the National Labor Relations Act (29 U.S.C. 151 et seq.), any employer (including the private corporation if it operates a gaseous diffusion plant without a contractor or any contractor of the private corporation) at a gaseous diffusion plant shall—

(A) abide by the terms of any unexpired collective bargaining agreement covering employees in bargaining units at the plant and in effect on the privatization date until the stated expiration or termination date of the agreement; or

(B) in the event a collective bargaining agreement is not in effect upon the privatization date, have the same bargaining obligations under section 8(d) of the National Labor Relations Act (29 U.S.C. 158(d)) as it had immediately before the privatization date.

(4) If the private corporation replaces its operating contractor at a gaseous diffusion plant, the new employer (including the new contractor or the private corporation if it operates a gaseous diffusion plant without a contractor) shall—

(A) offer employment to non-management employees of the predecessor contractor to the extent that their jobs still exist or they are qualified for new jobs, and

(B) abide by the terms of the predecessor contractor's collective bargaining agreement until the agreement expires or a new agreement is signed.

(5) In the event of a plant closing or mass layoff (as such terms are defined in section 2101(a) (2) and (3) of title 29, United States Code) at either of the gaseous diffusion plants, the Secretary of Energy shall treat any adversely affected employee of an operating contractor at either plant who was an employee at such plant on July 1, 1993, as a Department of Energy employee for purposes of sections 3161 and 3162 of the National Defense Authorization Act for Fiscal Year 1993 (42 U.S.C. 7274h–7274i).

(6)(A) The Secretary and the private corporation shall cause the post-retirement health benefits plan provider (or its successor) to continue to provide benefits for eligible persons, as described under subparagraph (B), employed by an operating contractor at either of the gaseous diffusion plants in an economically efficient manner and at substantially the same level of coverage as eligible retirees are entitled to receive on the privatization date.

(B) Persons eligible for coverage under subparagraph (A) shall be limited to:

(i) persons who retired from active employment at one of the gaseous diffusion plants on or before the privatization date as vested participants in a pension plan maintained either by the Corporation's operating contractor or by a contractor employed prior to July 1, 1993, by the Department of Energy to operate a gaseous diffusion plant; and

(ii) persons who are employed by the Corporation's operating contractor on or before the privatization date and are vested participants in a pension plan maintained either by the Corporation's operating contractor or by a contractor employed prior to July 1, 1993, by the Department of Energy to operate a gaseous diffusion plant.

(C) The Secretary shall fund the entire cost of post-retirement health benefits for persons who retired from employment with an operating contractor prior to July 1, 1993.

(D) The Secretary and the Corporation shall fund the cost of post-retirement health benefits for persons who retire from employment with an operating contractor on or after July 1, 1993, in proportion to the retired person's years and months of service at a gaseous diffusion plant under their respective management.

(7)(A) Any suit under this subsection alleging a violation of an agreement between an employer and a labor organization shall be brought in accordance with section 301 of the Labor Management Relations Act (29 U.S.C. 185).

(B) Any charge under this subsection alleging an unfair labor practice violative of section 8 of the National Labor Relations Act (29 U.S.C. 158) shall be pursued in accordance with section 10 of the National Labor Relations Act (29 U.S.C. 160).

(C) Any suit alleging a violation of any provision of this subsection, to the extent it does not allege a violation of the National Labor Relations Act, may be brought in any district court of the United States having jurisdiction over the parties, without regard to the amount in controversy or the citizenship of the parties.

(b) FORMER FEDERAL EMPLOYEES.—(1)(A) An employee of the Corporation that was subject to either the Civil Service Retirement System (referred to in this section as ''CSRS'') or the Federal Employees' Retirement System (referred to in this section as ''FERS'') on the day immediately preceding the privatization date shall elect—

(i) to retain the employee's coverage under either CSRS or FERS, as applicable, in lieu of coverage by the Corporation's retirement system, or

(ii) to receive a deferred annuity or lumpsum benefit payable to a terminated employee under CSRS or FERS, as applicable.

(B) An employee that makes the election under subparagraph (A)(ii) shall have the option to transfer the balance in the employee's Thrift Savings Plan account to a defined contribution plan under the Corporation's retirement system, consistent with applicable law and the terms of the Corporation's defined contribution plan.

(2) The Corporation shall pay to the Civil Service Retirement and Disability Fund—

(A) such employee deductions and agency contributions as are required by sections 8334, 8422, and 8423 of title 5, United States Code, for those employees who elect to retain their coverage under either CSRS or FERS pursuant to paragraph (1);

(B) such additional agency contributions as are determined necessary by the Office of Personnel Management to pay, in combination with the sums under subparagraph (A), the ''normal cost'' (determined using dynamic assumptions) of retirement benefits for those employees who elect to retain their coverage under CSRS pursuant to paragraph (1), with the concept of ''normal cost'' being used consistent with generally accepted actuarial standards and principles; and

(C) such additional amounts, not to exceed two percent of the amounts under subparagraphs (A) and (B) as are determined necessary by the Office of Personnel Management to pay the cost of administering retirement benefits for employees who retire from the Corporation after the privatization date under either CSRS or FERS, for their survivors, and for survivors of employees of the Corporation who die after the privatization date (which amounts shall be available to the Office of Personnel Management as provided in section 8348(a)(1)(B) of title 5, United States Code).

(3) The Corporation shall pay to the Thrift Savings Fund such employee and agency contributions as are required by section 8432 of title 5, United States Code, for those employees who elect to retain their coverage under FERS pursuant to paragraph (1).

(4) Any employee of the Corporation who was subject to the Federal Employee Health Benefits Program (referred to in this section as ''FEHBP'') on the day immediately preceding the privatization date and who elects to retain coverage under either CSRS or FERS pursuant to paragraph (1) shall have the option to receive health benefits from a health benefit plan established by the Corporation or to continue without interruption coverage under the FEHBP, in lieu of coverage by the Corporation's health benefit system.

(5) The Corporation shall pay to the Employees Health Benefits Fund—

(A) such employee deductions and agency contributions as are required by section 8906(a)–(f) of title 5, United States Code, for those employees who elect to retain their coverage under FEHBP pursuant to paragraph (4); and

(B) such amounts as are determined necessary by the Office of Personnel Management under paragraph (6) to reimburse the Office of Personnel Management for contributions under section 8906(g)(1) of title 5, United States Code, for those employees who elect to retain their coverage under FEHBP pursuant to paragraph (4).

(6) The amounts required under paragraph (5)(B) shall pay the Government contributions for retired employees who retire from the Corporation after the privatization date under either CSRS or FERS, for survivors of

such retired employees, and for survivors of employees of the Corporation who die after the privatization date, with said amounts prorated to reflect only that portion of the total service of such employees and retired persons that was performed for the Corporation after the privatization date.

SEC. 11. OWNERSHIP LIMITATIONS.

(a) SECURITIES LIMITATIONS.—No director, officer, or employee of the Corporation may acquire any securities, or any rights to acquire any securities of the private corporation on terms more favorable than those offered to the general public—

(1) in a public offering designed to transfer ownership of the Corporation to private investors,

(2) pursuant to any agreement, arrangement, or understanding entered into before the privatization date, or

(3) before the election of the directors of the private corporation.

(b) OWNERSHIP LIMITATION.—Immediately following the consummation of the transaction or series of transactions pursuant to which 100 percent of the ownership of the Corporation is transferred to private investors, and for a period of three years thereafter, no person may acquire, directly or indirectly, beneficial ownership of securities representing more than 10 percent of the total votes of all outstanding voting securities of the Corporation. The foregoing limitation shall not apply to—

(1) any employee stock ownership plan of the Corporation,

(2) members of the underwriting syndicate purchasing shares in stabilization transactions in connection with the privatization, or

(3) in the case of shares beneficially held in the ordinary course of business for others, any commercial bank, broker-dealer, or clearing agency.

SEC. 12. URANIUM TRANSFERS AND SALES.

(a) TRANSFERS AND SALES BY THE SECRETARY.—The Secretary shall not provide enrichment services or transfer or sell any uranium (including natural uranium concentrates, natural uranium hexafluoride, or enriched uranium in any form) to any person except as consistent with this section.

(b) RUSSIAN HEU.—(1) On or before December 31, 1996, the United States Executive Agent under the Russian HEU Agreement shall transfer to the Secretary without charge title to an amount of uranium hexafluoride equivalent to the natural uranium component of low-enriched uranium derived from at least 18 metric tons of highly enriched uranium purchased from the Russian Executive Agent under the Russian HEW Agreement. The quantity of such uranium hexafluoride delivered to the Secretary shall be based on a tails assay of 0.30 U^{235}. Uranium hexafluoride transferred to the Secretary pursuant to this paragraph shall be deemed under United States law for all purposes to be of Russian origin.

(2) Within 7 years of the date of enactment of this Act, the Secretary shall sell, and receive payment for, the uranium hexafluoride transferred to the Secretary pursuant to paragraph (1). Such uranium hexafluoride shall be sold—

(A) at any time for use in the United States for the purpose of overfeeding;

(B) at any time for end use outside the United States;

(C) in 1995 and 1996 to the Russian Executive Agent at the purchase price for use in matched sales pursuant to the Suspension Agreement; or,

(D) in calendar year 2001 for consumption by end users in the United States not prior to January 1, 2002, in volumes not to exceed 3,000,000 pounds U_3O_8 equivalent per year.

(3) With respect to all enriched uranium delivered to the United States Executive Agent under the Russian HEU Agreement on or after January 1, 1997, the United States Executive Agent shall, upon request of the Russian Executive Agent, enter into an agreement to deliver concurrently to the Russian Executive Agent an amount of uranium hexafluoride equivalent to the natural uranium component of such uranium. An agreement executed pursuant to a request of the Russian Executive Agent, as contemplated in this paragraph, may pertain to any deliveries due during any period remaining under the Russian HEU Agreement. The quantity of such uranium hexafluoride delivered to the Russian Executive Agent shall be based on a tails assay of 0.30 U^{235}. Title to uranium hexafluoride delivered to the Russian Executive Agent pursuant to this paragraph shall transfer to the Russian Executive Agent upon delivery of such material to the Russian Executive Agent, with such delivery to take place at a North American facility designated by the Russian Executive Agent. Uranium hexafluoride delivered to the Russian Executive Agent pursuant to this paragraph shall be deemed under U.S. law for all purposes to be of Russian origin. Such uranium hexafluoride may be sold to any person or entity for delivery and use in the United States only as permitted in subsections (b)(5), (b)(6) and (b)(7) of this section.

(4) In the event that the Russian Executive Agent does not exercise its right to enter into an agreement to take deliver of the natural uranium component of any low-enriched uranium, as contemplated in paragraph (3), within 90 days of the date such low-enriched uranium is delivered to the United States Executive Agent, or upon request of the Russian Executive Agent, then the United States Executive Agent shall engage an independent entity through a competitive selection process to auction an amount of uranium hexafluoride or U_3O_8 (in the event that the conversion component of such hexafluoride has previously been sold) equivalent to the natural uranium component of such low-enriched uranium. An agreement executed pursuant to a request of the Russian Executive Agent, as contemplated in this paragraph, may pertain to any deliveries due during any period remaining under the Russian HEU Agreement. Such independent entity shall sell such uranium hexafluoride in one or more lots to any person or entity to maximize the proceeds from such sales, for disposition consistent with the limitations set forth in this subsection. The independent entity shall pay to the Russian Executive Agent the proceeds of any such auction less all reasonable transaction and other administrative costs. The quantity of such uranium hexafluoride auctioned shall be based on a tails assay of 0.30 U^{235}. Title to uranium hexafluoride auctioned pursuant to this paragraph shall transfer to the buyer of such material upon delivery of such material to the buyer. Uranium hexafluoride auctioned pursuant to this paragraph shall be deemed under United States law for all purposes to be of Russian origin.

(5) Except as provided in paragraphs (6) and (7), uranium hexafluoride delivered to the Russian Executive Agent under paragraph (3) or auctioned pursuant to paragraph (4), may not be delivered for consumption by end users in the United States either directly or indirectly prior to January 1, 1998, and thereafter only in accordance with the following schedule:

ANNUAL MAXIMUM DELIVERIES TO END USERS

(millions lbs. U_3O_8 equivalent)

Year:	
1998	2
1999	4
2000	6
2001	8
2002	10
2003	12
2004	14
2005	16
2006	17
2007	18
2008	19
2009 and each year thereafter	20.

(6) Uranium hexafluoride delivered to the Russian Executive Agent under paragraph (3) or auctioned pursuant to paragraph (4) may be sold at any time as Russian-origin natural uranium in a matched sale pursuant to the Suspension Agreement, and in such case shall not be counted against the annual maximum deliveries set forth in paragraph (5).

(7) Uranium hexafluoride delivered to the Russian Executive Agent under paragraph (3) or auctioned pursuant to paragraph (4) may be sold at any time for use in the United States for the purpose of overfeeding in the operations of enrichment facilities.

(8) Nothing in this subsection (b) shall restrict the sale of the conversion component of such uranium hexafluoride.

(9) The Secretary of Commerce shall have responsibility for the administration and enforcement of the limitations set forth in this subsection. The Secretary of Commerce may require any person to provide any certifications, information, or take any action that may be necessary to enforce these limitations. The United States Customs Service shall maintain and provide any information required by the Secretary of Commerce and shall take any action requested by the Secretary of Commerce which is necessary for the administration and enforcement of the uranium delivery limitations set forth in this section.

(10) The President shall monitor the actions of the United States Executive Agent under the Russian HEU Agreement and shall report to the Congress not later than December 31 of each year on the effect the low-enriched uranium delivered under the Russian HEU Agreement is having on the domestic uranium mining, conversion, and enrichment industries, and the operation of the gaseous diffusion plants. Such report shall include a description of actions taken or proposed to be taken by the President to prevent or mitigate any material adverse impact on such industries or any loss of employment at the gaseous diffusion plants as a result of the Russian HEU Agreement.

(c) TRANSFERS TO THE CORPORATION.—(1) The Secretary shall transfer to the Corporation without charge up to 50 metric tons of enriched uranium and up to 7,000 metric tons of natural uranium from the Department of Energy's stockpile, subject to the restrictions in subsection (c)(2).

(2) The Corporation shall not deliver for commercial end use in the United States—

(A) any of the uranium transferred under this subsection before January 1, 1998;

(B) more than 10 percent of the uranium (by uranium hexafluoride equivalent content) transferred under this subsection or more than 4,000,000 pounds, whichever is less, in any calendar year after 1997; or

(C) more than 800,000 separative work units contained in low-enriched uranium transferred under this subsection in any calendar year.

(d) INVENTORY SALES.—(1) In addition to the transfers authorized under subsections (c) and (e), the Secretary may, from time to time, sell natural and low-enriched uranium (including low-enriched uranium derived from highly enriched uranium) from the Department of Energy's stockpile.

(2) Except as provided in subsections (b), (c), and (e), no sale or transfer of natural or low-enriched uranium shall be made unless—

(A) the President determines that the material is not necessary for national security needs,

(B) the Secretary determines that the sale of the material will not have an adverse material impact on the domestic uranium mining, conversion, or enrichment industry, taking into account the sales of uranium under the Russian HEU Agreement and the Suspension Agreement, and

(C) the price paid to the Secretary will not be less than the fair market value of the material.

(e) GOVERNMENT TRANSFERS.—Notwithstanding subsection (d)(2), the Secretary may transfer or sell enriched uranium—

(1) to a Federal agency if the material is transferred for the use of the receiving agency without any resale or transfer to another entity and the material does not meet commercial specifications;

(2) to any person for national security purposes, as determined by the Secretary; or

(3) to any State or local agency or nonprofit, charitable, or educational institution for use other than the generation of electricity for commercial use.

(f) SAVINGS PROVISION.—Nothing in this Act shall be read to modify the terms of the Russian HEU Agreement.

SEC. 13. LOW-LEVEL WASTE.

(a) RESPONSIBILITY OF DOE.—(1) The Secretary, at the request of the generator, shall accept for disposal low-level radioactive waste, including depleted uranium if it were ultimately determined to be low-level radioactive waste, generated by—

(A) The Corporation as a result of the operations of the gaseous diffusion plants or as a result of the treatment of such wastes at a location other than the gaseous diffusion plants, or

(B) any person licensed by the Nuclear Regulatory Commission to operate a uranium enrichment facility under sections 53, 63, and 193 of the Atomic Energy Act of 1954 (42 U.S.C. 2073, 2093, and 2243).

(2) Except as provided in paragraph (3), the generator shall reimburse the Secretary for the disposal of low-level radioactive waste pursuant to paragraph (1) in an amount equal to the Secretary's costs, including a pro rata share of any capital costs, but in no event more than an amount equal to that which would be charged by commercial, State, regional, or interstate compact entities for disposal of such waste.

(3) In the event depleted uranium were ultimately determined to be low-level radioactive waste, the generator shall reimburse the Secretary for the disposal of depleted uranium pursuant to paragraph (1) in an amount equal to the Secretary's costs, including a pro rata share of any capital costs.

(b) AGREEMENTS WITH OTHER PERSONS.—The generator may also enter into agreements for the disposal of low-level radioactive waste subject to subsection (a) with any person other than the Secretary that is authorized by applicable laws and regulations to dispose of such wastes.

(c) STATE OR INTERSTATE COMPACTS.—Notwithstanding any other provision of law, no State or interstate compact shall be liable for the treatment, storage, or disposal of any low-level radioactive waste (including mixed waste) attributable to the operation, decontamination, and decommissioning of any uranium enrichment facility.

SEC. 14. AVLIS.

(a) EXCLUSIVE RIGHT TO COMMERCIALIZE.—The Corporation shall have the exclusive commercial right to deploy and use any AVLIS patents, processes, and technical information owned or controlled by the Government, upon completion of a royalty agreement with the Secretary.

(b) TRANSFER OF RELATED PROPERTY TO CORPORATION.—

(1) IN GENERAL.—To the extend requested by the Corporation and subject to the requirement of the Atomic Energy Act of 1954 (42 U.S.C. 2011, et seq.), the President shall transfer without charge to the Corporation all of the right, title, or interest in and to property owned by the United States under control or custody of the Secretary that is directly related to and materially useful in the performance of the Corporation's purposes regarding AVLIS and alternative technologies for uranium enrichment, including—

(A) facilities, equipment, and materials for research, development, and demonstration activities; and

(B) all other facilities, equipment, materials, processes, patents, technical information of any kind, contracts, agreements, and leases.

(2) EXCEPTION.—Facilities, real estate, improvements, and equipment related to the gaseous diffusion, and gas centrifuge, uranium enrichment programs of the Secretary shall not transfer under paragraph (1)(B)

(3) EXPIRATION OF TRANSFER AUTHORITY.—The President's authority to transfer property under this subjection shall expire upon the privatization date.

(c) LIABILITY FOR PATENT AND RELATED CLAIMS.—With respect to any right, title, or interest provided to the Corporation under subsection (a) or (b), the Corporation shall have sole liability for any payments made or awards under section 157 b. (3) of the Atomic Energy Act of 1954 (42 U.S.C. 2187(b)(3)), or any settlements or judgments involving claims for alleged patent infringement. Any royalty agreement under subsection (a) of this section shall provide for a reduction of royalty payments to the Secretary to offset any payments, awards, settlements, or judgments under this subsection.

SEC. 15. APPLICATION OF CERTAIN LAWS.

(a) OSHA.—(1) As of the privatization date, the private corporation shall be subject to and comply with the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.).

(2) The Nuclear Regulatory Commission and the Occupational Safety and Health Administration shall, within 90 days after the date of enactment of this Act, enter into a memorandum of agreement to govern the exercise of their authority over occupational safety and health hazards at the gaseous diffusion plants, including inspection, investigation, enforcement, and rulemaking relating to such hazards.

(b) ANTITRUST LAWS.—For purposes of the antitrust laws, the performance by the private corporation of a ''matched import'' contract under the Suspension Agreement shall be considered to have occurred prior to the privatization date, if at the time of privatization, such contract had been agreed to by the parties in all material terms and confirmed by the Secretary of Commerce under the Suspension Agreement.

(c) ENERGY REORGANIZATION ACT REQUIREMENTS.—(1) The private corporation and its contractors and subcontractors shall be subject to the provisions of section 211 of the Energy Reorganization Act of 1974 (42 U.S.C. 5851) to the same extent as an employer subject to such section.

(2) With respect to the operation of the facilities leased by the private corporation, section 206 of the Energy Reorganization Act of 1974 (42 U.S.C. 5846) shall apply to the directors and officers of the private corporation.

SEC. 16. AMENDMENTS TO THE ATOMIC ENERGY ACT.

(a) REPEAL.—(1) Chapters 22 through 26 of the Atomic Energy Act of 1954 (42 U.S.C. 2297–2297e–7) are repealed as of the privatization date.

(2) The table of contents of such Act is amended as of the privatization date by striking the items referring to sections repealed by paragraph (1).

(b) NRC LICENSING.—(1) Section 11v. of the Atomic Energy Act of 1954 (42 U.S.C. 2014v.) is amended by striking ''or the construction and operation of a uranium enrichment facility using Atomic Vapor Laser Isotope Separation technology''.

(2) Section 193 of the Atomic Energy Act of 1954 (42 U.S.C. 2243) is amended by adding at the end the following:

''(f) LIMITATION.—No license or certificate of compliance may be issued to the United States Enrichment Corporation or its successor under this section or sections 53, 63, or 1701, if the Commission determines that—

''(1) the Corporation is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government; or

''(2) the issuance of such a license or certificate of compliance would be inimical to—

''(A) the common defense and security of the United States; or

''(B) the maintenance of a reliable and economical domestic source of enrichment servlces.''.

(3) Section 1701(c)(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2297f(c)(2)) is amended to read as follows:

''(2) PERIODIC APPLICATION FOR CERTIFICATE OF COMPLIANCE.—The Corporation shall apply to the Nuclear Regulatory Commission for a certificate of compliance under paragraph (1) periodically, as determined by the Commission, but not less than every 5 years. The Commission shall review any such application and any determination made under subsection (b)(2) shall be based on the results of any such review.''

(4) Section 1702(a) of the Atomic Energy Act of 1954 (42 U.S.C. 2297f–1(a)) is amended—

(1) by striking ''other than'' and inserting ''including'', and

(2) by striking ''sections 53 and 63'' and inserting ''sections 53, 63, and 193''.

(c) JUDICIAL REVIEW OF NRC ACTIONS.—Section 189b. of the Atomic Energy Act of 1954 (42 U.S.C. 2239(b)) is amended to read as follows:

''b. The following Commission actions shall be subject to judicial review in the manner prescribed in chapter 158 of title 28, United States Code, and chapter 7 of title 5, United States Code:

''(1) Any final order entered in any proceeding of the kind specified in subsection (a).

''(2) Any final order allowing or prohibiting a facility to begin operating under a combined construction and operating license.

''(3) Any final order establishing by regulation standards to govern the Department of Energy's gaseous diffusion uranium enrichment plants, including any such facilities leased to a corporation established under the USEC Privatization Act.

''(4) Any final determination under section 1701(c) relating to whether the gaseous diffusion plants, including any such facilities leased to a corporation established under the USEC Privatization Act, are in compliance with the Commission's standards governing the gaseous diffusion plants and all applicable laws.''.

(d) CIVIL PENALTIES.—Section 234a. of the Atomic Energy Act of 1954 (42 U.S.C. 2282(a) is amended by—

(1) striking ''any licensing provision of section 53, 57, 62, 63, 81, 82, 101, 103, 104, 107, or 109'' and inserting: ''any licensing or certification provision of section 53, 57, 62, 63, 81, 82, 101, 103, 104, 107, 109, or 1701''; and

(2) by striking ''any license issued thereunder'' and inserting: ''any lease or certification issued thereunder''.

(e) REFERENCES TO THE CORPORATION.—Following the privatization date, all references in the Atomic Energy Act of 1954 to the United States Enrichment Corporation shall be deemed to be references to the private corporation.

SEC. 17. AMENDMENTS TO OTHER LAWS.

(a) DEFINITION OF GOVERNMENT CORPORATION.—As of the privatization date, section 9101(3) of title 31, United States Code, is amended by striking subparagraph (N) as added by section 902(b) of Public Law 102–486.

(b) DEFINITION OF THE CORPORATION.—Section 1018 (1) of the Energy Policy Act of 1992 (42 U.S.C. 2296b-7(1) is amended by inserting ''or its successor'' before the period.

SUBPART B—STRATEGIC PETROLEUM RESERVE

SEC. 431. SALE OF WEEKS ISLAND OIL.

Notwithstanding section 161 of the Energy Policy and Conservation Act (42 U.S.C. 6241), the Secretary of Energy shall draw down and sell in fiscal year 1996, $292,000,000 worth of oil formerly contained in the Weeks Island Strategic Petroleum Reserve.

HOLLINGS (AND OTHERS) AMENDMENT NO. 3474

Mr. HOLLINGS (for himself, Mr. DASCHLE, Mr. KERRY, Mr. LIEBERMAN, Mr. BINGAMAN, Mr. LEAHY, Mr. ROCKEFELLER, and Mr. KERREY) proposed an amendment to amendment No. 3466 proposed by Mr. HATFIELD to the bill H.R. 3019, supra; as follows:

On page 781 of the Committee amendment, strike lines 5 and 6, and insert in lieu thereof the following:

This title may be cited as the ''Contingency Appropriations Act, 1996''.

TITLE V—TECHNOLOGY INITIATIVES

CHAPTER 1—RESTORATIONS FOR PRIORITY TECHNOLOGY PROGRAMS

DEPARTMENTS OF COMMERCE, JUSTICE, STATE, THE JUDICIARY, AND RELATED AGENCIES

DEPARTMENT OF COMMERCE

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

INDUSTRIAL TECHNOLOGY SERVICES

In addition to funds provided elsewhere in this Act, $300,000,000, to remain available until expended, for continuation grants and new program competitions under the Advanced Technology Program: *Provided,* That notwithstanding any other provision of this Act, any unobligated balances from carryover balances of current and prior year appropriations under the Advanced Technology Program may be used for continuation grants and new program competitions.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

INFORMATION INFRASTRUCTURE GRANTS

In addition to funds provided elsewhere in this Act, $32,000,000, to remain available until expended, for increasing the number of grants promoting the development of the national telecommunications and information infrastructure.

TECHNOLOGY ADMINISTRATION

SALARIES AND EXPENSES

In addition to funds provided elsewhere in this Act, $4,500,000, to remain available until September 30, 1997, of which $2,500,000 shall be for grants to be awarded by the United States Israel Science and Technology Commission.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES

In addition to the amounts provided in Title I of this Act for the Department of Education:

Under the heading, ''EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT'', of the amounts made available in title I an additional $23,000,000 shall be for part A of title III of the Elementary and Secondary Education Act of 1965, as amended.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

In addition to funds provided elsewhere in this Act, $31,000,000, to remain available until September 30, 1997.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

In addition to funds provided elsewhere in this Act, $31,000,000, to remain available until September 30, 1997.

CHAPTER 2—OFFSET FOR TECHNOLOGY PROGRAMS

SEC. 5101. SHORT TITLE.

This chapter may be cited as the ''Debt Collection Improvement Act of 1996''.

SEC. 5102. EFFECTIVE DATE.

Except as otherwise provided in this chapter, the provisions of this chapter and the amendments made by this chapter shall become effective October 1, 1996.

PART I—GENERAL DEBT COLLECTION INITIATIVES

Subpart A—General Offset Authority

SEC. 5201. ENHANCEMENT OF ADMINISTRATIVE OFFSET AUTHORITY.

(a) Section 3701(c) of title 31, United States Code, is amended to read as follows:

''(c) In sections 3716 and 3717 of this title, the term 'person' does not include an agency of the United States Government, or of a unit of general local government.''.

(b) Section 3716 of title 31, United States Code, is amended—

(1) by amending subsection (b) to read as follows:

''(b) Before collecting a claim by administrative offset, the head of an executive, legislative, or judicial agency must either—

''(1) adopt regulations on collecting by administrative offset promulgated by the Department of Justice, the General Accounting Office and/or the Department of the Treasury without change; or

''(2) prescribe independent regulations on collecting by administrative offset consistent with the regulations promulgated under paragraph (1).'';

(2) by amending subsection (c)(2) to read as follows:

''(2) when a statute explicitly prohibits using administrative 'offset' or 'setoff' to collect the claim or type of claim involved.'';

(3) by redesignating subsection (c) as subsection (d); and

(4) by inserting after subsection (b) the following new subsection:

''(c)(1)(A) Except as provided in subparagraph (B) or (C), a disbursing official of the Department of the Treasury, the Department of Defense, the United States Postal Service, or any disbursing official of the United States designated by the Secretary of the Treasury, is authorized to offset the amount of a payment which a payment certifying agency has certified to the disbursing official for disbursement by an amount equal to the amount of a claim which a creditor agency has certified to the Secretary of the Treasury pursuant to his subsection.

''(B) An agency that designates disbursing officials pursuant to section 3321(c) of this title is not required to certify claims arising out of its operations to the Secretary of the Treasury before such agency's disbursing officials offset such claims.

''(C) Payments certified by the Department of Education under a program administered by the Secretary of Education under title IV of the Higher Education Act of 1965, as amended, shall not be subject to offset under this subsection.

''(2) Neither the disbursing official nor the payment certifying agency shall be liable—

''(A) for the amount of the offset on the basis that the underlying obligation, represented by the payment before the offset was taken, was not satisfied; or

''(B) for failure to provide timely notice under paragraph (8).

''(3)(A) Notwithstanding any other provision of law (including sections 207 and 1631(d)(1) of the Act of August 14, 1935 (42 U.S.C. 407 and 1383(d)(1)), section 413(b) of Public Law 91–173 (30 U.S.C. 923(b)), and section 14 of the Act of August 29, 1935 (45 U.S.C. 231m)), all payments due under the Social Security Act, Part B of the Black Lung Benefits Act, or under any law administered by the Railroad Retirement Board shall be subject to offset under this section.

''(B) An amount of $10,000 which a debtor may receive under Federal benefit programs cited under subparagraph (A) within a 12-month period shall be exempt from offset under this subsection. In applying the $10,000 exemption, the disbursing official shall—

''(i) apply a prorated amount of the exemption to each periodic benefit payment to be made to the debtor during the applicable 12-month period; and

''(ii) consider all benefit payments made during the applicable 12-month period which are exempt from offset under this subsection as part of the $10,000 exemption.

For purposes of the preceding sentence, the amount of a periodic benefit payment shall be the amount after any reduction or deduction required under the laws authoring the program under which such payment is authorized to be made (including any reduction or deduction to recover any overpayment under such program).

''(C) The Secretary of the Treasury shall exempt means-tested programs when notified by the head of the respective agency. The Secretary may exempt other payments from offset under this subsection upon the written request of the head of a payment certifying agency. A written request for exemption of other payments must provide justification for the exemption under the standards prescribed by the Secretary. Such standards shall give due consideration to whether offset would tend to interfere substantially with or defeat the purposes of the payment certifying agency's program.

''(D) The provisions of sections 205(b)(1) and 1631(c)(1) of the Social Security Act shall not apply to any offset executed pursuant to this section against benefits authorized by either title II or title XVI of the Social Security Act.

''(4) The Secretary of the Treasury is authorized to charge a fee sufficient to cover the full cost of implementing this subsection. The fee may be collected either by the retention of a portion of amounts collected pursuant to this subsection, or by billing the agency referring or transferring the claim. Fees charged to the agencies shall be based only on actual offsets completed. Fees charged under this subsection concerning delinquent claims may be considered as costs pursuant to section 3717(e) of this title. Fees charged under this subsection shall be deposited into the 'Account' determined by the Secretary of the Treasury in accordance with section 3711(g) of this title, and shall be collected and accounted for in accordance with the provisions of that section.

''(5) The Secretary of the Treasury may disclose to a creditor agency the current address of any payee and any data related to certifying and authorizing such payment in

accordance with section 552a of title 5, United States Code, even when the payment has been exempt from offset. Where payments are made electronically, the Secretary is authorized to obtain the current address of the debtor/payee from the institution receiving the payment. Upon request by the Secretary, the institution receiving the payment shall report the current address of the debtor/payee to the Secretary.

''(6) The Secretary of the Treasury is authorized to prescribe such rules, regulations, and procedures as the Secretary of the Treasury deems necessary to carry out the purposes of this subsection. The Secretary shall consult with the heads of affected agencies in the development of such rules, regulations, and procedures.

''(7)(A) Any Federal agency that is owed by a named person a past-due legally enforceable non-tax debt that is over 180 days delinquent (other than any past-due support), including non-tax debt administered by a third party acting as an agent for the Federal Government, shall notify the Secretary of the Treasury of all such non-tax debts for purposes of offset under this subsection.

''(B) An agency may delay notification under subparagraph (A) with respect to a debt that is secured by bond or other instruments in lieu of bond, or for which there is another specific repayment source, in order to allow sufficient time to either collect the debt through normal collection processes (including collection by internal administrative offset) or render a final decision on any protest filed against the claim.

''(8) The disbursing official conducting the offset shall notify the payee in writing of—

''(A) the occurrence of an offset to satisfy a past-due legally enforceable debt, including a description of the type and amount of the payment otherwise payable to the debtor against which the offset was executed;

''(B) the identity of the creditor agency requesting the offset; and

''(C) a contact point within the creditor agency that will handle concerns regarding the offset.''.

Where the payment to be offset is a periodic benefit payment, the disbursing official shall take reasonable steps, as determined by the Secretary of the Treasury, to provide the notice to the payee not later than the date on which the payee is otherwise scheduled to receive the payment, or as soon as practicable thereafter, but no later than the date of the offset. Notwithstanding the preceding sentence, the failure of the debtor to receive such notice shall not impair the legality of such offset.

''(9) A levy pursuant to the Internal Revenue Code of 1986 shall take precedence over requests for offset received from other agencies.''.

(c) Section 3701(a) of title 31, United States Code, is amended by adding at the end the following new paragraph:

''(8) 'non-tax claim' means any claim from any agency of the Federal Government other than a claim by the Internal Revenue Service under the Internal Revenue Code of 1986.''.

SEC. 5202. HOUSE OF REPRESENTATIVES AS LEGISLATION AGENCY.

(a) Section 3701 of title 31, United States Code, is amended by adding at the end the following new subsections:

''(e) For purposes of subchapters I and II of chapter 37 of title 31, United States Code (relating to claims of or against United States Government), the United States House of Representatives shall be considered to be a legislative agency (as defined in section 3701(a)(4) of such title), and the Clerk of the House of Representatives shall be deemed to be the head of such legislative agency.

''(f) Regulations prescribed by the Clerk of the House of Representatives pursuant to section 3716 of title 31, United States Code, shall not become effective until they are approved by the Committee on Rules of the House of Representatives.''.

SEC. 5203. EXEMPTION FROM COMPUTER MATCHING REQUIREMENTS UNDER THE PRIVACY ACT OF 1974.

Section 552a(a) of title 5, United States Code, is amended in paragraph (8)(B)—

(1) by striking ''or'' at the end of clause (vi);

(2) by inserting ''or'' at the end of clause (vii); and

(3) by adding after clause (vii) the following new clause:

''(viii) matches for administrative offset or claims collection pursuant to subsection 3716(c) of title 31, section 5514 of this title, or any other payment intercept or offset program authorized by statute;''.

SEC. 5204. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Title 31, United States Code, is amended—

(1) in section 3322(a), by inserting ''section 3716 and section 3702A of this title, section 6331 of title 26, and'' after ''Except as provided in'';

(2) in section 3325(a)(3), by inserting ''or pursuant to payment intercepts or offsets pursuant to section 3716 or 3720A, or pursuant to levies executed under section 6331 of the Internal Revenue Code of 1986 (26 U.S.C. 6331),'' after ''voucher''; and

(3) in sections 3711, 3716, 3717, and 3718, by striking ''the head of an executive or legislative agency'' each place it appears and inserting instead ''the head of an executive, judicial, or legislative agency''.

(b) Subsection 6103(l)(10) of title 26, United States Code, is amended—

(1) in subparagraph (A), by inserting ''and to officers and employees of the Department of the Treasury in connection with such reduction'' adding after ''6402''; and

(2) in subparagraph (B), by adding ''and to officers and employees of the Department of the Treasury in connection with such reduction'' after ''agency''.

Subpart B—Salary Offset Authority

SEC. 5521. ENHANCEMENT OF SALARY OFFSET AUTHORITY.

Section 5514 of title 5, United States Code, is amended—

(1) in subsection (a)—

(A) by adding at the end of paragraph (1) the following: ''All Federal agencies to which debts are owed and are delinquent in repayment, shall participate in computer match at least annually of their delinquent debt records with records of Federal employees to identify those employees who are delinquent in repayment of those debts. Matched Federal employee records shall include, but shall not be limited to, active Civil Service employees government wide, military active duty personnel, military reservists, United States Postal Service employees, and records of seasonal and temporary employees. The Secretary of the Treasury shall establish and maintain an interagency consortium to implement centralized salary offset computer matching, and promulgate regulations for this program. Agencies that perform centralized salary offset computer matching services under this subsection are authorized to charge a fee sufficient to cover the full cost for such services.'';

(b) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively;

(C) by inserting after paragraph (2) the following new paragraph:

''(3) The provisions of paragraph (2) shall not apply to routine intra-agency adjustments of pay that are attributable to clerical or administrative errors or delays in processing pay documents that have occurred within the four pay periods preceding the adjustment and to any adjustment that amounts to $50 or less, provided that at the time of such adjustment, or as soon thereafter as practical, the individual is provided written notice of the nature and the amount of the adjustment and a point of contact for contesting such adjustment.''; and

(D) by amending paragraph (5)(B) (as redesignated) to read as follows:

''(B) For purposes of this section 'agency' includes executive departments and agencies, the United States Postal Service, the Postal Rate Commission, the United States Senate, the United States House of Representatives, and any court, court administrative office, or instrumentality in the judicial or legislative branches of government, and government corporations.'';

(2) by adding at the end of subsection (b) the following new paragraphs:

''(3) For purposes of this section, the Clerk of the House of Representatives shall be deemed to be the head of the agency. Regulations prescribed by the Clerk of the House of Representatives pursuant to subsection (b)(1) shall be subject to the approval of the Committee on Rules of the House of Representatives.

''(4) For purposes of this section, the Secretary of the Senate shall be deemed to be the head of the agency. Regulations prescribed by the Secretary of the Senate pursuant to subsection (b)(1) shall be subject to the approval of the Committee on Rules and Administration of the Senate.''; and

(3) by adding after subsection (c) the following new subsection:

''(d) A levy pursuant to the Internal Revenue Code of 1986 shall take precedence over requests for offset received from other agencies.''.

Subpart C—Taxpayer Identifying Numbers

SEC. 5231. ACCESS TO TAXPAYER IDENTIFYING NUMBERS; BARRING DELINQUENT DEBTORS FROM CREDIT ASSISTANCE.

Section 4 of the Debt Collection Act of 1982 (Public Law 97–365, 96 Stat. 1749, 26 U.S.C. 6103 note) is amended—

(1) in subsection (b), by striking ''For purposes of this section'' and inserting instead ''For purposes of subsection (a)''; and

(2) by adding at the end thereof the following new subsections:

''(c) FEDERAL AGENCIES.—Each Federal agency shall require each person doing business with that agency to furnish to that agency such person's taxpayer identifying number.

''(1) For purposes of this subsection, a person is considered to be 'doing business' with a Federal agency if the person is—

''(A) a lender or servicer in a Federal guaranteed or insured loan program;

''(B) an applicant for, or recipient of—

''(i) a Federal guaranteed, insured, or direct loan; or

''(ii) a Federal license, permit, right-of-way, grant, benefit payment or insurance;

''(C) a contractor of the agency;

''(D) assessed a fine, fee, royalty, or penalty by that agency;

''(E) in a relationship with a Federal agency that may give rise to a receivable due to that agency, such as a partner of a borrower in or a guarantor of a Federal direct or insured loan; and

''(F) is a joint holder of any account to which Federal benefit payments are transferred electronically.

''(2) Each agency shall disclose to the person required to furnish a taxpayer identifying number under this subsection its intent to use such number for purposes of collecting and reporting on any delinquent

amounts arising out of such person's relationship with the government.

''(3) For purposes of this subsection:

''(A) The term 'taxpayer identifying number' has the meaning given such term in section 6109 of title 26, United States Code.

''(B) The term 'person' means an individual, sole proprietorship, partnership, corporation, nonprofit organization, or any other form of business association, but with the exception of debtors owing claims resulting from petroleum pricing violations does not include debtors under third party claims of the United States.

''(d) ACCESS TO SOCIAL SECURITY NUMBERS.—Notwithstanding section 552a of title 5, United States Code, creditor agencies to which a delinquent claim is owed, and their agents, may match their debtor records with the Social Security Administration records to verify name, name control, Social Security number, address, and date of birth.''.

SEC. 5232. BARRING DELINQUENT FEDERAL DEBTORS FROM OBTAINING FEDERAL LOANS OR LOAN GUARANTEES.

(a) Title 31, United States Code, is amended by adding after section 3720A the following new section:

''§ 3720B. Barring delinquent Federal debtors from obtaining Federal loans or loan guarantees

''(a) Unless waived by the head of the agency, no person may obtain any Federal financial assistance in the form of a loan or a loan guarantee if such person has an outstanding Federal non-tax debt which is in a delinquent status, as determined under the standards prescribed by the Secretary of the Treasury, with a Federal agency. Any such person may obtain additional Federal financial assistance only after such delinquency is resolved, pursuant to these standards. This section shall not apply to loans or loan guarantees where a status specifically permits extension of Federal financial assistance to borrowers in delinquent status.

''(b) The head of the agency may delegate the waiver authority described in subsection (a) to the Chief Financial Officer of the agency. The waiver authority may be redelegated only to the Deputy Chief Financial Officer of the agency.

''(c) For purposes of this section, 'person' means an individual; or sole proprietorship, partnership, corporation, non-profit organization, or any other form of business association.''.

(b) The table of sections for subchapter II of chapter 37 of title 31, United States Code, is amended by inserting after the item relating to section 3720A the following new item:

''3720B. Barring delinquent Federal debtors from obtaining Federal loans or loan guarantees.''.

Subpart D—Expanding Collection Authorities and Governmentwide Cross-Servicing

SEC. 5241. EXPANDING COLLECTION AUTHORITIES UNDER THE DEBT COLLECTION ACT OF 1982.

(a) Subsection 8(e) of the Debt Collection Act of 1982 (Public Law 97–365, 31 U.S.C. 3701(d) and 5 U.S.C. 5514 note) is repealed.

(b) Section 5 of the Social Security Domestic Employment Reform Act of 1994 (Public Law 103–387) is repealed.

(c) Section 631 of the Tariff Act of 1930 (19 U.S.C. 1631), is repealed.

(d) Title 31, United States Code, is amended—

(1) in section 3701—

(A) by amending subsection (a)(4) to read as follows:

''(4) 'executive, judicial or legislative agency' means a department, military department, agency, court, court administrative office, or instrumentality in the executive, judicial or legislative branches of government, including government corporations.''; and

(B) by inserting after subsection (c) the following new subsection:

''(d) Sections 3711(f) and 3716–3719 of this title do not apply to a claim or debt under, or to an amount payable under, the Internal Revenue Code of 1986.'';

(2) by amending section 3711(f) to read as follows:

''(f)(1) When trying to collect a claim of the Government, the head of an executive or legislative agency may disclose to a consumer reporting agency information from a system of records and an individual is responsible for a claim of notice required by section 552a(e)(4) of title 5, United States Code, indicates that information in the system may be disclosed to a consumer reporting agency.

''(2) The information disclosed to a consumer reporting agency shall be limited to—

''(A) information necessary to establish the identity of the individual, including name, address and taxpayer identifying number;

''(B) the amount, status, and history of the claim; and

''(C) the agency or program under which the claim arose.''; and

(3) in section 3718—

(A) in subsection (a), by striking the first sentence and inserting instead the following: ''Under conditions the head of an executive, legislative or judicial agency considers appropriate, the head of an agency may make a contract with a person for collection service to recover indebtedness owed, or to locate or recover assets of, the United States Government. No head of an agency may enter into a contract to locate or recover assets of the United States held by a State government or financial institution unless that agency has established procedures approved by the Secretary of the Treasury to identify and recover such assets.''; and

(B) in subsection (d), by inserting '', or to locate or recover assets of'', after ''owed''.

SEC. 5242. GOVERNMENTWIDE CROSS-SERVICING.

Section 3711 of title 31, United States Code, is amended by adding at the end the following new subsection:

''(g)(1) At the discretion of the head of an executive, judicial or legislative agency, referral of a non-tax claim may be made to any executive department or agency operating a debt collection center for servicing and collection in accordance with an agreement entered into under paragraph (2). Referral or transfer of a claim may also be made to the Secretary of the Treasury for servicing, collection, compromise, and/or suspension or termination of collection action. Non-tax claims referred or transferred under this section shall be serviced, collected, compromised, and/or collection action suspended or terminated in accordance with existing statutory requirements and authorities.

''(2) Executive departments and agencies operating debt collection centers are authorized to enter into agreements with the heads of executive, judicial, or legislative agencies to service and/or collect non-tax claims referred or transferred under this subsection. The heads of other executive departments and agencies are authorized to enter into agreements with the Secretary of the Treasury for servicing or collection of referred or transferred nontax claims or other Federal agencies operating debt collection centers to obtain debt collection services from those agencies.

''(3) Any agency to which non-tax claims are referred or transferred under this subsection is authorized to charge a fee sufficient to cover the full cost of implementing this subsection. The agency transferring or referring the non-tax claim shall be charged the fee, and the agency charging the fee shall collect such fee by retaining the amount of the fee from amounts collected pursuant to this subsection. Agencies may agree to pay through a different method, or to fund the activity from another account or from revenue received from Section 701. Amounts charged under this subsection concerning delinquent claims may be considered as costs pursuant to section 3717(e) of this title.

''(4) Notwithstanding any other law concerning the depositing and collection of Federal payments, including section 3302(b) of this title, agencies collecting fees may retain the fees from amounts collected. Any fee charged pursuant to this subsection shall be deposited into an account to be determined by the executive department or agency operating the debt collection center charging the fee (hereafter referred to in this section as the 'Account'). Amounts deposited in the Account shall be available until expended to cover costs associated with the implementation and operation of governmentwide debt collection activities. Costs properly chargeable to the Account include, but are not limited to—

''(A) the costs of computer hardware and software, word processing and telecommunications equipment, other equipment, supplies, and furniture;

''(B) personnel training and travel costs;

''(C) other personnel and administrative costs;

''(D) the costs of any contract for identification, billing, or collection services; and

''(E) reasonable costs incurred by the Secretary of the Treasury, including but not limited to, services and utilities provided by the Secretary, and administration of the Account.

''(5) Not later than January 1 of each year, there shall be deposited into the Treasury as miscellaneous receipts, an amount equal to the amount of unobligated balances remaining in the Account at the close of business on September 30 of the preceding year minus any part of such balance that the executive department or agency operating the debt collection center determines is necessary to cover or defray the costs under this subsection for the fiscal year in which the deposit is made.

''(6)(A) The head of an executive, legislative, or judicial agency shall transfer to the Secretary of the Treasury all non-tax claims over 180 days delinquent for additional collection action and/or closeout. A taxpayer identification number shall be included with each claim provided if it is in the agency's possession.

''(B) Subparagraph (A) shall not apply—

''(i) to claims that—

''(I) are in litigation or foreclosure;

''(II) will be disposed of under the loan sales program of a Federal department or agency;

''(III) have been referred to a private collection contractor for collection;

''(IV) are being collected under internal offset procedures;

''(V) have been referred to the Department of the Treasury, the Department of Defense, the United States Postal Service, or a disbursing official of the United States designated by the Secretary of the Treasury for administrative offset;

''(VI) have been retained by an executive agency in a debt collection center; or

''(VII) have been referred to another agency for collection;

''(ii) to claims which may be collected after the 180-day period in accordance with specific statutory authority or procedural guidelines, provided that the head of an executive, legislative, or judicial agency provides notice of such claims to the Secretary of the Treasury; and

''(iii) to other specific class of claims as determined by the Secretary of the Treasury at the request of the head of an agency or otherwise.

''(C) The head of an executive, legislative, or judicial agency shall transfer to the Secretary of the Treasury all non-tax claims on which the agency has ceased collection activity. The Secretary may exempt specific classes of claims from this requirement, at the request of the head of an agency, or otherwise. The Secretary shall review transferred claims to determine if additional collection action is warranted. The Secretary may, in accordance with section 6050P of title 26, United States Code, report to the Internal Revenue Service on behalf of the creditor agency any claims that have been discharged within the meaning of such action.

''(7) At the end of each calendar year, the head of an executive, legislative, or judicial agency which, regarding a claim owed to the agency, is required to report a discharge of indebtedness as income under the 6050P of title 26, United States Code, shall either complete the appropriate form 1099 or submit to the Secretary of the Treasury such information as is necessary for the Secretary of the Treasury to complete the appropriate form 1099. The Secretary of the Treasury shall incorporate this information into the appropriate form and submit the information to the taxpayer and Internal Revenue Service.

''(8) To carry out the purposes of this subsection, the Secretary of the Treasury is authorized—

''(A) to prescribe such rules, regulations, and procedures as the Secretary deems necessary; and

''(B) to designate debt collection centers operated by other Federal agencies.''.

SEC. 5243. COMPROMISE OF CLAIMS.

(a) Section 3711(a)(2) of title 31, United States Code, is amended by striking out ''$20,000 (excluding interest)'' and inserting in lieu thereof ''$100,000 (excluding interest) or such higher amount as the Attorney General may from time to time prescribe.

(b) This section shall be effective as of October 1, 1995.

Subpart E—Federal Civil Monetary Penalties

SEC. 5251. ADJUSTING FEDERAL CIVIL MONETARY PENALTIES FOR INFLATION.

(a) The Federal Civil Penalties Inflation Adjustment Act of 1990 (Public Law 101–410, 104 Stat. 890; 28 U.S.C. 2461 note) is amended—

''(1) by amending section 4 to read as follows:

''(SEC. 4. The head of each agency shall, not later than 180 days after the date of enactment of the Debt Collection Improvement Act of 1996, and at least once every 4 years thereafter, by regulation adjust each civil monetary penalty provided by law within the jurisdiction of the Federal agency, except for any penalty under title 26, United States Code, by the inflation adjustment described under section 5 of this Act and publish each such regulation in the Federal Register.'';

(2) in section 5(a), by striking ''The adjustment described under paragraphs (4) and (5)(A) of section 4'' and inserting ''The inflation adjustment''; and

(3) by adding at the end of the following new section:

''SEC. 7. Any increase to a civil monetary penalty resulting from this Act shall apply only to violations which occur after the date any such increase takes effect.''.

(b) The initial adjustment of a civil monetary penalty made pursuant to section 4 of Federal Civil Penalties Inflation Adjustment Act of 1990 (as amended by subsection (a)) may not exceed 10 percent of such penalty.

Subpart F—Gain Sharing

SEC. 5261. DEBT COLLECTION IMPROVEMENT ACCOUNT.

(a) Title 31, United States Code, is amended by inserting after section 3720B the following new section:

''§ 3720C. Debt Collection Improvement Account

''(a)(1) There is hereby established in the Treasury a special fund to be known as the 'Debt Collection Improvement Account' (hereinafter referred to as the 'Account').

''(2) The Account shall be maintained and managed by the Secretary of the Treasury, who shall ensure that programs are carried with the amounts described in subsection (b) and with allocations described in subsection (c).

''(b)(1) Not later than 30 days after the end of a fiscal year, an agency other than the Department of Justice is authorized to transfer to the Account a dividend not to exceed five percent of the debt collection improvement amount as described in paragraph (3).

''(2) Agency transfers to the Account may include collections from—

''(A) salary, administrative and tax referral off-sets;

''(B) automated levy authority;

''(C) the Department of Justice; and

''(D) private collection agencies.

''(3) For purposes of this section, the term 'debt collection improvement amount' means the amount by which the collection of delinquent debt with respect to a particular program during a fiscal year exceeds the delinquent debt baseline for such program for such fiscal year. The Office of Management and Budget shall determine the baseline from which increased collections are measured over the prior fiscal year, taking into account the recommendations made by the Secretary of the Treasury in consultation with creditor agencies.

''(c)(1) The Secretary of the Treasury is authorized to make payments from the Account solely to reimburse agencies for qualified expenses. For agencies with franchise funds, payments may be credited to subaccounts designated for debt collection.

''(2) For purposes of this paragraph, the term 'qualified expenses' means expenditures for the improvement of tax administration and agency debt collection and debt recovery activities including, but not limited to, account servicing (including cross-servicing under section 502 of the Debt Collection Improvement Act of 1996), automatic data processing equipment acquisitions, delinquent debt collection, measures to minimize delinquent debt, asset disposition, and training of personnel involved in credit and debt management.

''(3) Payments made to agencies pursuant to paragraph (1) shall be in proportion to their contributions to the Account.

''(4)(A) Amounts in the Account shall be available to the Secretary of the Treasury to the extent and in the amounts provided in advance in appropriation Acts, for purposes of this section. Such amounts are authorized to be appropriated without fiscal year limitation.

''(B) As soon as practicable after the end of third fiscal year after which appropriations are made pursuant to this section, and every 3 years thereafter, any unappropriated balance in the account as determined by the Secretary of the Treasury in consultation with agencies, shall be transferred to the Treasury general fund as miscellaneous receipts.

''(d) For direct loan and loan guarantee programs subject to title V of the Congressional Budget Act of 1974, amounts credited in accordance with subsection (c) shall be considered administrative costs and shall not be included in the estimated payments to the Government for the purpose of calculating the cost of such programs.

''(e) The Secretary of the Treasury shall prescribe such rules, regulations, and procedures as the Secretary deems necessary or appropriate to carry out the purposes of this section.''.

(b) The table of sections for subchapter II of chapter 37 of title 31, United States Code, is amended by inserting after the item relating to section 3720B the following new item:

''3720C. Debt Collection Improvement Account.''.

Subpart G—Tax Refund Offset Authority

SEC. 5271. OFFSET OF TAX REFUND PAYMENT BY DISBURSING OFFICIALS.

Section 3720A(h) of title 31, United States Code, is amended to read as follows:

''(h)(1) The term 'Secretary of the Treasury' may include the disbursing official of the Department of the Treasury.

''(2) The disbursing official of the Department of the Treasury—

''(A) shall notify a taxpayer in writing of—

''(i) the occurrence of an offset to satisfy a past-due legally enforceable non-tax debt;

''(ii) the identity of the creditor agency requesting the offset; and

''(iii) a contact point within the creditor agency that will handle concerns regarding the offset;

''(B) shall notify the Internal Revenue Service on a weekly basis of—

''(i) the occurrence of an offset to satisfy a past-due legally enforceable non-tax debt;

''(ii) the amount of such offset; and

''(iii) any other information required by regulations; and

''(C) shall match payment records with requests for offset by using a name control, taxpayer identifying number (as defined in 26 U.S.C. 6109), and any other necessary identifiers.''.

SEC. 5272. EXPANDING TAX REFUND OFFSET AUTHORITY.

(a) Section 3720A of title 31, United States Code, is amended by adding after subsection (h) the following new subsection:

''(i) An agency subject to section 9 of the Act of May 18, 1933 (16 U.S.C. 831h) may implement this section at its discretion.''.

(b) Section 6402(f) of title 26, United States Code, is amended to read as follows:

''(f) FEDERAL AGENCY.—For purposes of this section, the term 'Federal agency' means a department, agency, or instrumentality of the United States, and includes a government corporation (as such term is defined in section 103 of title 5, United States Code).''.

SEC. 5273. EXPANDING AUTHORITY TO COLLECT PAST-DUE SUPPORT.

(a) Section 3720A(a) of title 31, United States Code, is amended to read as follows:

''(a) Any Federal agency that is owed by a named person a past-due, legally enforceable debt (including past-due support and debt administered by a third party acting as an agent for the Federal Government) shall, in accordance with regulations issued pursuant to subsections (b) and (d), notify the Secretary of the Treasury at least once a year of the amount of such debt.''.

(b) Section 464(a) of the Social Security Act (42 U.S.C. 664(a)) is amended—

(1) in paragraph (1), by adding at the end thereof the following: ''This subsection may be implemented by the Secretary of the Treasury in accordance with section 3720A of title 31, United States Code.''; and

(2) in paragraph (2)(A), by adding at the end thereof the following: ''This subsection may be implemented by the Secretary of the Treasury in accordance with section 3720A of title 31, United States Code.''.

Subpart H—Definitions, Due Process Rights, and Severability

SEC. 5281. TECHNICAL AMENDMENTS TO DEFINITIONS.

Section 3701 of title 31, United States Code, is amended—

(1) by amending subsection (a)(1) to read as follows:

''(1) 'administrative offset' means withholding money payable by the United States (including money payable by the United States on behalf of a State government) to, or held by the United States for, a person to satisfy a claim.'';

(2) by amending subsection (b) to read as follows:

''(b)(1) The term 'claim' or 'debt' means any amount of money or property that has been determined by an appropriate official of the Federal Government to be owed to the United States by a person, organization, or entity other than another Federal agency. A claim includes, without limitation, money owed on account of loans insured or guaranteed by the Government, non-appropriated funds, over-payments, any amount the United States is authorized by statute to collect for the benefit of any person, and other amounts of money or property due the Government.

''(2) For purposes of section 3716 of this title, the term 'claim' also includes an amount of money or property owed by a person to a State, the District of Columbia, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, or the Commonwealth of Puerto Rico where there is also a Federal monetary interest or in cases of court ordered child support.''; and

(3) by adding after subsection (f) (as added in section 5202(a)) the following new subsection: ''(g) In section 3716 of this title—

''(1) 'creditor agency' means any entity owed a claim that seeks to collect that claim through administrative offset; and

''(2) 'payment certifying agency' means any Federal department, agency, or instrumentality and government corporation, that has transmitted a voucher to a disbursing official for disbursement.''.

SEC. 5282. SEVERABILITY.

If any provision of this title, or the amendments made by this title, or the application of any provision to any entity, person, or circumstance is for any reason adjudged by a court of competent jurisdiction to be invalid, the remainder of this title, and the amendments made by this title, or its application shall not be affected.

Subpart I—Reporting

SEC. 5291. MONITORING AND REPORTING.

(a) the Secretary of the Treasury, in consultation with concerned Federal agencies, is authorized to establish guidelines, including information on outstanding debt, to assist agencies in the performance and monitoring of debt collection activities.

(b) Not later than three years after the date of enactment of this Act, the Secretary of the Treasury shall report to the Congress on collection services provided by Federal agencies or entities collecting debt on behalf of other Federal agencies under the authorities contained in section 3711(g) of title 31, United States Code.

(c) Section 3719 of title 31, United States Code, is amended—

(1) in subsection (a)—

(A) by amending the first sentence to read as follows: ''In consultation with the Comptroller General, the Secretary of the Treasury shall prescribe regulations requiring the head of each agency with outstanding nontax claims to prepare and submit to the Secretary at least once a year a report summarizing the status of loans and accounts receivable managed by the head of the agency.''; and

(B) in paragraph (3), by striking ''Director'' and inserting ''Secretary''; and

(2) in subsection (b), by striking ''Director'' and inserting ''Secretary''.

(d) Notwithstanding any other provision of law, the Secretary of the Treasury is authorized to consolidate all reports concerning debt collection into one annual report.

PART II—JUSTICE DEBT MANAGEMENT

Subpart A—Private Attorneys

SEC. 5301. EXPANDED USE OF PRIVATE ATTORNEYS.

(a) Section 3718(b)(1)(A) of title 31, United States Code, is amended by striking the fourth sentence.

(b) Sections 3 and 5 of the Federal Debt Recovery Act (Public Law 99–578, 100 Stat. 3305) are hereby repealed.

Subpart B—Nonjudicial Foreclosure

SEC. 5311. NONJUDICIAL FORECLOSURE OF MORTGAGES.

Chapter 176 of title 28 of the United States Code is amended by adding at the end thereof the following:

''SUBCHAPTER E—NONJUDICIAL FORECLOSURE

''Sec.
''3401. Definitions.
''3402. Rules of construction.
''3403. Election of procedure.
''3404. Designation of foreclosure trustee.
''3405. Notice of foreclosure sale; statute of limitations.
''3406. Service of notice of foreclosure sale.
''3407. Cancellation of foreclosure sale.
''3408. Stay.
''3409. Conduct of sale: postponement.
''3410. Transfer of title and possession.
''3411. Record of foreclosure and sale.
''3412. Effect of sale.
''3413. Disposition of sale proceeds.
''3414. Deficiency judgment.

''§ 3401. Definitions

''As used in this subchapter—

''(1) 'agency' means—

''(A) an executive department as defined in section 101 of title 5, United States Code;

''(B) an independent establishment as defined in section 104 of title 5, United States Code (except that it shall not include the General Accounting Office);

''(C) a military department as defined in section 102 of title 5, United States Code; and

''(D) a wholly owned government corporation as defined in section 9101(3) of title 31, United States Code;

''(2) 'agency head' means the head and any assistant head of an agency, and may upon the designation by the head of an agency include the chief official of any principal division of an agency or any other employee of an agency;

''(3) 'bona fide purchaser' means a purchaser for value in good faith and without notice of any adverse claim who acquires the seller's interest free of any adverse claim;

''(4) 'debt instrument' means a note, mortgage bond, guaranty or other instrument creating a debt or other obligation, including any instrument incorporated by reference therein and any instrument or agreement amending or modifying a debt instrument;

''(5) 'file' or 'filing' means docketing, indexing, recording, or registering, or other requirement for perfecting a mortgage or a judgment;

''(6) 'foreclosure trustee' means an individual partnership, association, or corporation, or an employee thereof, including a successor, appointed by the agency head to conduct a foreclsoure sale pursuant to this subchapter;

''(7) 'mortgage' means a deed of trust, deed to secure debt, security agreement, or any other form of instrument under which any interest in real property, including leaseholds, life estates, reversionary interests, and any other estates under applicable law is conveyed or otherwise rendered subject to a lien, for the purpose of securing the payment of money or the performance of any other obligation.

''(8) 'of record' means an interest recorded pursuant to Federal and State statutes that provide for official recording of deeds, mortgages and judgments, and that establish the effect of such records as notices to creditors, purchasers, and other interested persons;

''(9) 'owner' means any person who has an ownership interest in property and includes heirs, devises, executors, administrators, and other personal representatives, and trustees of testamentary trusts if the owners of record is deceased;

''(10) 'sale' means a sale conducted pursuant to this subchapter, unless the context requires otherwise; and

''(11) 'security property' means real property, or any interest in real property including leaseholds, life estates, reversionary interests, and any other estates under applicable State law that secure a mortgage.

''§ 3402. Rules of construction

''(a) IN GENERAL.—If an agency head elects to proceed under this subchapter, this subchapter shall apply and the provisions of this subchapter shall govern in the event of a conflict with any other provision of Federal law or State law.

''(b) LIMITATION.—This subchapter shall not be construed to supersede or modify the operation of—

''(1) the lease-back/buy-back provisions under section 1985 of title 7, United States Code, or regulations promulgated thereunder; or

''(2) The Multifamily Mortgage Foreclosure Act of 1981 (chapter 38 of title 12, United States Code).

''(c) EFFECT ON OTHER LAWS.—This subchapter shall not be construed to curtail or limit the rights of the United States or any of its agencies—

''(1) to forclose a mortgage under any other provision of Federal law or State law; or

''(2) to enforce any right under Federal law or State law in lieu of or in addition to foreclosure, including any right to obtain a monetary judgment.

''(d) APPLICATION TO MORTGAGES.—The provisions of this subchapter may be used to foreclose any mortgage, whether executed prior or subsequent to the effective date of this subchapter.

''§ 3403. Election of procedure

''(a) SECURITY PROPERTY SUBJECT TO FORECLOSURE.—An agency head may foreclose a mortgage upon the breach of a covenant or condition in a debt instrument or mortgage for which acceleration or foreclosure is authorized. Any agency head may not institute foreclosure proceedings on the mortgage under any other provision of law, or refer such mortgage for litigation, during the pendency of foreclosure proceedings pursuant to this subchapter.

''(b) EFFECT OF CANCELLATION OF SALE.—If a foreclosure sale is canceled pursuant to section 3407, the agency head may thereafter foreclose on the security property in any manner authorized by law.

''§ 3404. Designation of foreclosure trustee

''(a) IN GENERAL.—An agency head shall designate a foreclosure trustee who shall supersede any trustee designated in the mortgage. A foreclosure trustee designated under this section shall have a nonjudicial power of sale pursuant to this subchapter.

''(b) DESIGNATION OF FORECLOSURE TRUSTEE.—

''(1) Any agency head may designate as foreclosure trustee—

''(A) an officer or employee of the agency;

''(B) an individual who is a resident of the State in which the security property is located; or

''(C) a partnership, association, or corporation, provided such entity is authorized to transact business under the laws of the State in which the security property is located.

''(2) The agency head is authorized to enter into personal services and other contracts not inconsistent with this subchapter.

''(c) METHOD OF DESIGNATION.—An agency head shall designate the foreclosure trustee in writing. The foreclosure trustee may be designated by name, title, or position. An agency head may designate one or more foreclosure trustees for the purpose of proceeding with multiple foreclosures or a class of foreclosures.

''(d) AVAILABILITY OF DESIGNATION.—An agency head may designate such foreclosure trustees as the agency head deems necessary to carry out the purposes of this subchapter.

''(e) MULTIPLE FORECLOSURE TRUSTEES AUTHORIZED.—An agency head may designate multiple foreclosures trustees for different tracts of a secured property.

''(f) REMOVAL OF FORECLOSURE TRUSTEE; SUCCESSOR FORECLOSURE TRUSTEES.—An agency head may, with or without cause or notice, remove a foreclosure trustee and designate a successor trustee as provided in this section. The foreclosure sale shall continue without prejudice notwithstanding the removal of the foreclosure trustee and designation of a successor foreclosure trustee. Nothing in this section shall be construed to prohibit a successor foreclosure trustee from postponing the foreclosure sale in accordance with this subchapter.

''§ 3405. Notice of foreclosure sale; statute of limitations

''(a) IN GENERAL.—

''(1) Not earlier than 21 days nor later than ten years after acceleration of a debt instrument or demand on a guaranty, the foreclosure trustee shall serve a notice of foreclosure sale in accordance with this subchapter.

''(2) For purposes of computing the time period under paragraph (1), there shall be excluded all periods during which there is in effect—

''(A) a judicially imposed stay of foreclosure; or

''(B) a stay imposed by section 362 of title 11, United States Code.

''(3) In the event of partial payment or written acknowledgement of the debt after acceleration of the debt instrument, the right to foreclosure shall be deemed to accrue again at the time of each such payment or acknowledgement.

''(b) NOTICE OF FORECLOSURE SALE.—The notice of foreclosure sale shall include—

''(1) the name, title, and business address of the foreclosure trustee as of the date of the notice;

''(2) the names of the original parties to the debt instrument and the mortgage, and any assignees of the mortgagor of record;

''(3) the street address or location of the security property, and a generally accepted designation used to describe the security property, or so much thereof as is to be offered for sale, sufficient to identify the property to be sold;

''(4) the date of the mortgage, the office in which the mortgage is filed, and the location of the filing of the mortgage;

''(5) the default or defaults upon which foreclosure is based, and the date of the acceleration of the debt instrument;

''(6) the date, time, and place of the foreclosure sale;

''(7) a statement that the foreclosure is being conducted in accordance with this subchapter;

''(8) the types of costs, if any, to be paid by the purchaser upon transfer of title; and

''(9) the terms and conditions of sale, including the method and time of payment of the foreclosure purchase price.

''§ 3406. Service of notice of foreclosure sale

''(a) RECORD NOTICE.—At least 21 days prior to the date of the foreclosure sale, the notice of foreclosure sale required by section 3405 shall be filed in the manner authorized for filing a notice of an action concerning real property according to the law of the State where the security property is located or, if none, in the manner authorized by section 3201 of this chapter.

''(b) NOTICE BY MAIL.—

''(1) At least 21 days prior to the date of the foreclosure sale, the notice set forth in section 3405 shall be sent by registered or certified mail, return receipt requested—

''(A) to the current owner of record of the security property as the record appears on the date that the notice of foreclosure sale is recorded pursuant to subsection (a);

''(B) to all debtors, including the mortgagor, assignees of the mortgagor and guarantors of the debt instrument;

''(C) to all persons having liens, interests or encumbrances of record upon the security property, as the record appears on the date that the notice of foreclosure sale is recorded pursuant to subsection (a); and

''(D) to any occupants of the security property. If the names of the occupants of the security property are not known to the agency, or the security property has more than one dwelling unit, the notice shall be posted at the security property.

''(2) The notice shall be sent to the debtor at the address, if any, set forth in the debt instrument or mortgage as the place to which notice is to be sent, and if different, to the debtor's last known address as shown in the mortgage record of the agency. The notice shall be sent to any person other than the debtor to that person's address of record or, if there is no address of record, to any address at which the agency in good faith believes the notice is likely to come to that person's attention.

''(3) Notice by mail pursuant to this subsection shall be effective upon mailing.

''(c) NOTICE BY PUBLICATION.—The notice of the foreclosure sale shall be published at least once a week for each of three successive weeks prior to the sale in at least one newspaper of general circulation in any county or counties in which the security property is located. If there is no newspaper published at least weekly that has a general circulation in at least one county in which the security property is located, copies of the notice of foreclosure sale shall instead be posted at least 21 days prior to the sale at the courthouse of any county or counties in which the property is located and the place where the sale is to be held.

''§ 3407. Cancellation of foreclosure sale

''(a) IN GENERAL.—At any time prior to the foreclosure sale, the foreclosure trustee shall cancel the sale—

''(1) if the debtor or the holder of any subordinate interest in the security property tenders the performance due under the debt instrument and mortgage, including any amounts due because of the exercise of the right to accelerate, and the expenses of proceeding to foreclosure incurred to the time of tender;

''(2) if the security property is a dwelling of four units or fewer, and the debtor—

''(A) pays or tenders all sums which would have been due at the time of tender in the absence of any acceleration;

''(B) performs any other obligation which would have been required in the absence of any acceleration; and

''(C) pays or tenders all costs of foreclosure incurred for which payment from the proceeds of the sale would be allowed; or

''(3) for any reason approved by the agency head.

''(b) LIMITATION.—The debtor may not, without the approval of the agency head, cure the default under subsection (a)(2) if, within the preceding 12 months, the debtor has cured a default after being served with a notice of foreclosure sale pursuant to this subchapter.

''(c) NOTICE OF CANCELLATION.—The foreclosure trustee shall file a notice of the cancellation in the same place and manner provided for the filing of the notice of foreclosure sale under section 3406(a).

''§ 3048. Stay

''If, prior to the time of sale, foreclosure proceedings under this subchapter are stayed in any manner, including the filing of bankruptcy, no person may thereafter cure the default under the provisions of section 3407(a)(2). If the default is not cured at the time a stay is terminated, the foreclosure trustee shall proceed to sell the security property as provided in this subchapter.

''§ 3409. Conduct of sale; postponement

''(a) SALE PROCEDURES.—Foreclosure sale pursuant to this subchapter shall be at public auction and shall be scheduled to begin at a time between the hours of 9:00 a.m. and 4:00 p.m. local time. The foreclosure sale shall be held at the location specified in the notice of foreclosure sale, which shall be a location where real estate foreclosure auctions are customarily held in the county or one of the counties in which the property to be sold is located or at a courthouse therein, or upon the property to be sold. Sale of security property situated in two or more counties may be held in any one of the counties in which any part of the security property is situated. The foreclosure trustee may designate the order in which multiple tracts of security property are sold.

''(b) BIDDING REQUIREMENTS.—Written one-price sealed bids shall be accepted by the foreclosure trustee, if submitted by the agency head or other persons for entry by announcement by the foreclosure trustee at the sale. The sealed bids shall be submitted in accordance with the terms set forth in the notice of foreclosure sale. The agency head or any other person may bid at the foreclosure sale, even if the agency head or other person previously submitted a written one-price bid. The agency head may bid a credit against the debt due without the tender or payment of cash. The foreclosure trustee may serve as auctioneer, or may employ an auctioneer who may be paid from the sale proceeds. If an auctioneer is employed, the foreclosure trustee is not required to attend the sale. The foreclosure trustee or an auctioneer may bid as directed by the agency head.

''(c) POSTPONEMENT OF SALE.—The foreclosure trustee shall have discretion, prior to or at the time of sale, to postpone the foreclosure sale. The foreclosure trustee may postpone a sale to a later hour the same day by announcing or posting the new time and place of the foreclosure sale at the time and place originally scheduled for the foreclosure sale. The foreclosure trustee may instead postpone the foreclosure sale for not fewer than 9 nor more than 31 days, by serving notice that the foreclosure sale has been postponed to a specified date, and the notice may include any revisions the foreclosure trustee deems appropriate. The notice shall be served by publication, mailing, and posting in accordance with section 3406 (b) and (c),

except that publication may be made on any of three separate days prior to the new date of the foreclosure sale, and mailing may be made at any time at least 7 days prior to the new date of the foreclosure sale.

''(d) LIABILITY OF SUCCESSFUL BIDDER WHO FAILS TO COMPLY.—The foreclosure trustee may require a bidder to make a cash deposit before the bid is accepted. The amount or percentage of the cash deposit shall be stated by the foreclosure trustee in the notice of foreclosure sale. A successful bidder at the foreclosure sale who fails to comply with the terms of the sale shall forfeit the cash deposit or, at the election of the foreclosure trustee, shall be liable to the agency on a subsequent sale of the property for all net losses incurred by the agency as a result of such failure.

''(e) EFFECT OF SALE.—Any foreclosure sale held in accordance with this subchapter shall be conclusively presumed to have been conducted in a legal, fair, and commercially reasonable manner. The sale price shall be conclusively presumed to constitute the reasonably equivalent value of the security property.

''§ 3410. Transfer of title and possession

''(a) DEED.—After receipt of the purchase price in accordance with the terms of the sale as provided in the notice of foreclosure sale, the foreclosure trustee shall execute and deliver to the purchaser a deed conveying the security property to the purchaser that grants and conveys title to the security property without warranty or covenants to the purchaser. The execution of the foreclosure trustee's deed shall have the effect of conveying all of the right, title, and interest in the security property covered by the mortgage. Notwithstanding any other law to the contrary, the foreclosure trustee's deed shall be a conveyance of the security property and not a quitclaim. No judicial proceeding shall be required ancillary or supplementary to the procedures provided in this subchapter to establish the validity of the conveyance.

''(b) DEATH OF PURCHASER PRIOR TO CONSUMMATION OF SALE.—If a purchaser dies before execution and delivery of the deed conveying the security property to the purchaser, the foreclosure trustee shall execute and deliver the deed to the representative of the purchaser's estate upon payment of the purchase price in accordance with the terms of sale. Such delivery to the representative of the purchaser's estate shall have the same effect as if accomplished during the lifetime of the purchaser.

''(c) PURCHASER CONSIDERED BONA FIDE PURCHASER WITHOUT NOTICE.—The purchaser of property under this subchapter shall be presumed to be a bona fide purchaser without notice of defects, if any, in the title conveyed to the purchaser.

''(d) POSSESSION BY PURCHASER; CONTINUING INTERESTS.—A purchaser at a foreclosure sale conducted pursuant to this subchapter shall be entitled to possession upon passage of title to the security property, subject to any interest or interests senior to that of the mortgage. The right to possession of any person without an interest senior to the mortgage who is in possession of the property shall terminate immediately upon the passage of title to the security property, and the person shall vacate the security property immediately. The purchaser shall be entitled to take any steps available under Federal law or State law to obtain possession.

''(e) RIGHT OF REDEMPTION; RIGHT OF POSSESSION.—This subchapter shall preempt all Federal and State rights of redemption, statutory, or common law. Upon conclusion of the public auction of the security property, no person shall have a right of redemption.

''(f) PROHIBITION OF IMPOSITION OF TAX ON CONVEYANCE BY THE UNITED STATES OR AGENCY THEREOF—No tax, or fee in the nature of a tax, for the transfer of title to the security property by the foreclosure trustee's deed shall be imposed upon or collected from the foreclosure trustee or the purchaser by any State or political subdivision thereof.

''§ 3411. Record of foreclosure and sale

''(a) RECITAL REQUIREMENTS.—The foreclosure trustee shall recite in the deed to the purchaser, or in an addendum to the foreclosure trustee's deed, or shall prepare an affidavit stating—

''(1) the date, time, and place of sale;

''(2) the date of the mortgage, the office in which the mortgage is filed, and the location of the filing of the mortgage;

''(3) the persons served with the notice of foreclosure sale;

''(4) the date and place of filing of the notice of foreclosure sale under section 3406(a);

''(5) that the foreclosure was conducted in accordance with the provisions of this subchapter; and

''(6) the sale amount.

''(b) EFFECT OF RECITALS.—The recitals set forth in subsection (a) shall be prima facie evidence of the truth of such recitals. Compliance with the requirements of subsection (a) shall create a conclusive presumption of the validity of the sale in favor of bona fide purchasers and encumbrancers for value without notice.

''(c) DEED TO BE ACCEPTED FOR FILING.—The register of deeds or other appropriate official of the county or counties where real estate deeds are regularly filed shall accept for filing and shall file the foreclosure trustee's deed and affidavit, if any, and any other instruments submitted for filing in relation to the foreclosure of the security property under this subchapter.

''§ 3412. Effect of sale

''A sale conducted under this subchapter to a bona fide purchaser shall bar all claims upon the security property by—

''(1) any person to whom the notice of foreclosure sale was mailed as provided in this subchapter who claims an interest in the property subordinate to that of the mortgage, and the heir, devisee, executor, administrator, successor, or assignee claiming under any such person;

''(2) any person claiming any interest in the property subordinate to that of the mortgage, if such person had actual knowledge of the sale;

''(3) any person so claiming, whose assignment, mortgage, or other conveyance was not filed in the proper place for filing, or whose judgment or decree was not filed in the proper place for filing, prior to the date of filing of the notice of foreclosure sale as required by section 3406(a), and the heir, devisee, executor, administrator, successor, or assignee of such a person; or

''(4) any other person claiming under a statutory lien or encumbrance not required to be filed and attaching to the title or interest of any person designated in any of the foregoing subsections of this section.

''§ 3413. Disposition of sale proceeds

''(a) DISTRIBUTION OF SALE PROCEEDS.—The foreclosure trustee shall distribute the proceeds of the foreclosure sale in the following order—

''(1)(A) to pay the commission of the foreclosure trustee, other than an agency employee, the greater of—

''(i) the sum of—

''(I) 3 percent of the first $1,000 collected, plus

''(II) 1.5 percent on the excess of any sum collected over $1,000; or

''(ii) $250; and

''(B) the amounts described in subparagraph (A)(i) shall be computed on the gross proceeds of all security property sold at a single sale;

''(2) to pay the expense of any auctioneer employed by the foreclosure trustee, if any, except that the commission payable to the foreclosure trustee pursuant to paragraph (1) shall be reduced by the amount paid to an auctioneer, unless the agency head determines that such reduction would adversely affect the ability of the agency head to retain qualified foreclosure trustees or auctioneers;

''(3) to pay for the costs of foreclosure, including—

''(A) reasonable and necessary advertising costs and postage incurred in giving notice pursuant to section 3406;

''(B) mileage for posting notices and for the foreclosure trustee's or auctioneer's attendance at the sale at the rate provided in section 1921 of title 28, United States Code, for mileage by the most reasonable road distance;

''(C) reasonable and necessary costs actually incurred in connection with any search of title and lien records; and

''(D) necessary costs incurred by the foreclosure trustee to file documents;

''(4) to pay valid real property tax liens or assessments, if required by the notice of foreclosure sale;

''(5) to pay any liens senior to the mortgage, if required by the notice of foreclosure sale;

''(6) to pay service charges and advancements for taxes, assessments, and property insurance premiums; and

''(7) to pay late charges and other administrative costs and the principal and interest balances secured by the mortgage, including expenditures for the necessary protection, preservation, and repair of the security property as authorized under the debt instrument or mortgage and interest thereon if provided for in the debt instrument or mortgage, pursuant to the agency's procedure.

''(b) INSUFFICIENT PROCEEDS.—In the event there are no proceeds of sale or the proceeds are insufficient to pay the costs and expenses set forth in subsection (a), the agency head shall pay such costs and expenses as authorized by applicable law.

''(c) SURPLUS MONIES.—

''(1) After making the payments required by subsection (a), the foreclosure trustee shall—

''(A) distribute any surplus to pay liens in the order of priority under Federal law or the law of the State where the security property is located; and

''(B) pay to the person who was the owner of record on the date the notice of foreclosure sale was filed the balance, if any, after any payments made pursuant to paragraph (1).

''(2) If the person to whom such surplus is to be paid cannot be located, or if the surplus available is insufficient to pay claimants and the claimants cannot agree on the distribution of the surplus, that portion of the sale proceeds may be deposited by the foreclosure trustee with an appropriate official authorized under law to receive funds under such circumstances. If such a procedure for the deposit of disputed funds is not available, and the foreclosure trustee files a bill of interpleader or is sued as a stakeholder to determine entitlement to such funds, the foreclosure trustee's necessary costs in taking or defending such action shall be deducted first from the disputed funds.

''§ 3414. Deficiency judgment

''(a) IN GENERAL.—If after deducting the disbursements described in section 3413, the price at which the security property is sold

at a foreclosure sale is insufficient to pay the unpaid balance of the debt secured by the security property, counsel for the United States may commence an action or actions against any or all debtors to recover the deficiency, unless specifically prohibited by the mortgage. The United States is also entitled to recover any amount authorized by section 3011 and costs of the action.

''(b) LIMITATION.—Any action commenced to recover the deficiency shall be brought within 6 years of the last sale of security property.

''(c) CREDITS.—The amount payable by a private mortgage guaranty insurer shall be credited to the account of the debtor prior to the commencement of an action for any deficiency owed by the debtor. Nothing in this subsection shall curtail or limit the subrogation rights of a private mortgage guaranty insurer.''.

CHAPTER 3—SPENDING DESIGNATION

SEC. 5501. EMERGENCY DESIGNATION.

Congress hereby designates all amounts in this entire title as emergency requirements for all purposes of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided*, That these amounts shall only be available to the extent an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985 is transmitted by the President to Congress.

GREGG AMENDMENT NO. 3475

Mr. GREGG proposed an amendment to amendment No. 3474 proposed by Mr. HOLLINGS to amendment No. 3466 proposed by Mr. HATFIELD to the H.R. 3019, supra; as follows:

Strike chapter 3 of the pending amendment in its entirety.

LAUTENBERG (AND OTHERS) AMENDMENT NO. 3476

Mr. GREGG (for Mr. LAUTENBERG, for himself, Mr. HOLLINGS, and Mr. KERRY) proposed an amendment to amendment No. 3466 proposed by Mr. HATFIELD to the bill H.R. 3019, supra; as follows:

At the appropriate place in title II of the Hatfield substitute amendment, insert the following new sections:

DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For an additional amount for emergency expenses necessary to enhance the Federal Bureau of Investigation's efforts in the United States to combat Middle Eastern Terrorism, $7,000,000, to remain available until expended: *Provided*, That such activities shall include efforts to enforce Executive Order 12947 (''Prohibiting Transactions with Terrorists Who Threaten to Disrupt the Middle East Peace Process'') to prevent fundraising in the United States on the behalf of organizations that support terror to undermine the peace process: *Provided further*, That the entire amount is hereby designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(I) of the Balanced Budget Act and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That the entire amount shall be available only to the extent an official budget request, for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted to Congress.

DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

For an additional amount for emergency expenses necessary to enhance the Office of Foreign Assets Control's efforts in the United States to combat Middle Eastern terrorism, $3,000,000, to remain available until expended: *Provided*, That such activities shall include efforts to enforce Executive Order 12947 (''Prohibiting Transactions with Terrorists Who Threaten to Disrupt the Middle East Peace Process'') to prevent fundraising in the United States on the behalf of organizations that support terror to undermine the peace process: *Provided further*, That the entire amount is hereby designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(I) of the Balanced Budget Act and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That the entire amount shall be available only to the extent an official budget request, for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted to Congress.

REID AMENDMENT NO. 3477

Mr. GREGG (for Mr. REID) proposed an amendment to amendment No. 3466 proposed by Mr. HATFIELD to the bill H.R. 3019, supra; as follows:

At the appropriate place under the heading of ''General Provisions'' at the end of the bill, insert the following new section:

SEC. ——. (a) This section may be cited as the ''Federal Prohibition of Female Genital Mutilation Act of 1996''.

(b) Congress finds that—

(1) the practice of female genital mutilation is carried out by members of certain cultural and religious groups within the United States;

(2) the practice of female genital mutilation often results in the occurrence of physical and psychological health effects that harm the women involved;

(3) such mutilation infringes upon the guarantees of rights secured by Federal and State law, both statutory and constitutional;

(4) the unique circumstances surrounding the practice of female genital mutilation place it beyond the ability of any single State or local jurisdiction to control;

(5) the practice of female genital mutilation can be prohibited without abridging the exercise of any rights guaranteed under the First Amendment to the Constitution or under any other law; and

(6) Congress has the affirmative power under section 8 of article I of the Constitution, as well as under section 5 of the Fourteenth Amendment to the Constitution, to enact such legislation.

(c) It is the purpose of this section to protect and promote the public safety and health and activities affecting interstate commerce by establishing Federal criminal penalties for the performance of female genital mutilation.

(d)(1) Chapter 7 of title 18, United States Code, is amended by adding at the end the following new section:

''§ 116. Female genital mutilation

''(a) Except as provided in subsection (b), whoever knowingly circumcises, excises, or infibulates the whole or any part of the labia majora or labia minora or clitoris of another person who has not attained the age of 18 years shall be fined under this title or imprisoned not more than 5 years, or both.

''(b) A surgical operation is not a violation of this section if the operation is—

''(1) necessary to the health of the person on whom it is performed, and is performed by a person licensed in the place of its performance as a medical practitioner; or

''(2) performed on a person in labor or who has just given birth and is performed for medical purposes connected with that labor or birth by a person licensed in the place it is performed as a medical practitioner, or midwife, or person in training to become such a practitioner or midwife.

''(c) In applying subsection (b)(1), no account shall be taken of the effect on the person on whom the operation is to be performed of any belief on the part of that or any other person that the operation is required as a matter of custom or ritual.

''(d) Whoever knowingly denies to any person medical care or services or otherwise discriminates against any person in the provision of medical care or services, because—

''(1) that person has undergone female circumcision, excision, or infibulation; or

''(2) that person has requested that female circumcision, excision, or infibulation be performed on any person;

shall be fined under this title or imprisoned not more than one year, or both.''.

(2) The table of sections at the beginning of chapter 7 of title 18, United States Code, is amended by adding at the end the following new item:

''116. Female genital mutilation.''.

(e)(1) The Secretary of Health and Human Services shall do the following:

(A) Compile data on the number of females living in the United States who have been subjected to female genital mutilation (whether in the United States or in their countries of origin), including a specification of the number of girls under the age of 18 who have been subjected to such mutilation.

(B) Identify communities in the United States that practice female genital mutilation, and design and carry out outreach activities to educate individuals in the communities on the physical and psychological health effects of such practice. Such outreach activities shall be designed and implemented in collaboration with representatives of the ethnic groups practicing such mutilation and with representatives of organizations with expertise in preventing such practice.

(C) Develop recommendations for the education of students of schools of medicine and osteopathic medicine regarding female genital mutilation and complications arising from such mutilation. Such recommendations shall be disseminated to such schools.

(2) For purposes of this subsection, the term ''female genital mutilation'' means the removal or infibulation (or both) of the whole or part of the clitoris, the labia minor, or the labia major.

(f) Subsection (e) shall take effect on the date of enactment of this Act, and the Secretary of Health and Human Services shall commence carrying out such section not later than 90 days after the date of the enactment of this Act. Subsection (d) shall take effect on the date that is 180 days after the date of the enactment of this Act.

REID (AND OTHERS) AMENDMENT NO. 3478

Mr. REID (for himself, Mr. LAUTENBERG, Mr. LIEBERMAN, Mr. GRAHAM, Mrs. BOXER, Mr. MOYNIHAN, and Mr. AKAKA) proposed an amendment to amendment No. 3466 proposed by Mr.

HATFIELD to the bill H.R. 3019, supra; as follows:

On page 75, strike lines 1 through 9.

On page 412, line 23, strike ''$497,670,000'' and insert ''$501,420,000''.

On page 412, line 24, after ''1997,'', insert the following: ''of which $4,500,000 shall be available for species listings under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533),''.

On page 413, strike ''1997:'' on line 11 and all that follows through line 20 and insert ''1997.''.

On page 461, line 24, strike ''$1,255,005,000'' and insert ''$1,251,255,000''.

On page 462, line 5, before the colon, insert the following: '', of which not more than $81,250,000 shall be available for travel expenses''.

HUTCHISON (AND KEMPTHORNE) AMENDMENT NO. 3479

Mrs. HUTCHISON (for herself and Mr. KEMPTHORNE) proposed an amendment to amendment No. 3478 proposed by Mr. REID to amendment No. 3466 proposed by Mr. HATFIELD to the bill H.R. 3019, supra; as follows:

In the language proposed to be stricken, on page 75, insert the following: ''*Provided further*, That no monies appropriated under this Act or any other law shall be used by the Secretary of Commerce to issue final determinations under subsections (a), (b), (c), (e), (g) or (i) of section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533), until such time as legislation reauthorizing the Act is enacted or until the end of fiscal year 1996, whichever is earlier, except that monies appropriated under this Act may be used to delist or reclassify species pursuant to subsections 4(a)(2)(B), 4(c)(2)(B)(I), and 4(c)(2)(B)(ii) of the Endangered Species Act, and may be used to issue emergency listings under section 4(b)(7) of the Endangered Species Act.''

On page 412, lines 23, strike ''$497,670,000'' and insert ''$407,670,001''.

On page 412, lines 24, after ''1997,'', insert the following: ''of which $750,001 shall be available for species listings under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533),''.

In the language proposed to be stricken, strike all after the word 1997 on page 413, line 11, through the word Act on page 413, line 20, and insert the following: ''*Provided further*, That no monies appropriated under this Act or any other law shall be used by the Secretary of the Interior to issue final determinations under subsections (a), (b), (c), (e), (g) or (i) of section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533), until such time as legislation reauthorizing the Act is enacted or until the end of fiscal year 1996, whichever is earlier, except that monies appropriated under this Act may be used to delist or reclassify species pursuant to subsections 4(a)(2)(B), 4(c)(2)(B)(I), and 4(c)(2)(B)(ii) of the Endangered Species Act, and may be used to issue emergency listings under section 4(b)(7) of the Endangered Species Act.''

On page 461, lines 24, strike ''$1,255,005,000'' and insert ''$1,255,004,999''.

On page 462, lines 5, before the colon, insert the following: '', of which not more than $81,249,999 shall be available for travel expenses''.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 9:30 a.m. on Tuesday, March 12, 1996, in open session, to receive testimony on the Defense authorization request for fiscal year 1997 and the future years Defense plan.

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

COMMITTEE ON ARMED SERVICES

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 5 p.m. on Tuesday, March 12, 1996, in executive session, to consider Tailhook and related nominations.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. D'AMATO. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Tuesday, March 12, at 9 a.m. for a hearing on the subject of human radiation experiments.

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

SUBCOMMITTEE ON YOUTH VIOLENCE

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Subcommittee on the Youth Violence of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Tuesday, March 12, 1996, at 10 a.m., in the Senate Dirksen Building, Room 226, to hold a hearing on funding youth violence programs: should the strings be cut?

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

SUBCOMMITTEE ON AFRICAN AFFAIRS

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Subcommittee on African Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, March 12, 1996, at 2 p.m. to hold hearing.

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

ADDITIONAL STATEMENTS

FREEDOM TO FARM

• Mr. ABRAHAM. Mr. President, after months of discussion and debate on farm legislation, I was pleased that the Senate passed a farm bill Thursday, February 7, which implements revolutionary steps toward a free market agriculture system. With farmers beginning to plan for the upcoming growing season, the urgency to pass a farm bill lead to a compromise bill which, while it certainly could have taken bolder moves toward free market agriculture, is a step in the right direction. This bill offers reform, opportunity, and flexibility for farmers in a fiscally responsible way.

The most significant reforms of current farm programs in this bill are the Freedom to Farm provisions which eliminate agriculture subsidies over the next 7 years. Freedom to Farm will allow American farmers to grow for the global market rather than for the Federal Government. The bill would eliminate supply control programs and requirements that farmers plant specific crops to preserve historical crop bases used to determine Government payments. These are very positive steps toward a free market in agriculture.

Time after time, Michigan farmers have told me that they do not want to grow for the Government—they want to grow for the marketplace. By extricating Michigan's farmers from bureaucratic planting requirements, the Freedom to Farm provisions in this bill will allow them to produce to meet consumer demand.

I would like to discuss an important change which was made in this bill before it was brought to the Senate floor. Many Michigan fruit and vegetable growers were concerned about a provision originally included in the Freedom to Farm language which would have allowed farmers receiving Government payments to grow fruits and vegetables on their land. In effect, had this been implemented, farmers receiving subsidies would have been able to plant nonsubsidized crops. This would have put those fruit and vegetable farmers who have been growing for the market without Government intervention at a disadvantage. Fruit and vegetable farmers who had never received subsidies would have been competing against subsidized farmers. Members of the committee corrected this problem before Senate floor consideration. The bill which passed the Senate maintains current policy which does not allow nonprogram crops to be grown on contract acres.

During consideration of the farm bill, Senator WELLSTONE offered an amendment to delete language in the bill which provided congressional consent for the Northeast dairy compact. This compact would allow member States to set the price for fluid milk above the existing Federal order. Thus, the compact would have been an additional step away from free market competition in that it would establish a subsidy within a subsidized industry. Not only would the compact raise the price of milk among the New England States, it would set a disturbing precedent by allowing States to insulate themselves from competition. Mr. President, in this farm bill which attempts to move the United States toward free market agriculture, the Northeast dairy compact would have been a dangerous step backward. I was pleased to support Mr. WELLSTONE's amendment which passed by a 50 to 46 vote.

The bill as written increases the interest rate for price support loans for farmers through the Commodity Credit Corporation by 1 percent. Senator HARKIN offered an amendment which would have eliminated this increase. While it is important for farmers to have access to affordable loans, I opposed Senator HARKIN's amendment. His amendment

would have cost the American taxpayers $260 million. Yet, even with the increase, interest rates on price support loans would remain below commercial rates. Mr. President, this Congress has been dedicated to efforts to reduce the U.S. budget deficit. The price tag on Mr. HARKIN's amendment, coupled with the fact that the loan rates are lower than commercial rates, even with the 1 percent increase, lead me to oppose Mr. HARKIN's amendment which failed by a vote of 37 to 59.

Senator HARKIN offered a second amendment which would have reinstated the Farmer Owned Grain Reserve. Under this program, which is no longer in existence, the Federal Government paid grain farmers for grain put in storage. This created a grain surplus which depressed prices. Farmers I have talked to in Michigan are opposed to the grain reserve—they understand that farmers cannot store themselves into prosperity. This amendment would have been out of place in a farm bill which attempts to have farmers produce for the market instead of for the Government. Along with 60 of my colleagues, I opposed this amendment.

Senator SANTORUM who has been a strong, consistent opponent of our outdated, feudalistic peanut program, offered an amendment which would have made more drastic changes to the peanut program than were included in the bill. Unfortunately, a majority of Members of the Senate voted to table the amendment thereby effectively killing it. I voted against tabling the amendment because I believe we should have had an opportunity to support further changes in the peanut program. Senator SANTORUM's amendment would have phased out the quota system which was established during the depression to guarantee a high price for peanut producers. In order to do this, the Government issued quotas. Only the holders of these quotas would be allowed to grow peanuts. The quota holders are now selling the right to grow peanuts at extremely high prices which increases the price of peanuts to the consumer. Under the peanut program, the Government dictates who has the right to grow peanuts and the amount they are allowed to grow. Mr. President, I voted against the motion to table the Santorum amendment and believe that we should go further than the bill which passed to eliminate the peanut quota system.

I was pleased to vote with 60 of my colleagues in opposition to the Gregg amendment which would have eliminated the new sugar provisions from the farm bill. Senator GREGG's amendment would have left the sugar program as it is today in the hopes of eliminating the program completely when it expires in 1997.

Mr. President, the sugar program is different than many other agriculture programs in that it is necessary to keep a trade balance with other countries. Sugar is highly subsidized in other countries, allowing the producers to dump their excess sugar on the world market at very low prices. Eliminating our sugar program completely would give our sugar producers—some of the best producers in the world—a trade disadvantage in the world market. Unilateral elimination of our sugar program would put the most efficient sugar producers in the world at a competitive disadvantage to other producers. Furthermore, the notion that other countries would follow our lead and eliminate their support programs on their own is ridiculous.

Mr. President, I have introduced legislation which would completely eliminate the U.S. agricultural price support and production adjustment programs for sugar contingent upon a GATT agreement which would eliminate export subsidies and price supports in other countries. While I firmly believe that the free market should be allowed to work, it will not work if the most efficient producers are put at a competitive disadvantage. As I have said in the past, I will continue to fight diligently on the side of free trade. I will continue to work to eliminate export subsidies and other price supports worldwide so that we may eventually achieve true free trade.

Senator DORGAN offered an amendment which would have mandated that in order to receive Government payments, farmers must grow program crops. While on the surface this appears to be a reasonable amendment, it flies in the face of the Freedom to Farm provisions. Through Freedom to Farm, over the next 7 years, farmers who have received payments in 3 of the past 5 years will receive guaranteed payments—regardless of how they use their acreage. After 7 years, however, the payments will stop. Over the 7 years during which payments will be provided, farmers are expected to transition from producing for the Government to producing for the marketplace. For the Government to dictate—in any way—how the farmers are to use their land would be counterproductive and would serve only to make it more difficult for us to accomplish free market agriculture. For these reasons, I did not support Senator DORGAN's amendment which failed in a 48 to 48 vote.

Mr. President, I am pleased that both the House and Senate were able to pass farm bills. I am hopeful that the conferees will act quickly to finalize this legislation so that America's farmers can begin to plan for the upcoming season and grow for the market.●

AMERICA NEEDS TO REVITALIZE WORK PHILOSOPHY

● Mr. SIMON. Mr. President, one of the most impressive executives in America today is Hugh Price, executive director of the National Urban League.

His commonsense approach to our needs is appreciated. One of the things he has been stressing over and over is the need to have jobs for people.

As I have said so frequently on the floor of the Senate, welfare reform without jobs is public relations and not welfare reform.

Recently he had a commentary in the Chicago Defender on this question of jobs which I ask to be printed in full in the RECORD.

The article follows:

[From the Chicago Defender, Feb. 26, 1996]

AMERICA NEEDS TO REVITALIZE WORK PHILOSOPHY

(By Hugh B. Price)

The widening gap between rich and poor in America is threatening our democracy. Workers are being laid off by the thousands, companies are downsizing, families are falling apart and the ranks of the poor and homeless seem to be growing.

Yet experts tell us the economy is on the upswing.

Certainly, good things are happening. Many cities are upgrading their ''quality of life industries'' by revitalizing their business districts and neighborhoods, building new sports stadiums, museums and sparkling restaurant districts. But in those and in so many urban centers, the poor, the unemployed and the homeless can't afford to use those facilities.

When you see them there, they're often begging or sleeping in doorways. That's not supposed to happen in America.

From what I've seen in traveling through dozens of cities, the plight of the poor is in stark contrast to economists' claims that inflation is leveling, that interest rates have fallen and that unemployment is declining. Americans are justifiably worried and skeptical about their future. Cities define civilizations. Vibrant cities boost our morale; decaying and dangerous cities depress us and scare off tourists.

If the poor, the homeless and the have-nots have no role in the rebirth of our cities, their welcome revival efforts won't reach their fullest potential. Government policymakers, business leaders and economists must devise a work-based system of self-reliance that lifts the urban poor out of poverty and allows them to support their families with dignity. Of course, such planning must include education and training in current and new skills.

Job creation programs must be established for employable but unemployed people in communities where there simply are not enough jobs to go around.

The approach must be holistic, because while it's one thing to instill potential workers with proper work skills, it's another thing to inculcate workers with the job know-how that employers require, such as punctuality, politeness and reliability.

Here are a few examples of new initiatives some of our urban league affiliates have undertaken:

In Detroit, plans are underway to establish an Employment Training and Education Center that will provide GED certification and computer training courses. Instruction in occupational, employability, entrepreneurship and customer service skills will be offered, along with an automated job search system and a day-care facility.

In Los Angeles, the Urban League and Toyota are partners in operating a modern training facility that will enable residents from the South Central community to learn all facets of automobile servicing and repair.

If our cities and our society are to prosper, if we are to continue to be the leader of the industrialized world, we must reverse socially corrosive economic trends that undermine public confidence.

America urgently needs to reorganize its employment and income policies so that the 21st century will be the century when, once

and for all, we make America work for all Americans.●

VALLEY HAVEN SCHOOL'S 20TH ANNIVERSARY HIKE/BIKE/RUN

● Mr. SHELBY. Mr. President, I would like to take a moment and bring to my colleagues' attention the 20th anniversary of the Valley Haven School Hike-Bike-Run. The Valley Haven School, located in Valley, AL, is a school for mentally retarded and multiple handicapped citizens of all ages. Started 37 years ago by volunteers, the school is now professionally staffed and currently offers skilled training to 95 students ranging in age from 3 months to 60 years.

Mr. President, local monies of $100,000 must be raised each year to meet operating expenses and match State and Federal grants. The primary source of these funds is the annual Hike-Bike-Run, which consists of a 5- or 10-mile walk, an 11- or 22-mile bike ride, a skate-a-thon, a 1-, 3.1-, or 6.2-mile run, a 5-mile bike ride for children, and the trike trek for preschoolers.

Each participant in the Hike-Bike-Run obtains pledges for their participation, and all proceeds go directly to Valley Haven to support the education and training for handicapped students. In 1995, this one day fundraiser involved over 1,000 participants and 8,000 pledging sponsors. The event generated over $100,000 in pledges to support the work of the school.

Mr. President, I would like to congratulate and commend Valley Haven and the entire Valley community for displaying such strong support and concern for these special students. This year's Hike-Bike-Run will be held on Saturday, May 4, and I know that the community will once again unite to support this wonderful program and help Valley Haven School help its students.●

IT TAKES A VILLAGE TO DESTROY A CHILD

● Mr. SIMON. Mr. President, a few years ago I read a book by Alex Kotlowitz, then a reporter for the Wall Street Journal, titled ''There are no Children Here: The Story of Two Boys Growing Up in the Other America.'' It is one of the best books I have read in the last few years.

It tells with gnawing detail how the lives of people deteriorate in our central cities.

Recently, he had an excellent op-ed piece in the New York Times titled ''It Takes a Village to Destroy a Child,'' which I ask to be printed in the RECORD.

His title is obviously a take-off on the title of the book by Mrs. Clinton, but what he has to say ought to disturb the consciences of all of us.

The article follows:

[From the New York Times, Feb. 8, 1996]

IT TAKES A VILLAGE TO DESTROY A CHILD

(By Alex Kotlowitz)

OAK PARK, ILL.—The crime is so heinous it makes me shake with anger. In the early evening hours of Oct. 13, 1994, two boys, 10 and 11 years old, dangled and then dropped 5-year-old Eric Morse from the 14th floor of a Chicago public housing complex, because Eric wouldn't steal candy for them.

His killers displayed no remorse. In court, the younger of the two, who could barely see the judge above the partition, mouthed obscenities at reporters covering the trial. Last week, they became the youngest offenders ever sent to prison in Illinois. And they have come to symbolize the so-called super-predators, children accused of maiming or killing without a second thought.

Unsurprisingly, both boys had fathers who were in prison. One had a mother who, according to school records, repeatedly missed counseling sessions. The other mother, according to court records, battled a drug addiction. I don't mention the parents of these children to excuse the crime. Nor do I mention this to state the obvious: In the absence of loving, nurturing, discipline-minded adults, children become lost.

Rather, I want to point out that while we can talk about strengthening families, there will be little success until we also find a way to strengthen our communities. We profess homage to the well-worn aphorism that it takes a village to raise a child. But where in the case of these boys—and ultimately in the case of Eric Morse—was the village?

Let's take a look at the older of the two boys, whom I will call James. He attended the primary and intermediate J.R. Doolittle Schools, two buildings which butt up against the drab-looking Ida B. Wells public housing complex. According to school documents, James earned mediocre grades, mostly C's, and then in the third grade, when his father was arrested, his grades plunged. He couldn't sit still in class. He fought other students.

In fourth grade, the school ordered a psychological evaluation, which recommended only tutoring. That same year, he flunked every subject, including gym and music. Nonetheless, the school promoted him. The next year at his new school, he missed 23 days. Because of low marks, he repeated the fifth grade.

Why didn't the school administrators sense that something was amiss in this child's life? Part of the problem may be that the primary school of 700 students could afford only once-a-week visits by a psychologist and social worker. And truant officers were axed three years ago by the financially strapped Chicago Public Schools.

One afternoon when James was on his way to pick up his cousin, he witnessed a gang member shoot and kill a rival. James was 9 at the time. His lawyer, Michelle Kaplan, said he was standing 10 feet from the victim. No adult offered him counseling. No one stepped in to make sure that such an incident didn't happen again.

In most communities, such an event would have brought quick attention, I'm reminded of the day in 1988, when Laurie Dann, a deranged woman, walked into an elementary School in Winnetka, Ill., and shot six children, killing an 8-year-old boy. Psychologists were brought in to counsel the students, their parents and teachers. The governor called for tighter school security. Some politicians demanded tougher gun control laws.

James received no such attention. In the six months before Eric's murder, the police arrested James eight times on relatively minor charges from shoplifting to possession of ammunition, presumably bullets. Each time the police released him.

After three arrests in one year, the police are supposed to—by their own guidelines—refer a child to juvenile court in the hope that he or she might receive help. That was never done in James's case. ''This was a child in crisis,'' Ms. Kaplan said. ''Here's an 11-year-old child who was expressing in the only way a child can that something's wrong.''

Now the village vigorously debates not how we failed James but what we should do with him: Send him to a youth prison or to a residential center, where the emphasis is on rehabilitation? The judge who presided over this case, Carol Kelly, has a reputation for siding with the prosecution. Indeed, she chose to send the two boys to prison, stipulating that they receive therapy. But when asked what could be learned from this case, Judge Kelly says: ''Let's focus on what brought them to this point. What happened to them? What didn't happen to them? What can we do so we don't have other Eric Morses?''

I'm haunted by one image in particular. When the two boys dropped Eric from the window, Eric's 8-year-old brother ran down the 14 flights as fast as he could. He later testified that he was hoping to catch Eric. Eric's brother did more than any one else to try to save his little brother.

He and Eric are victims of James and his cohort—and of the village guardians who failed them. James and his 10-year-old partner were not headed for trouble, they were well into it. Yet, no adult intervened.

These boys come from a neighborhood poor in spirit and resources. It we can't help rebuild their community, using schools as a foundation, we'll all end up running furiously down those stairs hoping, praying, that we can catch yet one more child dropped by their families and by the institutions that presumably serve them. It will almost always be too late.●

BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report prepared by the Congressional Budget Office under section 308(b) and in aid of section 311 of the Congressional Budget Act of 1974, as amended. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32, the first concurrent resolution on the budget for 1986.

This report shows the effects of congressional action on the budget through March 7, 1996. The estimates of budget authority, outlays, and revenues, which are consistent with the technical and economic assumptions of the 1996 concurrent resolution on the budget House Concurrent Resolution 67, show that current level spending is above the budget resolution by $15.7 billion in budget authority and by $16.9 billion in outlays. Current level is $81 million below the revenue floor in 1996 and $5.5 billion above the revenue floor over the 5 years 1996–2000. The current estimate of the deficit for purposes of calculating the maximum deficit amount is $262.6 billion, $17.0 billion above the maximum deficit amount for 1996 of $245.6 billion.

Since my last report, dated February 27, 1996, Congress cleared for the President's signature an act providing tax benefits for members of the Armed

Forces performing peacekeeping services in Bosnia and Herzegovina, Croatia, and Macedonia (H.R. 2778). This action changed the current level of revenues.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 11, 1996.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget,
Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report for fiscal year 1996 shows the effects of Congressional action on the 1996 budget and is current through March 7, 1996. The estimates of budget authority, outlays and revenues are consistent with the technical and economic assumptions of the 1996 Concurrent Resolution on the Budget (H. Con. Res. 67). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended.

Since my last report dated February 14, 1996, Congress has cleared for the President's signature an act providing Tax Benefits for Members of the Armed Forces Performing Peacekeeping Services in Bosnia and Herzegovina, Croatia and Macedonia (H.R. 2778). This action changed the current level of revenues.

Sincerely,

JAMES L. BLUM,
(For June E. O'Neill, Director).

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, FISCAL YEAR 1996, 104TH CONGRESS, 2D SESSION, AS OF CLOSE OF BUSINESS MAR. 11, 1996

[In Billions of dollars]

	Budget resolution (H. Con. Res. 67)	Current level[1]	Current level over/ under resolution
ON-BUDGET			
Budget authority	1,285.5	1,301.2	15.7
Outlays	1,288.1	1,305.0	16.9
Revenues:			
1996	1,042.5	1.042.4	−0.1
1996–2000	5,691.5	5,697.0	5.5
Deficit	245.6	262.6	17.0
Debt Subject to Limit	5,210.7	4,900.0	−310.7
OFF-BUDGET			
Social Security Outlays:			
1996	299.4	299.4	0
1996–2000	1,626.5	1,626.5	0
Social Security Revenues:			
1996	374.7	374.7	0
1996–2000	2,061.0	2,061.0	0

[1] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 104TH CONGRESS, 2D SESSION, SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1996 AS OF CLOSE OF BUSINESS MAR. 7, 1996

[In millions of dollars]

	Budget authority	Outlays	Revenues
ENACTED IN PREVIOUS SESSIONS			
Revenues			1,042,557
Permanents and other spending legislation	830,272	798,924	
Appropriation legislation		242,052	
Offsetting receipts	−200,017	−200,017	
Total previously enacted	630,254	840,958	1,042,557
ENACTED IN FIRST SESSION			
Appropriation bills:			
1995 Rescissions and Department of Defense Emergency Supplementals Act (P.L. 104–6)	−100	−885	
1995 Rescissions and Emergency Supplementals for Disaster Assistance Act (P.L. 104–19)	22	−3,149	
Agriculture (P.L. 104–37)	62,602	45,620	
Defense (P.L. 104–61)	243,301	163,223	
Energy and Water (P.L. 104–46)	19,336	11,502	
Legislative Branch (P.L. 105–53)	2,125	1,977	
Military Construction (P.L. 104–32)	11,177	3,110	
Transportation (P.L. 104–50)	12,682	11,899	
Treasury, Postal Service (P.L. 104–52	23,026	20,530	
Offsetting receipts	−7,946	−7,946	
Authorization bills:			
Self-Employed Health Insurance Act (P.L. 104–7)	−18	−18	−101
Alaska Native Claims Settlement Act (P.L. 104–42)	1	1	
Fishermen's Protective Act Amendments of 1995 (P.L. 104–43)		(6)	
Perishable Agricultural Commodities Act Amendments of 1995 (P.L. 104–48)	1	(6)	1
Alaska Power Administration Sale Act (P.L. 104–58)	−20	−20	
ICC Termination Act (P.L. 104–88)			−(6)
Total enacted first session	366,191	245,845	−100
ENACTED IN SECOND SESSION			
Appropriation bills:			
Seventh Continuing Resolution (P.L. 104–92)[1]	13,165	11,037	
Ninth Continuing Resolution (P.L. 104–99)[1]	792	−825	
Foreign Operations (P.L. 104–107)	12,104	5,936	
Offsetting receipts	−44	−44	
Authorization bills:			
Gloucester Marine Fisheries Act (P.L. 104–92)[2]	30,502	19,151	
Smithsonian Institution Commemorative Coin Act (P.L. 104–96)	3	3	
Saddleback Mountain—Arizona Settlement, Act of 1995 (P.L. 104–102)		−7	
Telecommunications Act of 1996 (P.L. 104–104)[3]			
Farm Credit System Regulatory Relief Act (P.L. 104–105)	−1	−1	
National Defense Authorization Act of 1996 (P.L. 104–106)	369	367	
Extension of Certain Expiring Authorities of the Department of Veterans Affairs (P.L. 104–111)	−5	−5	
To award Congressional Gold Medal to Ruth and Billy Graham (P.L. 104–111)	(6)	(6)	
Total enacted second session	56,884	35,613	
PENDING SIGNATURE			
An Act Providing for Tax Benefits for Armed Forces in Bosnia, Herzegovina, Croatia, and Macedonia (H.R. 2778)			−38
CONTINUING RESOLUTION AUTHORITY			
Ninth Continuing Resolution (P.L. 104–99)[4]	116,863	54,882	
ENTITLEMENTS AND MANDATORIES			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted	131,056	127,749	
Total Current Level[5]	1,301,247	1,305,048	1,042,419
Total Budget Resolution	1,285,500	1,288,100	1,042,500
Amount remaining:			
Under Budget Resolution			81
Over Budget Resolution	15,747	16,948	

[1] P.L. 104–92 and P.L. 104–99 provides funding for specific appropriated accounts until September 30, 1996.

[2] This bill, also referred to as the sixth continuing resolution for 1996, provides funding until September 30, 1996 for specific appropriated accounts.

[3] The effects of this Act on budget authority, outlays and revenues begin in fiscal year 1997.

[4] This is an annualized estimate of discretionary funding that expires March 15, 1996, for the following appropriation bills: Commerce-Justice, Interior, Labor-HHS-Education and Veterans-HUD.

[5] In accordance with the Budget Enforcement Act, the total does not include $3,417 million in budget authority and $1,590 million in outlays for funding of emergencies that have been designated as such by the President and the Congress.

[6] Less than $500,000.

Notes.—Detail may not add due to rounding.●

READ THE RIOT ACT TO CHINA

● Mr. SIMON. Mr. President, in response to the irresponsible statements by China recently about Taiwan and their relationship with the United States, the Chicago Tribune had an excellent editorial which I ask to be printed in full in the RECORD.

While I differ some with my friend Senator DIANNE FEINSTEIN, the other day she told me that the United States should stop zigzaging all over the place in terms of China policy.

I could not agree with her more.

Our policy should be consistent so that both China and Taiwan understand where we are. We are not hostile to China. We are not hostile to Taiwan. We want to be friends with both.

China must also understand that if there is a tilt from time to time between a democracy and a dictatorship, the tilt of the United States of America will be to democracy.

The article follows:

[From the Chicago Tribune, Jan. 25, 1996]

READ THE RIOT ACT TO CHINA

China has gone too far. According to press reports from Beijing, China has drawn up plans for possible attacks on Taiwan after that island-state completes it first democratic presidential elections in March.

But it doesn't stop there: China also has issued veiled threats to hit America with nuclear missiles if the U.S. military intervenes.

The U.S. has shown extraordinary patience with China, hoping by sweet reason and constructive engagement to coax it into behaving reasonably, constructively—and peacefully.

But threats of war are intolerable. America must put an end to Beijing's strutting and bullying. President Clinton must immediately let the Chinese know in no uncertain terms that the U.S. military will guarantee Taiwan's territorial integrity from missile attack or invasion. And he must back that warning with action: dispatching an aircraft carrier task force off the Taiwanese coast, perhaps, or sending a contingent of American soldiers to the island as a tripwire.

But Clinton must do more: He must tell the gerontocrats in Beijing that even so much as a hint of an attack on the United States will bring consequences for China more horrible than they can imagine.

The U.S. dollar had a roller-coaster ride Wednesday on rumors and denials of warmongering from China. It started when The New York Times quoted Chas. W. Freeman, a former assistant defense secretary, as saying China has plans for launching a missile a day against Taiwan should Beijing perceive the island striding too quickly toward independence.

Even more chilling were comments that the Chinese feel they can act with impunity because American leaders ''care more about Los Angeles than they do about Taiwan''—interpreted as a threat to launch nuclear missiles against the U.S. to deter involvement.

No response can be too muscular in warning China that even such fortune-cookie-style threats are intolerable. After all, this is the same China that violates nonproliferation treaties by shipping ballistic missiles to

Pakistan and by selling equipment for manufacturing chemical weapons to Iran. This is the same China that stands accused of operating an island-like chain of slave-labor camps and of dealing with unwanted orphans by allowing them to starve to death.

Beijing needs to understand that the American eagle offers a choice. The first, an olive branch, promises peaceful intercourse and free trade. But the other claw holds the mightiest quiver of arrows the world has ever known, and America is ready to use them.●

FAIRBANKS, THE ICE CAPITAL OF THE WORLD

● Mr. MURKOWSKI. Mr. President, On March 17, 1996, the great Alaskan city of Fairbanks, my hometown, is hosting the World Ice Sculpting Championships as part of the annual Fairbanks Winter Carnival. The organizers of the event have discovered that Alaska has the best ice in the world for ice sculpting. In 1988 they invited ice sculpting teams from Chicago and China to come to Fairbanks in hopes of reviving the art of ice sculpting. At the time, they were unaware of the fine quality of Alaskan ice, so to make sure they had the right ice for the guest instructors they brought in blocks of ice from Seattle, WA. In addition, however, they harvested some local ice for comparison. As a surprise result, they discovered that Alaskan ice is superior to any other ice found in the world. They now export Alaskan ice to such far away places as Frankenmuth, MI, for ice sculpting.

The organizers of this event believe that because of the superiority of Alaskan ice and other favorable conditions, they have been able to attract a growing number of artisans to participate in the Fairbanks ice art ice sculpting championships. This year, Fairbanks is proudly hosting 67 teams from countries around the world including China, Korea, Holland, Belgium, Brazil, Chile, Japan, France, Russia, Canada, and the contiguous United States.

Fairbanks is able to successfully host this event through the hard work of volunteers. The organizers hope to continue to host the world championships every year except during years when the Winter Olympics are held. I am confident that this year Fairbanks, AK, will hold one of the biggest and best Winter Carnival's ever. My congratulations to the organizers and volunteers for all their effort and hard work.●

IS WEST SLIGHTING AFRICA'S HOT SPOTS LIKE LIBERIA?

● Mr. SIMON. Mr. President, I am concerned about the deterioration in Liberia, Burundi, and a few other nations.

The pattern in Bosnia is for the United States and other nations to wait until the situation deteriorates very, very badly—until hundreds of thousands of people are killed—and then the United States and the community of nations move in.

I applaud what we are finally doing in Bosnia.

In no country in Africa do we have greater responsibility than in Liberia, where it was sometimes viewed as an American colony because it was founded by former American slaves.

Their ties to the United States have been long.

And when there was a dictatorship in Liberia, we did not hesitate to cooperate with that dictatorship. An article by Howard W. French recently appeared in the New York Times which I ask to be printed in the RECORD.

Now that the dictatorship is gone and chaos has followed, our concerns appear to be minimal.

The article follows.

[From the New York Times, Jan. 23, 1996]

IS WEST SLIGHTING AFRICA'S HOT SPOTS LIKE LIBERIA?

(By Howard W. French)

MONROVIA, LIBERIA, January 22.—When the American delegate to the United Nations, Madeleine K. Albright, stopped here briefly on Wednesday during a tour of several African countries, there were the predictable pledges of assistance from Washington to war-torn Liberia.

But along with the promise of helicopters and trucks to help in the disarming of combatants in a devastating six-year civil war, there was also a stern warning that the international community had little patience for crisis-ridden African countries that failed to settle their own problems.

''We have no intention of our logistical support being squandered by anyone's failure of political will,'' Mrs. Albright said at an airport news conference, straining at times to be heard over a Nigerian transport plane ferrying in new peacekeepers. ''Delay,'' she said, can ''no longer be in the vocabulary'' of Liberia's political actors.

But for many African leaders and diplomats, the trip of Mrs. Albright—the highest-ranking American to visit Liberia since Secretary of State George Shultz came here before the war that killed more than 150,000 people—inadvertently underscored another point: by the time African crises receive this level of outside attention, the moment for averting catastrophe or sealing the peace has all too often passed.

The most critical obstacle to fulfilling the Liberian peace agreement reached last August, these African officials say, has been the delay in getting the kind of international response needed to carry out a disarmament program and remark this country's shattered economy.

In this regard, African officials argue, the handling of the Liberian crisis by the outside world strongly resembles the ambivalent or tardy international response to past crises in other stops on Mrs. Albright's itinerary: Angola, Rwanda and Burundi.

In Liberia, despite widespread skepticism about its prospects, a cease-fire has largely held for months. But recent days have seen the first serious signs of an unraveling of the country's settlement, as unruly fighters of one of the country's several armed factions have killed as many as 50 West African peacekeepers.

Diplomats say the fighting began because of the economic desperation of the militia members, who are often unschooled boys, and add that the conflict nearly flared out of control because of the limited means available to a short-handed and poorly equipped peacekeeping force.

''Last fall, the American Government pledged $75 million to help us,'' said Wilton S. Sankawulo, the former schoolteacher who is chairman of Liberia's governing Council of State. ''But they said go home first and prove that you are serious.''

Liberia has been the first instance in which a regional organization, namely the Economic Community of West African States, or Ecowas, has acted with the official sanction of the United Nations to end a civil war. Nigeria has led this effort from the start, spending an estimated $4 billion. But with major political and economic crises at home, diplomats say Nigeria cannot now carry out Liberia's peace agreement without substantially more outside help.

Foreign diplomats say the most critical immediate element is giving the 7,500-man Nigerian-led peacekeeping force—known as Ecomog, for the Ecowas monitoring group—the means to deploy throughout the country; the trucks and helicopters pledged but not yet delivered by the Americans, and more troops from poor West African countries, which would require financing from the outside world.

Unlike other crises in which the United Nations send its own peacekeepers and directly assess contributions from members, international fund-raiding for Liberia has been conducted through voluntary donor conferences that have garnered sparse contributions.

On top of the outside world's reluctance to contribute to an African-led peacekeeping effort, which has embittered many of this region's leaders, there is the additional complication of deeply strained relations between the United States and Nigeria over the latter's human rights situation.

Rather than being turned over to the Nigerian-led peacekeepers, as is the practice in most international efforts of this sort, the troop trucks promised by the United States are leased vehicles that, at Washington's insistence, will be operated only by private contractors to keep them out of Nigerian hands.

''The resources of Ecomog have been stretched to the limit, and it would be wrong and unfair for the international community to expect it to proceed further without getting it more help,'' said Anthony Nyaki, the United Nations special representative to Liberia. ''Because of the unique mandate given by the U.N. to the West Africans whatever happens here will be precedent-setting.

''In five days as much is spent in Bosnia as was spent in a whole year on Liberia,'' he said. ''If this is allowed to fail, the question will become more pertinent than ever why the outside world cares so little for Africa.''

The comparison with Bosnia is one that comes up again and again in conversations with African officials throughout this region, and it is one that inspires cynicism among many.

The international community was slow to act and committed far too few resources to managing crises like the transition to democracy in war-torn Angola or the prevention of a genocidal civil war in Rwanda, African diplomats say. And in Burundi today, where the signs of a possible Rwanda-style civil war are multiplying, the same reluctance to act seems apparent to many.

''Since Somalia ended, I have attended three major conferences on the lessons of that crisis, but these lessons never seem to be learned,'' said Victor Gbeho, a Ghanaian diplomat who represents the West African economic community here and was the United Nations special envoy to Somalia at the height of that country's crisis.

''For some reason it still takes far too long to get the international community to react to African crises, to realize their pledges of support and work through their bureaucratic mazes,'' Mr. Gbeho said. ''It took the Americans one week to raise $1.8 billion for Bosnia.

If I were paranoid, I would say the delays we always face here are due to the fact that we are dealing with Africa.''●

THE HEZBALLAH CONFESSION

● Mr. D'AMATO. Mr. President, I rise today to discuss something that most people who follow the subject, I am sure already knew, but is nevertheless an interesting admission. In a Reuters interview, yesterday, Sheik Hassan Nasrallah, Secretary General of Hezballah in Lebanon, flatly admitted to Iranian funding when he said:

We are not shy and they (Iranians) are not afraid about it . . . we don't hide Iranian support. There is no need to deny that we receive financial and political support from Iran.

Moreover, he admitted that Syrian forces in Lebanon's Bekkah valley help greatly in getting weapons to his forces, when he stated:

Syrian forces are stationed in the Bekaa [sic] (valley) and the north. These two areas constituted the background of support for resistance fighters in (Israeli)-occupied areas.

These admissions, especially that of implicit Syrian support for Iranian terrorism are vital to understanding the relationship of these terrorist organizations and how they operate in the region. If we are going to support Israel while it wages peace, are we going to ignore Syria and Iran while they wage war against Israel?

We cannot ignore what is going on for mere political expediency. We must confront the facts as they exist and this means that we must question the Syrians on this admission. With Iran, I am sure that there is no disagreement. But Syria is another question altogether.

Mr. President, I ask that the text of this important interview be printed in the RECORD.

The text follows:

[From Reuters, Mar. 11, 1996]

HEZBOLLAH CHIEF ADMITS IRAN IS FINANCING GROUP WITH BC-IRAN-PRESIDENT

BEIRUT, LEBANON.—For the first time, the leader of Hezbollah acknowledged publicly in an interview published Monday that Iran is financing the group.

''We don't hide Iranian support. There is no need to deny that we receive financial and political support from Iran'' said Sheik Hassan Nasrallah, Secretary-General of the Shiite Muslim Militant Group.

''We are not shy and they (Iranians) are not afraid about it,'' he said in an interview with the London-based Arabic Language Weekly Al Wasat.

It was the first public admission of Iranian financial support by a senior leader of Hezbollah, or Party of God.

The group has vociferously denounced the planned counter-terrorism summit at Egypt's Red Sea resort of Sharm El-Sheik Wednesday.

Why doesn't one wonder why the United States is paying 3 billion dollars to the Zionist entity, which is attacking the entire region while condemnation is voiced over Iran's financial support for Hezbollah or any Islamic resistance faction fighting to liberate its land?'' Nasrallah said.

Hezbollah guerrillas are fighting to oust the 1,200 Israeli soldiers and 2,500 Israeli-backed South Lebanon Army militiamen from an occupied border enclave in South Lebanon.

Israel established the enclave, known as a ''security zone,'' in 1985 as a buffer against cross-border guerrilla attacks on its northern towns.

Hezbollah guerrillas mounted a string of attacks on Israeli troops in the ''security zone'' Sunday, killing one and wounding five.

Nasrallah also said that Syria, the main power broker in Lebanon, was facilitating Hezbollah's arms supplies through routes in northern and eastern Lebanon.

Syria maintains an estimated 40,000 troops in Lebanon, ostensibly as peacekeepers to prevent a rekindling of the 1975–90 civil war.

Nasrallah said since Hezbollah was founded in 1982 following the Israeli invasion of Lebanon that year, Syria has provided the party with ''a political cover, moral support and field facilities.''

''Syrian forces are stationed in the Bekaa (Valley) and the north. These two areas constituted the background of support for resistance fighters in (Israeli)-occupied areas,'' he said.

''Of course, Syria didn't give us money. It has supported us and facilitated'' arms supplies, Nasrallah added.

Like its sponsor, Iran, Hezbollah opposes the U.S.-sponsored Middle East peace process and has vowed to torpedo it through intensified attacks in South Lebanon, the last active Arab-Israeli war front.

The Sharm El-Sheik Summit, which will be attended by U.S. President Clinton and more than 30 other world leaders, was called to bolster Israel following a wave of suicide bombings which killed 61 people.

Hezbollah has hailed the bombings, which have been claimed by the Palestinian militant Hamas group, as an ''Act of Heroic Jihad (holy war) against occupation.'' ●

UNANIMOUS-CONSENT REQUEST—S. 942

Mr. BURNS. Mr. President, I ask unanimous consent that on Thursday, March 14, at 10 a.m., the Senate proceed to the consideration of Calendar No. 342, S. 942, the small business regulatory reform bill, to be considered under the following limitation: 90 minutes of total debate equally divided between the two managers; that the only amendments in order to the bill be the following: the managers' amendment to be offered by Senators BOND and BUMPERS, an amendment to be offered by Senator NICKLES regarding congressional review, one additional amendment, if agreed to by both leaders after consultation with the two managers; further, that following the disposition of all amendments, the bill be read a third time, the Senate then proceed to vote on final passage of the bill, all without any intervening debate or action.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Yes. I have two things I wish to correct. One would be the Nickles-Reid amendment in the body of the text, and if the Senator from Montana wishes an explanation, I would be happy to give one, but I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BURNS. Mr. President, I helped craft this legislation, and if there is one thing that we hear going down the road every day from the people who live in my State of Montana it is the way we write our rules and regulations here in Washington. This regulatory reform bill addresses those fears. This bill was reported out of the Small Business Committee with strong bipartisan support for the work that was done by Senator BUMPERS, who was chairman of that committee and has worked on this issue for so long, and I am sorry that it will not be allowed to come to the floor.

Mr. REID. Will my friend yield?

Mr. BURNS. Yes.

Mr. REID. I say to my friend, I personally feel as if the unanimous-consent request is excellent. I think the content of the unanimous-consent request would allow us to go forward with regulatory reform which is badly needed. It especially directs attention to the small business community which has been hammered with regulations with which they have difficulty complying.

I say to my friend from Montana that we have a Member on this side of the aisle who has worked very long and hard, in his own words, not hours or days but weeks with Members on the Senator's side, and his objection relates to a much bigger piece of regulatory reform that I think frankly will kill all regulatory reform, but that is what he wants. And so in the next few hours, maybe days, we are going to work with him to see if we can get him to agree to our unanimous consent request.

Mr. BURNS. I think my friend from Nevada understands the problems small business is going through right now and the margin they have to worry about. This gives them a great deal of flexibility. But it also allows Congress to take a look to see how the rules are really written with regard to legislation that we pass. It is fairly simple for us to pass legislation. We beat ourselves on the chest, and we say what a good thing we have done, but then when the law goes down and the administrative rules are written, sometimes those rules do not even look like the legislation, let alone the intent of the legislation. So I think this addresses that, and I hope we can work out something. Knowing my friend from Nevada, I understand the possibility is very good.

Mr. REID. Will my friend yield again?

The Senator is absolutely correct. This unanimous-consent request contains a provision that was passed in this body by a vote of 100 to nothing, the Nickles-Reid amendment, which would allow the Congress to look at regulations promulgated by Federal agencies. If it has a financial impact of $100 million, it would not go into effect until a reasonable period of time. This calls for 60 days, which I think is appropriate. It was originally 45 days. If it has a financial impact of less than $100 million, it goes into effect immediately but we can rescind it within 60

days. That is really I think farsighted legislation, something that is long overdue. And so I agree with my friend from Montana. I hope we can work it out so that we can debate it for a period of time as indicated in the unanimous consent request and in effect claim victory for the American people. We would be doing something that is bipartisan in nature. Heaven knows, we need to do some things on a bipartisan basis in this body.

Mr. BURNS. No question about it. The Senator from Nevada is exactly correct.

AGRICULTURE MARKET TRANSITION ACT

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 338, H.R. 2584; further, that all after the enacting clause be stricken and the text of S. 1541, as passed the Senate, be inserted in lieu thereof, the bill be read the third time, passed, and the motion to reconsider be laid on the table; further, the Senate insist on its amendments, request a conference with the House and the Chair be authorized to appoint conferees, provided that the total number of Democratic conferees signing the conference report does not exceed five.

The PRESIDING OFFICER. Is there objection?

Mr. EXON. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. EXON. Mr. President, for the information of the Senate and my colleagues who are in the Chamber, I wish to say that I intend to discuss with appropriate remarks my concerns about the agriculture bill and very likely at the end of those comments I will withdraw my objection for the reasons I will state during the remarks I intend to make about the farm bill. If the Chair will recognize me for that purpose, I will make my remarks as brief as I can but not as brief as the Senator from Nebraska usually is.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, my strong objections to the so-called freedom-to-farm act, or son of freedom to farm act, or whatever it is called now, both the version passed by the Senate and the one that passed the House of Representatives, and the technical amendments and the appointment of the conferees that has just been suggested by the acting majority leader give me pause for great concern.

I wish to state once again, in trying to wrap up, if I might, the strong objections this Senator has along with many other Senators from the farm belt with regard to the basic thrust of this law, what it does do and what it does not do, the reasons I think it is very bad legislation; and if I withdraw my objection to the unanimous-consent request it would only be with the hope, a wing and a prayer, if you will, that the conference committee itself, when it discusses the farm bill in conference and reports back the conference report for approval of both the House and the Senate, that significant changes will be made so that I will be able to accept the conference report.

However, I say that with a great deal of optimism and a great deal of concern that that in the end might not happen. Therefore, I think it is time once again as we contemplate taking the action that has just been suggested by the acting majority leader to understand what we are doing, which I think is not in the long-term interests of a sound food policy or in the long-range interests of the safety net that basically from its very beginning the freedom-to-farm act was designed to end in 7 years, notwithstanding the protestations, notwithstanding some of the efforts which have tried to be explained as providing a safety net for agriculture after 7 years.

Mr. President, I take a back seat to no one in the support of agriculture and family-size farmers and rural America. During my 8 years as Governor of Nebraska before I came to this body, until now, my 18th year in the U.S. Senate, I have fought hard for agriculture. I have joined with many of my colleagues on both sides of the aisle to try to tell the majority of the Members of this body that the safety net that we have had for a long, long time with regard to farm legislation has not been perfect, but it has led to a solid, firm food supply for America. The genius of production of our farmers feeds not only the United States but many parts of the world.

Last but not least, the farm programs that have been often criticized because of the safety net feature and the expenditures have still provided the United States with an abundance of food, more abundance than any place in the whole world. At the same time, it has provided prices for food at very competitive rates. The facts of the matter are that the cost of food in the United States of America is the cheapest of any of the industrialized nations in the world. So, certainly the farm programs that have been often abused and cursed over the last several years since the Great Depression of the 1930's, have served America and agriculture overall very well.

But where are we going from here? Where are we going to be if the freedom to farm act encompassed in the Senate version, and likewise the freedom to farm act as encompassed in the version passed by the House of Representatives, basically is designed in the form of transition payments to lead to nowhere at the end of 7 years? Mr. President, 7 years of handsome, expensive payouts to agriculture, that, in my view, is essentially a welfare system, going ahead with massive—billions of dollars in expenditures, welfare to farmers, at a time when we are trying to reduce the budget and at a time when we are trying to curtail welfare, defies reason.

I say that once again, Mr. President, as a strong supporter of family-size farms in rural Nebraska and rural America. I simply point out, first with regard to the estimates of the costs of the program, we all know, and it has been well established, that the so-called freedom to farm act came out of the budget discussions and agreements and disagreements. The freedom to farm act and the transition payments have been fostered early on as a great budget saver, to help us balance the budget by the year 2002.

I would simply point out that the facts, as the way this bill has come out of the House and the Senate, are just the opposite. The most recent CBO estimates show that the Senate farm bill will cost $1.13 billion more than the current law over the next 7 years. Some had claimed that was too expensive. In the first 2 years alone, the Senate farm bill will cost almost $4.6 billion more—and I emphasize more—than current law. Turning to the House bill, to cite the figures therein, the House bill saves only $1.8 billion over 7 years, a far cry from the savings touted earlier in the year. And what do farmers get for this? A healthy payoff but no long-term farm policy or safety net.

The CBO figures have just come out. I would like to cite those at this time. For the 1996 crop, the one that we hope will be planted or is being planted now, a corn farmer will get paid 37 cents per bushel up to the limit of $40,000 that he can receive each and every year. The corn farmer will get that 37 cents per bushel regardless of what the market price is and what the farmers receive from the market price for the products that I will identify, starting out with corn.

In other words, if corn, which is now at a price of about $3.40 a bushel at the marketplace, if that would be maintained—and the Department of Agriculture predicts that those prices will very likely be maintained for 1996 and 1997—that would mean that the farmer getting $3.40 a bushel would get 37 cents per bushel on top of that, roughly over $3.75 a bushel. Wheat farmers will get paid 98 cents per bushel over and above, as a gift from the taxpayers of America. Sorghum farmers will be paid 44 cents per bushel. And so on, and so on, and so on.

Mr. President, I point this out because I think the Republican farm bill has strayed way off course. It is not good for agriculture in the long term and it is certainly not good for balancing the budget. I simply say that, at $3.40 a bushel, we should not be paying any money out to corn farmers, unless there are some circumstances where his crop would be wiped out. I point this out because this is just one of the things wrong with this farm bill. This cost estimate brings the fact home loud and clear, that S. 1541 is a sham. It is a sham to the taxpayers, and it is a sham to the farmers over the long term.

How so? For taxpayers, it is a sham because it does not make good on deficit reduction. For months, taxpayers have been told that Congress was going to crack the whip and enact deficit reduction. Now we learn that the farm program's revisions, which were advertised as saving money, are actually going to cost more than if we would simply continue with the farm program and its costs that we have today. In fact, for 1996 and 1997, they will cost about $4.5 billion more than the current law.

For farmers, this sham is a little different. They have been led to believe that the freedom to farm contracts will protect them from fiscal unpleasantness that will surely follow. I am sad to say that these contracts that are widely heralded have been grossly oversold. Farmers have been led to believe that, once they sign up, their payments from the Federal Government will be locked in and no one can do anything about it.

A few moments ago, we were talking about the rules of the U.S. Senate. One of the rules that we all know very well is that one Congress cannot bind the succeeding Congress. Farmers should bear this in mind. The reality is that future Congresses will almost certainly take a butcher knife to the Freedom to Farm Act, and I believe that we all should recognize and realize that. These farm payments that will be received under the Freedom to Farm Act have no relationship to farm production or to the commodity prices that the farmers receive.

I agree that we should be cutting out all or most of the red tape that the farmers have to wrestle with each and every year. We should provide a piece of farm legislation that provides much more flexibility, if not total flexibility, as to what the farmers plant and how much they plant of a given product. But what kind of protection will the freedom to farm contracts provide? Not enough. The National Center for Agricultural Law Research and Information was asked to make a careful review of the freedom to farm bill. They concluded that, ''* * * the annual payments are not guaranteed for the life of the Freedom to Farm legislation.''

The facts, Mr. President, could not be clearer. This is a sad commentary on the way the farm bill has been handled, and I simply want to set the record straight, make it very clear on several very important points.

Mr. President, let me start out by quoting from several publications with regard to the costs that very likely will skyrocket and make it even that much more difficult to balance a budget.

I quote first from an article from the Omaha World Herald of February 27, 1996. The headline is: ''Glickman Says New Farm Plan's Costs are Higher.'' We all know that Dan Glickman is Secretary of Agriculture and a farm expert who previously served on the Agriculture Committee of the House of Representatives with great distinction.

This article is by David Beeder of the Omaha World Herald:

WASHINGTON—Legislation guaranteeing farmers more than $40 billion over seven years would cost the Federal Government $20 billion more than it could cost to extend a farm law that expired December 31, Agricultural Secretary Dan Glickman said on Monday.

''For the first 2 or 3 years, we know we are going to be spending much more on this farm bill,'' Glickman said in a speech to the National Association of State Departments of Agriculture.

To save time and to stay away from being redundant, I ask unanimous consent that all of the articles I quote be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. EXON. Mr. President, I wish to carry on the discussion of the skyrocketing costs under the new farm bill. I wish to also quote from an article from the Omaha World Herald of February 25, 1996. The headline is: ''USDA: Dairy, Cereal Prices Expected to Rise.''

This story goes on to say that:

Food prices in the United States are likely to increase less than the rate of inflation this year, with meat prices expected to decline, Government economists say.

However, the price of milk should rise by 4 percent to 5 percent over last year because of the lowest surpluses of dairy products since the mid-1970's, the Agriculture Department said.

This goes on to explain what is happening and what the freedom to farm policy, if you want to call it that, will do for both the consumers of America and the producers as well.

Mr. President, I will further comment on an article from the Lincoln Journal Star of February 25, 1996, and this one is headlined: ''Bill Raises Farm Costs, Officials Say,'' by Robert Greene of the Associated Press.

WASHINGTON.—A farm-program overhaul that the Senate passed this month will raise spending rather than save billions of dollars as Senate budget writers had planned, the Senate Budget Committee says.

''We've lost all our savings,'' said Bill Hoagland, the committee's staff director.

The original farm-program changes in the budget-balancing legislation vetoed by President Clinton last year would have cut spending for agriculture programs by $4.6 billion. The Senate-passed farm bill instead costs $200 million to $380 million more over the next seven years than if the farm bill had been left alone, Hoagland said.

Mr. President, I simply say that this farm bill, indeed, is backed by some farm organizations. I happen to think that they are taking a very shortsighted approach to the whole proposition.

This farm bill leaves beginning farmers out in the cold. It provides a rather handsome payment for the next 7 years. To those who have participated in farm programs in the past, I have cited earlier in speeches on the floor in this regard that if you take, for example, a 500-acre corn farm—and those of us who know and understand agriculture know that that is not a big farm—but 500 acres of corn, and if the farmer would sell that for $3.10 a bushel, which is under the $3.30 to $3.40 price today, he would receive, in addition to that good price for corn, a check free from the Federal Government, free from the taxpayers, of $16,000 on top of the $186,000 that that corn farmer would receive, assuming a return of about 110 bushel per acre, which is reasonable.

Many farmers and many farm organizations that I will cite in my remarks realize and recognize that if you are a 57-year-old farmer today, and I must say that that is about the average age of our farmers in Nebraska and very likely near the average age of our farmers in the United States as a whole, if you are going to farm 7 more years, and then when you are 65 and retire, this is a pretty good bill, because it gives you handsome payments from the taxpayers that cannot be justified.

In the end, it leads to nowhere, 7 years of transition payments. What does transition payments mean? Transition payments were intended and I predict eventually will be a payoff to farmers in rather handsome numbers through welfare, and they will receive this check from the Federal Government whether they even plant or not, whether they even go to the field. They get this check from the taxpayers.

But many farm groups are protesting this, and rightly so.

Mr. President, I cite an article that I have in my hand from the Omaha World Herald, again, on February 23, 1996, and this headline says: ''Hundreds Expected to Protest Farm Bill,'' by Ann Toner of the Omaha World Herald.

By bus, car and van, farmers from as far away as North Dakota are expected to gather in Wichita, KS, today to voice their opposition to the latest farm program proposals to gain House and Senate approval.

Loosely dubbed the Freedom to Farm Act, the proposed law—officially, the Agricultural Marketing Transition Act in the Senate—is in its final stages in Washington.

This goes on to identify the farm organizations and some of the farmers who made that trip to Wichita.

The next article that I will reference is, again, from the Lincoln Journal Star. This is Sunday, February 25, 1996.

The headline is, ''Only people who eat need to worry about our food policy.'' And the first paragraph of this article by Sally Herrin says:

The United States Senate put the family farm up for sale when it voted 64–32 to send Bob Dole's Agricultural Marketing Transition Act, S. 1541, to the House of Representatives tomorrow morning, Feb. 26. This is a modified version of Bill Barrett's and Newt Gingrich's Freedom to Farm proposal which is the ''final solution'' to farm programs.

But farm programs are just for farmers rights? Think again.

And Sally Herrin goes on to explain in great detail how bad this freedom to farm bill actually is.

Likewise, I will include in the RECORD an editorial from the Lincoln Journal Star of February 18, 1996. This

editorial is entitled ''Freedom To Farm: An excuse To Abandon Agriculture.''

I will read the first two or three paragraphs of this editorial because, in summation in a few words, this does about as good a job as I could imagine in saying what is wrong with this measure.

Blow a little dust off your memories of the 1988 Senate race in Nebraska. David Karnes is at the podium at State Fair Park in Lincoln. Row after row of Republican cheerleaders lean forward, gathering themselves for their next explosion. But coming out of Karnes' mouth are these fateful words: ''We need fewer farmers at this point in time.''

Groans. Gasps. Even boos. Cheerleaders slump in their seats. Bob Kerrey seizes on what Karnes later describes as a slip of the tongue and delivers a stern lecture. A few weeks later, voters elect Kerrey and cast Karnes into the basement of political esteem.

But guess what? Eight years after a promising conservative showed his poor grasp of acceptable rhetoric, the underpinnings of the once unutterable are being uttered daily. As Congress and President Clinton stumble toward passage of a new farm policy, the words ''freedom to farm'' are much in vogue. They are represented, not as the first step [the real steps] towards abandonment of agriculture, but as breath-taking reform.

Likewise, Mr. President, I will quote very briefly from another editorial, this time of February 29, 1996, again from the Lincoln Journal Star. This headline is ''Freedom To Farm: Freedom To Plunder Treasury.'' And I quote:

Farming experts will tell you that a farmer who can't make money raising corn at $3 a bushel should sell the tractor and move to town. Fortunately, most Nebraska farmers are much too smart to miss out on the $3 corn and the profits that appear well within reach as the 1996 growing season approaches.

But misfortune is in this picture, too—misfortune for taxpayers. Congress is hammering out a farm bill that proposes to give these same savvy farmers as much as $40,000 each in extra income, in precious tax money, this year. Why? Because that's how Freedom To Farm, the new approach that is supposed to get the government off the farmer's back is supposed to work. It puts more government, more cost, on the taxpayer's back instead.

Mr. President, next I will quote from a news release from the National Farmers Union, which is one of the leading farm organizations whom I have worked closely with all of my 26 years in Government service. This news release from the Farmers Union is headlined:

Senate Farm Bill A ''Sell out'' Of Farm families, Says [the National Farmers Union] President.

Washington, DC—The farm bill passed by the U.S. Senate Wednesday was termed a ''sell out of American farm families and their values to the special interests of agribusiness and a license for a few corporations to further dominate the marketing, processing and trading of agricultural commodities'' by National Farmers Union President Leland Swenson. Representing 250,000 farm, ranch and other rural families across the nation, Swenson expressed concern that the Agricultural Transition Act would escalate the move of U.S. agriculture away from its system of independently owned and operated family farms to that of contract production.

Mr. President, in addition to that, which will be printed in the RECORD, there is a bulletin of about 9 or 10 items entitled: ''What's wrong with the Farm Bill approved by the Senate?''

Clearly, in the opinion of the reliable National Farmers Union it is a disaster.

What are other knowledgeable people who have had great experience in agriculture saying? This time from the Republican side of the fence.

I refer to an article in the Sioux Falls Argus Leader of February 25, 1996, by George Anthan. George is with the Georgia Net News Service and is a columnist.

The headline of his column is: ''Iowans wary about Freedom to Farm bill.''

It goes on to say:

Two of Iowa's most respected voices on national agricultural policy—both of them Republicans and farmers—expressed strong misgivings over the GOP's Freedom to Farm bill, which would guarantee subsidies to farmers regardless of market price. Cooper Evans of Grundy Center, a former Congressman and former agriculture advisor to President Bush's White House, said the policy advanced under the Freedom to Farm bill ''would be a disaster.''

Mr. President, the article goes on and says:

Thurman Gaskill of Corwith—long active in national farm policy affairs and a high-ranking political operative for Presidents Nixon, Ford and Bush—said: ''I don't understand the thinking behind this. In the short term, it's a hell of a deal. But I don't think it's good for the long-term farm policy of this country.''

Evans, an influential member of the House Agriculture Committee during his congressional service, said: ''To me, the important point is that now is not the time for a program that can be viewed as strictly a gift in the sense that it's not at all tied to need, not all tied to current prices, not at all tied to supplies.

''It's just a gift, which seems to me to be totally incompatible with the fundamental interest of both parties to whip the budget deficit.''

Evans continued: ''We're making all kinds of claims on programs that have a much larger constituency, and I think it makes those who support [the] (Freedom to Farm) [Act] extremely vulnerable to the criticism that you're cutting Medicare, [yes,] you're cutting Medicaid . . . and yet you're giving this money to farmers regardless of what they do, regardless of what they plant, regardless of what the prices are.''

I continue to quote:

''It would be most inappropriate to do this.''

Mr. President, who are some of the supporters of the freedom to farm act, other than the Republican majorities in both the House and the Senate?

I reference at this point an article, again from the Lincoln Journal, of February 19, 1996. This headline says, ''Big Agribusiness Enjoyed Benefits in Senate Farm Bill.''

Washington, Associated Press. With a mix of luck, work and unusual organization, the lobby for big grain companies, railroads, meat companies, millers and shippers scored a big win in the Senate-passed overhaul of the farm bill.

The ''Freedom to Farm'' bill, as it's called, stops the government from forcing growers to idle land in order to keep their Federal payments. It says farmers can grow the crop that they most likely will sell without losing government payments usually tied to a particular crop. For 7 years, at least, the government would fix the price of corn, wheat and other row crops.

Further down in the article is an interesting quote from our distinguished friend and colleague, the Senator from Minnesota:

''In the long run it says you're on your own with Cargill. You're on your own with the Chicago Board of Trade,'' said Sen. PAUL WELLSTONE, Democrat from Minnesota, taking on the Minnesota-based food giant.

Cargill Inc. and the Chicago Board of Trade did work Congress. So did such giants as General Mills Inc., Tysons Foods, Kraft Foods, Procter & Gamble, Union Pacific Railroad, Rabobank Netherlands, the Fertilizer Institute and others who build a business from agriculture.

Unlike before, the food companies and the trade groups banded together. In the fall of 1994, more than 120 formed the Coalition for Competitive Food and Agricultural Systems.

''It was probably the first time in history that a broad-based group in the food industry had gotten together with market-oriented reforms in mind,'' said spokesman Stu Hardy, a former staffer on the Senate Agriculture Committee, now with the United States Chamber of Commerce.

It is really interesting, Mr. President. Any farmer or any farm organization that really believes that business interests such as I have just mentioned, who for years have lived off of cheap product prices, were very much instrumental in writing the freedom to farm bill. I think that fact alone, the U.S. Chamber of Commerce, Tysons foods, General Mills, Kraft Foods, Procter and Gamble, Union Pacific, the Fertilizer Institute—if those people helped write this farm bill, there is no way that it can be both good for them and good for the producers.

Mr. President, there was another article that drives home this point. This is from the Omaha World Herald of February 25, 1996. This headline reads: ''Businesses Put Muscle Behind Farm Bill Push,'' by David Beeder, Washington, DC:

Major changes in U.S. farm policy—passed by the Senate and pending in the House—will get a big push all the way to the White House from a powerful coalition of more than 120 grain traders, processors, shippers, retailers and producer organizations.

''We wanted to retain a farm income safety net but also eliminate acreage reduction programs (ARP),'' said Mary Waters of ConAgra Inc. of Omaha. ''Both of these bills will do that.''

Now, Mr. President, ConAgra is located in my State. It is a very fine organization. They are processors of food. I can see why they would be involved in writing a farm bill, because, basically speaking, the cheaper the cost of the raw products that they produce into edible food, the more money they make. I do not criticize ConAgra for being concerned about agriculture prices, but I do not think they represent the family-size farmer:

Stu Hardy of the U.S. Chamber of Commerce said the legislation could have been strengthened if it had reduced the amount of acreage in the $36 million Conservation Reserve Program in which farmers are paid to idle land. If there is one part of the previous farm bill and if there is one part of the new farm bill that is generally supported by all farm organizations—as far as I know, all or most farmers—it is the Conservation Reserve Program, which has been very popular. According to the U.S. Chamber of Commerce, we would have been a whole lot better off if we cut down the Conservation Reserve Program.

Mr. President, there is a lot of misinformation out there today about what this program does. I have referenced several times this evening in my remarks the fact that the freedom to farm act from its very beginning and inception was to provide transition payments originally to help reduce the costs—that has gone by the board now—but primarily to have a transition from the present payments we have historically had as part of the program, when prices were low but not when they were high as they are now, but we have been pounding this home.

Now, even some of the introducers of the legislation have come around to say we should have something in there very cleverly in the Senate bill incorporated as permanent law. The 1949 act has been permanent law for a long, long time as a fall-back position. That is soft soap to agriculture because when the people understand what is going on, and after the ''60 Minutes'' type program exposes this for what it is, it will be tough to get any kind of responsible farm program through the Congress.

For years I have fought, along with many of my colleagues, on the basic concept of selling to the 535 Members of the House and Senate the need for a farm bill, a safety net farm bill, that did not pay the farmers anything when prices were high but gave them a stipend that would get them somewhere near the cost of production when the corn price—as it has historically—not stayed at $3.10 to $3.50 a bushel, but when it drops to $2.10 to $2.50 a bushel below the cost of production. That is when we should have farm programs. That is when they should kick in. They should not kick in in a rich man type fashion of selling and buying off farmers with this healthy hefty payment for the next 7 years.

I make reference, Mr. President, to the Congressional RECORD of February 28, 1996, page 1429, to bring home how there is so much misunderstanding with regard to whether the safety net is going to be eliminated. There is included on that page a letter from the Farm Bureau to a Member of Congress. It says here by the writer of the letter, who is an official of the Farm Bureau:

In my view, concerns about the ''freedom to farm'' approach have centered on two points: First, opponents are concerned that the contract payments will be viewed as welfare payments.

I do not know what else they are, but I think it rancors them a great deal when we call them welfare payments.

Secondly, some are concerned that there will not be any farm program after the seventh year of the bill. These issues were also the same as some members' of the Farm Bureau. The following points were used, in part, to make our policy determination.

Then it goes on to another paragraph. I would like to quote from the same letter from the Farm Bureau:

In regard to the future farm policy after 7 years, it is important to keep in mind that there are no provisions in the bill that require farm programs to be eliminated after 7 years. In fact, it is our view that public policymakers should actively debate what farm policy should be after the year 2002, while considering such issues as supply and demand factors, international trade barriers, financial conditions of agriculture, monetary policy, trade policy, and other issues important to our farmers and ranchers.

Soft sell. Soft soap, because the very thrust of the farm bill, known as the freedom to farm act, was to use the transition payments to eliminate farm programs in the year 2002. Why else would you pay the handsome payments from the taxpayers to the farmer regardless of what the farmer is receiving for his commodity? Certainly, that is the attitude of the New York Times. I think it is rather interesting, Mr. President, that in addition to big business writing the farm bill, we have those great defenders of the American family-size farmer, the New York Times and the Washington Post, approving of this farm bill. They have never approved of any farm bill in the history of the United States of America, but this one. Why is that? Because they know what the intent is. They know they are buying off the farmer, and it will all come to an end at the end of 7 years.

Mr. President, I quote from a New York Times editorial of March 6, 1996. The headline is: ''Big Changes Down on the Farm.''

It says:

The Senate and House-passed bills would phase out wheat, corn, rice and cotton subsidies over a 7-year period. The Senate-House conferees need to make it clear, as the House bill attempts to do, that after 2002, farm welfare supplicants cannot count on reverting to the old discredited law.

Further, it says:

The House bill would make it harder for lobbyists to extend the dole after 7 years and is thus preferable to the Senate version.

Mr. President, also, I think it is interesting to note this on the front page of the New York Times of Friday, March 1, 1996. I reference that at this point. Big farm paper, the New York Times. It says:

House approves biggest change in farm policy since the New Deal.

Well, that is an honest statement. Below that, it says:

Legislation phases out subsidies over 7 years.

You cannot have it both ways. Yet, that is being sold today.

I simply say that the whole article will appear in the RECORD. It, once again, shows that the New York Times, an opponent of agriculture as long as I can remember, has a right, and they are getting what they want, along with the chamber of commerce, along with the big-money interests that live off the products of the American farmer. If I were a farmer, I would not want those organizations saluted and backed by the New York Times, and to write a farm bill, because down the road, in the future, this is going to come home to haunt the safety net that we have relied on for so long.

Then there is another newspaper that is well known as a big booster of agriculture. This time it is the Wall Street Journal of Friday March 1, 1996. It is interesting to note that that is the same date of the article that I just quoted from the New York Times. But the farmer friendly Wall Street gurus, who speak frequently through the Wall Street Journal, had this story. The headline is: ''House Approves Ending Costliest Farm Programs.''

How ridiculous. I have just cited the facts of the matter. Yet, the Wall Street Journal, who understands the stock market but has not a clue about agriculture, says, ''House Approves Ending Costliest Farm Programs.'' The Sub-headline is, ''Plan to Be Phased in Over 7 Years, Would Stop Restrictions On Crop.''

The story:

The House measure would spend $46.6 billion through fiscal year 2002, including $35.6 billion for transition payment.

What we have here is total allocations, if subsequent Congresses approve it—at least this is the plan—to provide $46.6 billion through fiscal year 2002, including all but $10 billion, or $35.6 billion for transition payments:

It will have to be reconciled with a similar Senate bill in a House-Senate conference before going to the White House for the President's consideration.

Just some more, Mr. President, of what is going on today with regard to the people who wrote the farm bill that some farmers and some farm organizations think is just hunky-dory.

Mr. President, I may be wrong. Maybe this bill will be the greatest thing for agriculture that we have ever seen. If so, on down the road I will salute the Wall Street Journal, the Washington Post, the New York Times, the Union Pacific Railroad, Kraft Foods, and the many farmers in my State, and many of my friends and colleagues here in the U.S. Senate who support this. I will salute all of you.

I will salute all of you. I might be wrong. But as one who has wrestled with farm programs in fairness to rural America for a long, long time, and who consults regularly with farmers and farm organizations—in fact, just this afternoon in Nebraska wheat growers were in to see me. And since this is my last year in the U.S. Senate they presented me with a plaque that I treasure saluting me for the help I have given to—and have been part of in—protecting the interests of family-sized farmers and the food production in America. Each and every one of them—

there were seven there—were firmly opposed to the so-called freedom-to-farm act. Yes. There are lots of farmers out there that have bought on to this very expensive and unfair program that I am very fearful will be the death knell for farm safety nets and make it almost impossible for young farmers who do not share in this program. The money only goes to farmers who have been in the program previously. It is a bad piece of legislation.

I am about to withdraw my objection only with the hope that maybe some miracle will occur and we will be able to get some changes in a whole series of areas made in the conference with the House, and that a conference report which is eventually forwarded back to the House and the Senate will have a much improved farm bill.

In the meantime, I have consulted with the Secretary of Agriculture about this on several occasions. I have discussed this with the President of the United States. Some people are speculating right now that the President will sign the bill, or that he will not sign the bill. I know that the President of the United States has not made up his mind. The Secretary of Agriculture has not made up his mind. They are waiting the outcome of the conference. I hope we can have a bill that makes some sense.

With that I withdraw my objection that I raised earlier, and I will work constructively with all concerned to make changes in this bill in conference that I think are absolutely essential.

Mr. President, I yield the floor.

EXHIBIT 1

[From the Omaha World-Herald, Feb. 27, 1996]

GLICKMAN SAYS NEW FARM PLAN'S COSTS ARE HIGHER

(By David C. Beeder)

WASHINGTON.—Legislation guaranteeing farmers more than $40 billion over seven years would cost the federal government $20 billion more than it could cost to extend a farm law that expired Dec. 31, Agriculture Secretary Dan Glickman said Monday.

''For the first two or three years, we know we are going to be spending much more on this farm bill,'' Glickman said in a speech to the National Association of State Departments of Agriculture.

Farmers would receive little or no subsidy payments if the five-year 1990 farm law still were in effect, Glickman said.

''Why? Because prices are higher now,'' he said.

Subsidies, under 60-year-old U.S. farm policy, have been based on the difference between the market price of crops and the so-called target price set by Congress, which is usually higher.

Glickman said economists at the U.S. Agriculture Department expect the market price of corn and wheat to match or exceed target prices for two or three years.

He said giving farmers a guaranteed annual payment in a period when they are being paid high market prices ''could create potential political problems'' for farm legislation in the future.

''We need a well-rounded farm bill, one that people in nonrural areas can support,'' he said. ''That's what we are working on, and we think the Senate bill moved a few steps in that direction.''

Glickman's speech before state agricultural directors was followed a few hours later by Rep. Pat Roberts, R-Kan., chairman of the House Agriculture Committee, who defended the plan to guarantee annual payments to farmers.

He disputed Glickman's estimate that the legislation would cost $20 billion more than would extending the farm law that expired Dec. 31.

Roberts said the Freedom to Farm Act, which he has co-sponsored with Rep. Bill Barrett, R-Neb., would reduce the average annual cost of commodity subsidies from $10 billion a year to $5 billion.

''The Freedom to Farm Act will save $5.2 billion over seven years, and that's what I intend to say on the House floor Thursday when we debate this legislation.'' Roberts said.

''What this debate is all about is who makes the decision,'' he said. ''We feel very strongly that under Freedom to Farm, the farmers make the decision. They have the freedom to plant whatever they want to plant.''

Roberts said the high prices being paid for crops this year have had little effect in the Great Plains, where poor growing conditions left many farmers with little or nothing to sell.

Under the 1990 farm law, many of these farmers received subsidy payments in advance, he said.

Those subsidies must now be repaid even though a farmer may have lost the crop, Roberts said.

''It is true that if you have the current (1990) farm bill the farmer gets no payment this year or next year, but he has to pay back advanced deficiency payments and there is no requirement for conservation compliance,'' Roberts said.

[From the Omaha World-Herald, Feb. 27, 1996]

STATE AG LEADERS WON'T BACK PLAN

WASHINGTON.—State agriculture leaders from Nebraska and Iowa said Monday they could not support farm legislation that guarantees a fixed government payment to farmers regardless what they are paid for their crops.

Larry Sitzman, Nebraska director of agriculture, said the plan would be politically vulnerable in a period like today when farmers are receiving high crop prices.

''I am concerned that a seven-year program with guaranteed benefits would be difficult to sell with the mood of Congress and the mood of taxpayers in this country,'' Sitzman said.

He said the plan, if adopted, could lead to elimination of a long-standing policy of subsidizing farmers during periods of low crop prices.

''The safety net probably would be gone in two years,'' said Sitzman, who operates a 2,000-acre farm near Culbertson, Neb.

Dale Cochran, Iowa secretary of agriculture said he expects Congress to pass a farm bill that includes guaranteed payments while continuing to provide subsidies when crop prices fall.

Cochran, of Eagle Grove, Iowa, said it would be difficult to convince taxpayers that farmers should receive a payment when crop prices are high.

Cochran, a Democrat who served more than 22 years in the Iowa House of Representatives, is in his third term a secretary of agriculture, an elective office in Iowa.

Sitzman, a Democrat, was appointed director of the Nebraska Agriculture Department by Gov. Nelson in 1991.

[From the Omaha World-Herald, Feb. 25, 1996]

USDA: DAIRY, CEREAL PRICES EXPECTED TO RISE

WASHINGTON.—Food prices in the United States are likely to increase less than the rate of inflation this year, with meat prices expected to decline, government economists say.

However, the price of milk should rise by 4 percent to 5 percent over last year because of the lowest surpluses of dairy products since the mid-1970s, the Agriculture Department predicted.

The Consumer Price Index for food rose 2.8 percent last year—the overall CPI was up 2.5 percent—and higher prices for fruits and vegetables were the prime reason, USDA Chief Economist Keith Collins noted in a report to the annual Agricultural Outlook Forum.

''In 1996 the highlight for the American consumer will be food-price increases below the overall inflation rate, as the strong increase in meat production lowers meat prices slightly,'' Collins said. Red meat and poultry account for 24 percent of the at-home food CPI.

With average weather, Collins added, this year's fruit and vegetable price increases should be less than last year's. Although the price of cereal and baked goods should go up because of rising grain costs, the increase is likely to be no more than about 5 percent because farm-level grain prices represent only about one-tenth of the retail prices of the finished products.

The USDA forecast relies in large part on the expectation that 1996 beef production will increase by 2 percent to 3 percent despite higher feed costs. This envisions feed corn prices peaking at about $3.70 per bushel.

However, Collins said, ''If 1996-crop corn prices were to move into the $4-per-bushel range due to reduced yield prospects, hog and poultry producers would reduce animal numbers first with cow-calf operators making their big reductions in the fall.

''The result would be higher meat prices in late 1996 and into 1997, and, for beef, into 1998 and beyond.''

USDA foresees record-high season-average farm prices for wheat in this harvest year and near-record prices for corn. Carryover stocks of wheat on June 1 are forecast at 346 million bushels, which, as a percent of total use, would be the lowest since 1947–1948. Corn carryover was put at 457 million bushels, lowest as a percent of use since 1937–1938.

Such low stocks make it very difficult to forecast prices, Collins acknowledged. ''The low stocks have put feeders, processors, traders and consumers at much greater risk if 1996 harvests are subpar.''

With higher corn prices, better planting weather and no reduction in acreage, USDA said corn planted this year may increase nearly 15 percent, to more than 80 million acres. Winter wheat acreage was up 7 percent, and total wheat acreage this year could rise about 6 percent, to 73 million acres. That would support a wheat price near the $4-a-bushel level.

[From the Lincoln Journal Star, Feb. 25, 1996]

BILL RAISES FARM COSTS, OFFICIALS SAY

(By Robert Greene)

WASHINGTON.—A farm-program overhaul that the Senate passed this month will raise spending rather than save billions of dollars as Senate budget writers had planned, the Senate Budget Committee says.

''We've lost all our savings,'' said Bill Hoagland, the committee's staff director.

The original farm-program changes in the budget-balancing legislation vetoed by President Clinton last year would have cut spending for agricultural programs by $4.6 billion.

The Senate-passed farm bill instead costs $200 million to $380 million more over seven years than if farm law had been left alone. Hoagland said.

The new estimates create problems for the farm bill as the House prepares to take it up this week. Many added costs were the result of amendments needed to ensure its 64–32 passage Feb. 7. Those amendments included guaranteed spending for new conservation, rural development and farmland preservation programs.

Stripping down the bill could lose votes, many from Democrats, when a final version is crafted. Or law-makers could be forced to tinker with the core ''Freedom to Farm'' proposal, which substitutes fixed-but-declining payments for unpredictable, price-based crop subsidies.

Democrats remain opposed to ''Freedom to Farm'' because it continues to pay farmers even when crop prices are high. New projections released last week by the U.S. Department of Agriculture suggest that farmers will cash in big if Congress removes the link between farmer payments and movements in crop prices.

Prices for major crops are expected to be high for several years because of heavy world demand and extreme shortages going into the wheat and corn harvests this year.

As a result, crop subsidies could wind up costing a little more than $12 billion over seven years, the figures show, if farm law is unchanged.

The Senate bill and the version headed for the House calls for giving farmers $35.5 billion over seven years—nearly three times what the Agricultural Department forecasts.

The department estimates are based on more optimistic forecasts for crop prices than those used by the Congressional Budget Office, which Congress uses for estimating program costs, and other forecasters.

The wide gap points to the larger debate over the massive overhaul, including who should get the money.

The Republican bill guarantees the payments against future budget cuts and leaves the way open for farm programs to end after seven years. The high payments in 1996 will offset the $2 billion in advance subsidies that farmers will have to refund from 1995 because prices shot up.

The Democrats, including Agriculture Secretary Dan Glickman, say farmers still need a safety net in case crop prices unexpectedly plunge—despite the department's rosy predictions.

Advocates for conservation and more help to small farmers say that locking in payments to farmers, including the large ones, means danger, especially if the House version passes without any of the Senate amendments.

''The likely result will be that future agriculture budget cuts will be in beginning farmer, rural development, research and conservation programs,''said Chuck Hassebrook, an analyst with the Center for Rural Affairs in Walthill, Neb.

Andy Fisher, spokesman for the Senate Agriculture Committee, hinted that the Freedom to Farm payments may have to be cut. He also said the committee was awaiting final cost estimates from the Congressional Budget Office.

He noted that the 1990 farm bill cost $57 billion over five years—$15 billion more than forecast. The new bill would allow no such overruns.

Hoagland, at the Budget Committee, said that even though the farm bill had been separated from the budget-balancing bill: ''Most of our discussions had always assumed that we would still get some savings, even in any final negotiated agreement, in the $3 billion to $4 billion range. But we have no savings at all. We have a cost.''

[From the Omaha World-Herald, Feb. 23, 1996]

HUNDREDS EXPECTED TO PROTEST FARM BILL

(By Ann Toner)

By bus, car and van, farmers from as far away as North Dakota are expected to gather in Wichita, Kan., today to voice their opposition to the latest farm program proposals to gain House and Senate approval.

Loosely dubbed the Freedom to Farm Act, the proposed law—officially, the Agricultural Marketing Transition Act in the Senate—is in its final stages in Washington.

While some other farm groups favor the proposal, the opponents believe that unless substantial changes are made, President Clinton should veto the bill.

''Doing nothing is a far better option than committing economic suicide just to end the suspense of waiting,'' said John Hansen of Tilden, president of the Nebraska Farmers Union.

Proponents ''listened to the grain trade and shut out the interests of production agriculture,'' he said. ''It's a hostile takeover of ag policy by the grain trade that will flood the market with lots of cheap product at the expense of family farmers.''

John Whitaker, president of the Iowa Farmers Union, said he hopes to convince Agriculture Secretary Dan Glickman that unless substantial changes are made in the bill, Clinton should veto it.

''Real farmers don't want welfare,'' Whitaker said. ''We want to veto it and unless it can be improved, revert to 1949 law.

''Under the Senate bill, you don't even have to farm for seven years to get a payment. Farm programs are supposed to be a safety net. In years when they don't need it, like this year, they shouldn't get a payment.''

The final bill isn't finished—House and Senate versions are due to be reconciled before being forwarded to Clinton—but opponents said they are meeting now to send their message to Washington.

But the proposal has strong defenders, said Rep. Bill Barrett, R-Neb.

''This bill echoes the sentiment of the majority of those in agriculture,'' Barrett said. ''This bill provides planting flexibility, promises full production, and allows farmers to manage their own businesses based on economic factors without government intervention.''

Rob Robertson, vice president of the Nebraska Farm Bureau Federation, said provisions of the law would ''benefit farmers by providing income stability over seven years and allowing U.S. agriculture to compete in the world marketplace.''

Opponents include Sen. J.J. Exon, D-Neb.

''If we buy into the Freedom to Farm Act now, by the year 2002 there would be no farm programs at all, no safety net, not anything,'' Exon said. ''For the next seven years, it turns farm programs into welfare programs.''

Today's rally is scheduled to start at 4 p.m. in the parking lot of the Cotillion Ballroom in Wichita. Between 1,500 and 2,000 farmers are expected to participate, representing several farm groups that oppose all or parts of the proposal.

Some of the groups represent mostly small farmers, but others have many large-farm members as well.

After the rally and a 6 p.m. barbecue, a 7 p.m. question-and-answer session with Glickman is planned inside the ballroom.

Glickman, a former Kansas congressman, opposes many aspects of both versions.

But sponsors of the Glickman dinner—Kansas Farmers Union and KFDI, a Kansas radio station—said Glickman is not coming to Wichita either to take part in the rally or to be rallied against.

In fact, Glickman isn't even scheduled to arrive until the rally is over.

The sponsors said Glickman is coming to Wichita for the sole purpose of breaking bread with the farmers, speaking and answering questions from farmers after dinner.

National Farmers Union President Leland Swenson and Farmers Union leaders from about 15 states are expected to be in attendance.

''After two years under this program, production would increase significantly, driving down prices,'' Swenson said. That would leave farmers no chance to sell their crops at a profit, he said.

Gene Paul of Delavan, Minn., president of the National Farmers Organization, also opposes the bill.

''Freedom to Farm will do nothing to improve the image of agriculture, nor will it deal with the solution of America's farm problem: sustained, profitable commodity prices,'' he said.

Wheat grower Tom Giesel of Larned, Kan., one of the organizers of the rally, said farmers, not farm leaders, will speak.

''We've invited speakers who can speak from the heart about how this farm bill will affect their farms and rural communities,'' Giesel said. ''Their message, that this bill will devastate the rural economy, is very important for people to understand.''

More than a busload of Nebraskans are expected to attend the Wichita event, said Hansen, the Nebraska Farmers Union president.

Other Nebraskans will represent the American Corn Growers Association, the Nebraska State Grange, the NFO, the Nebraska Wheat Growers Association and the League of Rural Voters.

Hansen said he and many of the attending Nebraskans believe the House and Senate bills would make their farms too vulnerable to the marketplace and the whims of grain trading giants.

''It's a political and economic bonanza to the grain trade,'' he said. ''They got what they've wanted for a long time.''

Hansen said the promise of payments to farmers during the transition without program restrictions would be so offensive to taxpayer groups and members of Congress that it will ''set us up for the political kill'' later on.

Roy Frederick, a public policy specialist for the University of Nebraska-Lincoln, said calling it an Agricultural Market Transition Program is appropriate.

''It seems highly unlikely that flat payments without regard for market conditions could last beyond 2002,'' Frederick said.

John Dittrich of Meadow Grove, Neb., who will speak at the rally, said ending price supports would be ''extremely destabilizing to farmers and destabilizing to consumers.''

The increased risk of farming without a safety net would discourage young farmers from entering the business and jeopardize older farmers, Dittrich said.

He said the proposals are influenced by businesses and ''legislative theoreticians'' who don't understand the risks and instabilities of farming.

''They've never had to look nature in the eye the way farmers have had to do,'' he said.

KEY PROVISIONS OF ''FREEDOM TO FARM'' ACT

Subsidies

Eliminate crop subsidies and reduce payments annually to farmers, ending them altogether in seven years.

Planting

Eliminate crop acreage restrictions. Farmers would be allowed to plant as much or little of any crop as they choose.

Maximum payments

Lower the maximum payment to farmers under the programs from $50,000 to $40,000 but enlarge provisions that could increase payments to large farmers who create several subentities.

Conservation

Senate version: Reauthorize the Conservation Reserve Program through 2002 for up to 36.4 million acres, provide incentives for farmers leaving the program to protect the most environmentally sensitive land and fund a program to reduce pollution from farm and livestock runoff.

House version: Reduce the Conservation Reserve Program and allow land to be withdrawn from the program at any time.

Future

Senate version: Require Congress to pass additional farm legislation when the current bill expires.

House version: Instead of requiring a new bill, name a Commission on 21st Century Production Agriculture to make future policy recommendations.

LUGAR TO KEEP CAMPAIGNING, HOLD AG PANEL POSITION

WASHINGTON.—Sen. Dick Lugar, R–Ind., said Thursday that he would not consider stepping down as chairman of the Senate Agriculture Committee while he continues campaigning for the Republican presidential nomination.

Lugar also said that Sen. Bob Dole, R–Kan., should remain as Senate majority leader while campaigning for the nomination.

''I think Bob Dole is doing a great job as our majority leader.'' Lugar said at a press conference. ''I hope I have done a good job getting a farm bill through the Senate.''

Lugar, who received less than 6 percent of the vote in the Iowa party caucuses and the New Hampshire primary election, said he plans to continue campaigning ''as long as there is money and some momentum.''

[From the Lincoln Journal Star, Feb. 25, 1996]

ONLY PEOPLE WHO EAT NEED TO WORRY ABOUT OUR FOOD POLICY

(By Sally Herrin)

The United States Senate put the family farm up for sale when it voted 64–32 to send Bob Dole's Agriculture Marketing Transition Act. S1541, to the House of Representatives tomorrow morning, Feb. 26. This is a modified version of Bill Barrett's and Newt Gingrich's Freedom to Farm proposal, which is the ''final solution'' to farm programs.

But farm programs are just for farmers, rights? Think again.

Concerned about the environment? No wilderness protection initiative has anything like the impact on soil and water quality that a national farm policy has, because farmers and ranchers own more than three-fourths of the non-public land in the country. And while S1541 retains authorization for the Conservation Reserve (the butt of many a late night's comic joke, this poorly understood program builds the nation's environmental capital), the stone truth is the carrot-and-stick good faith partnership between ag producers and the nation is broken. Added long-term conservation goals will be sacrificed for short-term economic survival.

Is food security national security? Europeans old enough to have survived World War II would say so. Yet, the proposed farm bill excludes farmers who haven't participated in farm programs in at least one of the last five years, cutting off farm kids at the knees.

The average farmer in Nebraska is 57. Seven years of declining severance pay takes most of them right up to retirement. Who will farm then?

Nebraska lost 33.9 percent of its rural population between 1980 and 1990. Just as agriculture is the prime economic base for the state as a whole, farm families are the economic base for the main street businesses which serve them. When the families leave and fail, the towns dry up and stand rattling like pin oaks in the wind.

Earl Butz—former secretary of agriculture, forced to resign for telling off-color, racist jokes and later convicted of income tax fraud, mentor to Clayton Yeutter and economic godfather to Freedom to Farm—Earl Butz described rural depopulation resulting from low commodity prices this way: ''This trend toward fewer farms isn't bad. Rather, it's good because it frees a larger percentage of the population to become productive members of society.''

While Butz and Yeutter laid the groundwork for the industrialization of our food supply, it has taken Dole and Gingrich to bring big business to its perilous new heights of corporate economic advantage, which is what Freedom to Farm is all about.

The only people who should care about farm policy are the people who eat. As for so much else in modern life, we are in denial about how food comes to our table. But no Martha Stewart recipe will take away the stink of corporate hog farming and the environmental and economic devastation that it means to communities just across the Missouri River in Iowa.

National food security is a matter of reasonable production goals that also give something back to the land, and it's a matter of a strategic food reserve. Freedom to Farm creates planting chaos and a world of boom-and-bust cycles with huge surpluses and terrible shortages. The last time the agricultural market was this ''free,'' they called it the Great Depression. It not only can happen here, it has.

Freedom to Farm means seven years of decoupled welfare payments to farmers, politically indefensible in times when welfare to poor women and children being gutted, and lending new meaning to ''planned obsolescence.''

In a letter to the editor (LJS, Feb. 21), Bill Barrett claimed his proposal was designed to let farmers get their income from the market. But his bill strips farmers of their traditional marketing tools, including the Farmer-Owned Reserve and the Emergency Livestock Fee Program, and caps the loan rate for corn at $1.89. Since loan caps in practice generally become price ceilings, this means farmers selling corn at or below the cost of production.

The food sector, the most profitable in the national economy bar none, is shared by four corporations: Cargill, ConAgra, ADM and IBP. Mexican farmers call them the Coyotes, and I'm hoping the tag will catch on.

There is no free market. The food sector has become a system of shared monopolies, and by letting men like Dole and Barrett shape our national policy who consistently favor big corporations at the expense of the public good, we permit it to happen.

While you may want government off your back as the shadow of tax time creeps near, you'd do well to remember that government is all you've got to mitigate, much less control, big business.

Bob Dole has been one of Archer Daniels Midland's best long-term political investments. Bill Barrett, ConAgra's largest single PAC recipient for the years 1980–92, is repaying his contributor with the Freedom to Farm the Farmer is Spades.

The farm hits the auction block tomorrow morning when the House takes up debate. The land is the only thing the Coyotes don't own. Yet. But unless our president and representatives get a lot of calls and wires tonight, we've just sold the family farm.

[From the Lincoln Journal Star, Feb. 18, 1996]

FREEDOM TO FARM: AN EXCUSE TO ABANDON AGRICULTURE

Blow a little dust off your memories of the 1988 Senate race in Nebraska. David Karnes is at the podium at State Fair Park in Lincoln. Row after row of Republican cheerleaders lean forward, gathering themselves for their next explosion. But coming out of Karnes' mouth are these fateful words: ''We need fewer farmers at this point in time.''

Groans. Gasps. Even boos. Cheerleaders slump in their seats. Bob Kerrey seizes on what Karnes later describes as a slip of the tongue and delivers a stern lecture. A few weeks later, voters elect Kerrey and cast Karnes into the basement of political esteem.

But guess what? Eight years after a promising conservative showed his poor grasp for acceptable rhetoric, the underpinnings of the once unutterable are being uttered daily. As Congress and President Clinton stumble toward passage of new farm policy, the words ''freedom to farm'' are much in vogue. They are represented, not as the first step toward abandonment of agriculture, but as breathtaking reform.

When Karnes charged into Lincoln with a solid shot at beating Kerrey, the underpinnings for sweeping change were called ''decoupling.'' It was a simply slogan meant to break the link between public payments to financially challenged farmers and public attempts to manage grain supplies and natural resources.

Eight years later, ''freedom to farm'' is a softer sell of essentially the same thing. If conservatives have their way with the next farm bill, farmers will still get money from the government over the next seven years, but there will no longer be any requirement of idle acres.

The trouble with this policy is that it neglects farmers' protection against mountainous and ruinous grain surpluses. It neglects consumers' protection against shortage. It edges farmers away from earning their way by conserving and under-utilizing their land assets. The new policy has the government doling out compassion and dollars in diminishing increments over the next seven years.

Momentum is still building to send this very message to farmers by mid March, before the last-ditch deadline for enrollment in the payment-compliance system and the start of planting season. The freedom to farm crowd continues to describe it as the one true path toward self-reliance and cutting into the federal debt.

It is not. It's not even close. Reformers could save tons of money if they just targeted farm payments toward the smaller and often younger farmers who need them and cut off the big farmers who have plenty of equity and cash. In what may be the only country in the world that has never known food shortages, rational policy makers could keep a proven food security system in place, cut costs and still offer farmers familiar incentives for controlling erosion and groundwater contamination.

According to the most recent portrayals of its leadership, the American Farm Bureau Federation, the largest alliance of grain producers nationally and in Nebraska, is among those sold on much rasher behavior. Its legions are ready to roll up their sleeves, renounce reliance on tax dollars, and exercise this new freedom to farm.

According to recent portrayals by Sen. Jim Exon, the Farm Bureau is mentally ill. It

must be schizophrenia. Exon said, that has its spokesmen calling for more of the same in the federal-farmer partnership one moment and much less of the same the next.

Those eager to demolish farm programs suggest the average farmer is a millionaire, because he has a million dollars' worth of paper assets. They smugly suggest that the government could have bought all the farmland in 41 states with the money it spent on the farm program in the last 10 years.

Much of this is the rhetoric of insanity. But regardless of what farm groups and farmers really want, consumers should embrace sanity and a system that can continue to serve their food needs at a more acceptable budget price.

Reform is a wonderful thing. Adjusting farm policy so that farmers are cast in the role of welfare recipients is not reform. It is a calculated abandonment of government's crucial role in ensuring a good supply and reasonable food prices.

TERM LIMITS CAN'T GO ON '96 BALLOT

Any attempt to put another question dealing with term limits on the November ballot could run afoul of the Nebraska Constitution, said Secretary of State Scott Moore.

Article III, Section 2 of the constitution says: ''The same measure, either in form or in essential substance, shall not be submitted to the people by initiative petition, either affirmatively or negatively, more often than once in three years.''

The Nebraska Supreme Court last week threw out term limits that were placed on the ballot in 1994.

Moore said his warning did not apply to a petition already filed that would seek to force legislators to support term limits. Rather than putting term limits in the State constitution, that measure seeks to label on the ballot those candidates who do not support the idea.

FREEDOM TO FARM: FREEDOM TO PLUNDER TREASURY

Farming experts will tell you that a farmer who can't make money raising corn at $3 a bushel should sell the tractor and move to town. Fortunately, most Nebraska farmers are much too smart to miss out on the $3 corn and the profits that appear will within reach as the 1996 growing season approaches.

But misfortune is in this picture, too—misfortune for taxpayers. Congress is hammering out a farm bill that proposes to give these same savvy farmers as much as $40,000 each in extra income, in precious tax money, this year. Why? Because that how Freedom To Farm, the new approach that is supposed to get the government off the farmer's back, is supposed to work. It put more government, more cost, on the taxpayer's back instead.

It does this by severing the long-standing connection between grain supplies, market conditions and levels of price support payments to producers.

Conservatives have opened the door to one of the biggest boondoggles in farm program history. In the first year of this ill-named ''reform,'' farmers can get almost $4 a bushel for any corn they have in the bin right now. The have every night to expect that they can lock in prices of $3 per bushel or better on their 1996 production—and they will still qualify for thousands of dollars in government support!

Freedom to Farm sets aside several billions dollars for the first of seven years of annually declining financial support to farmers. Allocators of that amount are completely oblivious to need and profit influences. Right in front of us here, in fact, is a year when farmers are unlikely to need any help at all.

A typical Nebraska farmers could easily make $200 an irrigated acre in profit in 1996—$200 after expenses. If he has 1,000 acres of corn, that's profit in six figures. That's not the sort of financial statement that ought to be supported by another $40,000 from taxpayers.

Much less likely, but not impossible is this market scenario: A bad export forecast or the kind of weather that causes bin-busting surpluses intrudes in the next few weeks, prices plummet, and this financial safety net is suddenly woefully inadequate.

The point in either case is that this twisted vision of farm policy helps farmers when they don't need help and could well help them too little when they need lots of help. That's what Freedom to Farm would do if it passes in present form.

As it exists in the House, scene of the debate this week, it is even worse. Freedom to Farm on the House side is also woefully deficient in protection of soil and water resources and in support for rural development of things that should matter to farmers, to consumers, and anybody who understands that farm policy is also food policy and environmental policy.

In all of those areas, Congress has edged dangerously close to handing us bad policy.

SENATE FARM BILL A ''SELL OUT'' OF FARM FAMILIES, SAYS NFU PRESIDENT

WASHINGTON, DC.—The farm bill passed by the U.S. Senate Wednesday was termed a ''sell out of American farm families and their values to the special interests of agibusiness and a licence for a few corporations to further dominate the marketing, processing and trading of agricultural commodities'' by National Farmers Union President Leland Swenson. Representing 250,000 farm, ranch and other rural families across the nation, Swenson expressed concern that the Agricultural Transition Act would escalate the move of U.S. agriculture away from its system of independently owned and operated family farms to that of contract production.

''How ironic it is for this reform-mined Congress to establish a brand new bureaucracy instead of enacting real farm policy reforms. The Agricultural Transition Act guarantees payments regardless of commodity prices and regardless of whether or not a crop is even planted,'' Said Swenson. ''This bill would provide producers with a short-term gain, but it will inevitably lead to long-term economic pain for independent family farmers and for other rural communities,'' said Swenson.

The Senate is irresponsible in this proposal to enact policies which maximize production, lower commodity prices at the farm gate and make set payment,'' said Swenson. He also notes that under this bill farmers would be asked to sign seven-year compliance contracts without even knowing what their transition payments will be.

The Agricultural Transition Act caps marketing loan rates for seven years. The maximum loan rates under this bill would be: corn—$1.89 per bushel; wheat—$2.58 per bushel; soybeans—$5.26 per bushel; cotton—52 cents per pound; and rice—$6.50 cwt.

''Loan rates are capped at artifically low levels, stripping away any opportunity producers might have to market their commodities in a manner that positively affects farm income,'' said Swenson. ''After two years under this program, production would increase significantly, driving down prices.''

Farmers Union supports the U.S. Senate's retention of permanent farm law and the reauthorization of nutrition, conservation and rural development programs, as well as increased planting flexibility.

''The bottom line is that the Agricultural Transition Act will drive down commodity prices, lower farm income and make it difficult for young farmers to enter production agriculture,'' said Swenson. ''We will urge President Clinton to veto the proposal if it reaches his desk.''

''Beyond the devastating economic impact this proposal would have on rural communities, we need to question the long-term consequences of a food supply controlled by a handful of multi-national corporations. We also need to ask ourselves if such a system of food production is worth the environmental degradation and the loss of rural businesses and infrastructrue,'' said Swenson.

WHAT'S WRONG WITH THE FARM BILL APPROVED BY THE SENATE?

S. 1541, the Agriculture Market Transition Act, is still ''Freedom to Farm.'' This is the grain trade bill, designed as a watershed legislation to end farm programs.

This bill decouples production from payments. Farmers don't want decoupled welfare payment, they want a fair price for what they produce. In a political climate where welfare payments to the poorest children are under attack, given the already massive national negative press characterizations of farmers as rich welfare cheats, given the declining population and political base of farmers, given the fact that farmers will collect decoupled welfare type payments during periods of relatively high commodity prices, Congress will most likely eliminate the Farm Bill before its scheduled 7 years. This amounts to an invitation to our own hanging.

How can anyone be expected to sign a seven-year contract for declining payments without knowing what is being offered? There is nothing in S. 1541 to even allow producers to calculate what their transition payment would be. All we know is that payment is limited to 85 percent of contract acres, and based on historical yields, frozen since 1985. There is no price factor in this formula. USDA just divides the available pool of money between contracting farmers.

S. 1541 provides what amounts to as ''severance payment'' to older farmers looking to get out of farming, but what about young farmers trying to get in? Young farmers are locked out.

This bill actually reduces marketing flexibility. It eliminates traditional marketing tools used by farmers to store farm commodities during periods of low commodity prices: The Farmer Owned Reserve is dead. So is the Emergency Feed Program and the Emergency Livestock Feed Assistance Program.

This lowers the non-recourse marketing assistance loans down to: corn—$1.89, wheat—$2.58, rice—$6.50/cwt, and soybeans based on 85% of recent average prices, using the same formula used for wheat and feed grains or between $4.92 to $5.25/bu. In addition, it gives the Secretary of Agriculture the authority to make downward adjustments to wheat and feed grain loan rates based on stocks-to-use-formulas, but no authority to raise loan rates.

Contracts must be signed by April 15. The House has yet to act on the Farm Bill, and will not likely do so until the end of February. The House and Senate versions will then need to go to Conference Committee, and then reported to the President. Will that be enough time to develop new rules and program regs by then? No.

This Farm Bill will cause a tremendous amount of uncertainty in crop production as farmers chase whatever crop they think will work best this year. Boom and Bust. Huge surpluses, and major crop shortages. National Food Safety is clearly at risk. Land values and other assets will decrease as crop prices wildly gyrate and auger their way to

the bottom of the unprotected world market price, which tends to be the ''dump price.''

So what is so bad about the 1949 Permanent Farm Bill? Not much. Is it better than the current law or the proposed Farm Bills in either the Senate or House? Yes, much better.

What do we want the President to do? VETO the Farm Bill.

[From the Sioux Falls Argus Leader, Feb. 25, 1996]

IOWANS WARY ABOUT FREEDOM TO FARM BILL

(By George Anthan)

WASHINGTON.—Two of Iowa's most respected voices on national agricultural policy—both of them Republicans and farmers—express strong misgivings over the GOP's Freedom to Farm bill, which would guarantee subsidies to farmers regardless of market prices.

Cooper Evans of Grundy Center, a former congressman and former agriculture adviser to President Bush's White House, said the policy advanced under the Freedom To Farm bill ''would be a disaster.''

Thurman Gaskill of Corwith—long active in national farm policy affairs and a high-ranking political operative for Presidents Nixon, Ford and Bush—said: ''I don't understand the thinking behind this. In the short term, it's a hell of a deal. But I don't think it's good for the long-term farm policy of this country.''

Evans, an influential member of the House Agriculture Committee during his congressional service, said: ''To me, the important point is that now is not the time for a program that can be viewed as strictly a gift in the sense that it's not at all tied to need, not at all tied to current prices, not at all tied to supplies.

''It's just a gift, which seems to me to be totally incompatible with the fundamental interest of both parties to whip the budget deficit.''

Evans continued: ''We're making all kinds of claims on programs that have a much larger constituency, and I think it makes those who support (Freedom To Farm) extremely vulnerable to the criticism that you're cutting Medicare, you're cutting Medicaid . . . and yet you're giving this money to farmers regardless of what they do, regardless of what they plant, regardless of what the prices are.

''It would be most inappropriate to do this.''

Conversely, Rep. Tom Latham, R-Iowa, who strongly supports Freedom To Farm, said it ''eases our farm economy into a market-oriented economy though guaranteed market transition payments.''

But Freedom To Farm, approved recently by the Senate, isn't law, yet. The House returns this week to take it up amid signs of rebellion among conservatives, environmentalists, consumer advocates and even farm-state legislators.

House conservatives are upset because the Senate, to avoid a filibuster, added $4 billion to the bill's cost and reauthorized food stamps and other nutrition programs they wanted to cut back as part of welfare reform.

Also, the Senate avoided dealing with the complex dairy issue. But a House proposal is being attacked by consumer and food manufacturing interests as a measure that would force higher milk prices.

ECONOMIST: FARM BILL WILL DROP CROP PRICES

The Freedom to Farm bill, as written, would mean lower crop prices, more production and could ultimately affect property tax revenues, an agricultural economist said.

The bill, passed by the U.S. Senate, would phase out crop subsidies to producers over a seven-year period.

Because farmers will no longer be told what to plant and how much to plant, production will increase, said Gene Murra, an economist at South Dakota State University.

''I think it would be very easy, in many cases, for producers to say, 'Well heck, I might just as well plant as much as I can,' and given the fact that we have a relatively high price this year, that's going to encourage even more of that kind of thing. So we could have very large production in any given year if the weather is just right,'' Murra said.

Lower crop prices could lower values of agricultural property lending to lower property tax collections, he said.

NFO OPPOSES ''FREEDOM TO FARM ACT'' AS PASSED BY SENATE

AMES, IA.—The National Farmers Organization (NFO) opposes the Freedom to Farm Act as passed by the U.S. Senate.

''The statement that Iowa U.S. Senator Charles Grassley is circulating that all farm organizations support the Freedom to Farm Act is erroneous,'' says NFO president Gene Paul. ''The NFO cannot support the act because in the long run it will not benefit NFO members, nor rural communities.''

''The one thing that farmers and ranchers in this country need is more economic stability and sustained profitability based on fair farm commodity prices. Otherwise, they are unable to make sound farm management and marketing decisions. Freedom to Farm does just the opposite. It transitions farmers into a world market that is anything but free, and is most notable for price instability,'' Paul explains.''

''Furthermore, while no one wants deep government intrusion into day-to-day farming decisions, the federal government has a legitimate role in agriculture,'' Paul notes. ''It needs to insure fair competition, both domestic and foreign. It needs to keep accurate records of the agricultural industry. And it needs to provide some form of an income safety net to food and fiber producers who are the victims of circumstances beyond their control, such as severe weather, political shenanigans, and market manipulations.''

Another NFO concern about Freedom to Farm, according to Paul, is the image it will convey to consumers and taxpayers that farmers are benefitting from an unnecessary government subsidy or handout.

''The American public already has a false conception that family farmers are doing well economically, when in fact thousands of them continue to go out of business each year,'' Paul concludes. ''Freedom to Farm will do nothing to improve the image of agriculture, nor will it deal with the solution to America's farm problem, which is sustained, profitable commodity prices.''

[From the New York Times, Mar. 1, 1996]

HOUSE APPROVES BIGGEST CHANGE IN FARM POLICY SINCE NEW DEAL

LEGISLATION PHASES OUT SUBSIDIES OVER 7 YEARS

(By Eric Schmitt)

WASHINGTON.—The House today approved a major overhaul of American farm programs, voting to end 1930's policies that pay farmers not to plant certain crops and to replace many subsidies with fixed payments that would end after seven years.

The $46 billion legislation, the most far-reaching agricultural bill since the New Deal, ends most Government controls over planting decisions for America's 1.5 million farmers. The vote was 270 to 155, with 54 Democrats voting for the bill and 19 Republicans voting against.

''We've now changed the farm-program world,'' said Representative Pat Roberts, a Kansas Republican who heads the House Agriculture Committee.

The Senate approved a similar, but slightly more costly bill earlier this month. Lawmakers from both chambers will likely meet next week to hammer out a compromise version. Agriculture Secretary Dan Glickman said the House bill ''fell short'' in maintaining financing for research, rural development and food for the poor. He said he would not recommend the bill to Mr. Clinton unless the conference committee altered these and other provisions.

The Administration and Congress both want to pass a farm bill soon and farmers are clamoring for a resolution because planting season has begun or will begin soon in many areas.

Mr. Glickman also complained that elimination of the market-based subsidy payments would deprive farmers of a vital safety net. But with crop prices at 10-year highs, consumer groups say the fixed payments the bill calls for would actually cost more in the next few years than the current subsidies, which fall when prices are high.

From the New York Times, Mar. 6, 1996]

BIG CHANGES DOWN ON THE FARM

Reforming the nation's bloated farm subsidy programs is no overnight task. It has taken 60 years for an emergency relief program to mutate into what now amounts to a welfare system for the rural middle class. Nevertheless, Congress has moved an amazing distance toward ending support programs for wheat, corn, rice and cotton. It even took aim, although it missed, at peanuts, sugar and dairy support systems that milk consumers.

The Senate and House have passed bills that would phase out wheat, corn, rice and cotton subsidies over a seven-year period. The House came within a few votes of ending peanut and sugar programs and beat back an audacious attempt by some dairy interests to make milk marketing even more costly to consumers. Senate-House conferees need to make clear, as the House bill attempts to do, that after 2002 the farm welfare supplicants cannot count on reverting to old, discredited law.

The seven-year weaning process, a schedule of declining annual payments to farmers regardless of their planting decisions, is itself a form of welfare designed to appease long-pampered farm lobbyists. The House bill would make it harder for lobbyists to extend the dole after seven years and is thus preferable to the Senate version.

Peanuts and sugar have narrowly survived but they are rapidly becoming endangered species at a time of budget constraints and growing impatience with wasteful government spending. It is now planting season, time for the Senate and House to adopt the better elements of both bills.

[From the Lincoln Journal-Star, Feb. 19, 1996]

BIG AGRIBUSINESS ENJOYED BENEFITS IN SENATE FARM BILL

WASHINGTON.—With a mix of luck, work and unusual organization, the lobby for big grain companies, railroads, meat companies, millers and shippers scored a big win in the Senate-passed overhaul of farm programs.

The ''Freedom to Farm'' bill, as it's called, stops the government from forcing growers to idle land in order to keep getting federal payments. It says farmers can grow the crop that's most likely to sell without losing government payments usually tied to a particular crop. For seven years, at least, the government won't fix the price of corn, wheat and other row crops.

Those things please the people who depend on a steady stream of raw farm goods. The stress on volume over price has made farmers suspicious of being exploited. Still, farmers wanted some of the same things, too, which is one reason the Senate could pass the bill 64–32 on Feb. 7.

Not that the antagonisms, dating to the last century, will end. Democratic advocates for small farmers from states like North Dakota and Minnesota futilely hammered the bill for helping corporate America while leaving the yeoman farmer out in the cold when price-based subsidies end.

''In the long run it says you're on your own with Cargill. You're on your own with the Chicago Board of Trade,'' said Sen. Paul Wellstone, D-Minn., taking on the Minnesota-based food giant during the Senate debate.

Cargill Inc., and the Chicago Board of Trade did work Congress. So did such giants as General Mills Inc., Tyson Foods, Kraft Foods and Procter & Gamble, Union Pacific Railroad, Rabobank Nederland, The Fertilizer Institute and others who build a business from agriculture.

Unlike before, the food companies and trade groups banded together. In the fall of 1994, more than 120 formed the Coalition for a Competitive Food & Agricultural System.

''It was probably the first time in history that a broad-based group in the food industry had gotten together with market-oriented reforms in mind,'' said spokesman Stu Hardy, a former staffer on the Senate Agriculture Committee, now with the U.S. Chamber of Commerce.

Individual members had tried to shape earlier farm bills, he said, but congressional committees answered mainly to grower groups and general farm organizations like the American Farm Bureau Federation. Others were ''pesky intruders,'' he said.

This time the coalition planned and carried out a lobbying campaign to show urban and suburban lawmakers what their stake was in farm law. Farmers who depend on crop subsidies number in the hundreds of thousands. The mills, railroads, ports and food companies and rest of the business provide 19 million jobs, often a long distance from the fields.

The group and its members met with every member of Congress or their staffs, putting together information on each district. It held farm bill seminars for congressional staff and the media.

The job turned out to be a lot easier than first thought. The Republican takeover of Congress, the move to overhaul government and the push to balance the budget were not sure things.

Wanting to keep the safety net but have more freedom to switch crops, farmers were ready for some change, then more. The Agriculture Department made corn growers idle 8 percent of their land in 1995. The way the market went, growers could have planted those acres and sold the crop at a good price. Western Kansas wheat growers suffered a crop disaster, but had to repay advance subsidies when prices soared.

Rep. Pat Roberts, R–Kan., chairman of the House Agriculture Committee, came up with the Freedom to Farm bill, which guaranteed a payment for farmers that falls over seven years and is not linked to crop prices.

The coalition didn't get everything. It couldn't cut the Conservation Reserve Program, which keeps 36 million acres of land out of production, including some good farm land. The Senate bill keeps ''permanent'' farm law in the attic, meaning the old system of crop-based subsidies could return.

[From the Omaha World-Herald, Feb. 25, 1996]

BUSINESSES PUT MUSCLE BEHIND FARM BILL PUSH

(By David C. Beeder)

WASHINGTON.—Major changes in U.S. farm policy—passed by the Senate and pending in the House—will get a big push all the way to the White House from a powerful coalition of more than 100 grain traders, processors, shippers, retailers and producer organizations.

''We wanted to retain a farm income safety net but also eliminate acreage reduction programs (ARPs),'' said Mary Waters of ConAgra Inc. of Omaha. ''Both of these bills do that.''

Stu Hardy of the U.S. Chamber of Commerce said the legislation could have been strengthened if it had reduced the amount of acreage in the 36 million acre Conservation Reserve Program, in which farmers are paid to idle land.

''This program goes on and on without adequate opportunities for an early out,'' Hardy said.

He said the Coalition for a Competitive Food & Agricultural System also was concerned about the Senate's retention of government programs restricting an open market for peanuts, sugar and dairy products.

''But we are pleased with the planting flexibility, the elimination of ARPs and the decoupling of income support and crop prices on a per-bushel or per-pound basis,'' Hardy said.

The seven-year Senate bill, which passed 64–32 Feb. 7, would end government subsidies for corn, wheat, cotton and rice on farms where those crops were planted on government-authorized acreage year after year.

Under the Senate bill, farmers would be allowed to plant any crop—or no crop at all—while continuing to receive government payments based on a declining percentage of subsidies paid in the past.

''It's a buyout. That's what it is,'' said Hardy. ''But the costs are fixed, and they are capped.''

In the past, he said, Congress would pass a five-year farm bill with a cost estimate that generally fell far short of the eventual expenditure.

Opponents of the Senate-passed bill include Sens. Tom Harkin, D-Iowa, J.J. Exon, D-Neb., and Bob Kerrey, D-Neb., who contend it will destroy a system intended to protect consumers and America's food supply in years when commodity prices fall below the cost of production.

Bob Petersen of the National Grain Trade Council said the coalition would not have endorsed a bill without income protections for farmers.

''But we felt the time for a 1930s-style farm bill had come and gone,'' said Petersen, a native of Burwell, Neb. ''We wanted an income safety net that would not distort markets.''

Petersen, whose organization represents grain markets including the Chicago Board of Trade and the Lincoln, Neb., grain exchange, said U.S. farmers should have the opportunity to capture a greater share of global markets at a time when prices are strong.

He said the coalition of organizations supporting major change came together gradually over a period of a year.

''Some of the farm groups were pretty suspicious of us at first,'' Petersen said. ''As the year has gone on we've all gravitated toward the same position.''

Petersen said the bill passed by the House could be considerably different than the Senate bill.

''However, I think it will get done,'' he said. ''Farmers and farm groups have been quite vocal in telling Congress they want a bill.''

Stephanie Patrick of Cargill Inc. of Minneapolis, like ConAgra a large grain buyer and meat packer, said she couldn't predict the fate of the farm bill in the House or whether it might be vetoed by President Clinton.

However, she said, the coalition has been a major factor in moving the legislation to a point of decision.

''The most gratifying thing about this bill is that we all were going for the same goal,'' she said.

Floyd Gaibler of the 1,200-member, 8,000-outlet Agricultural Retailers Association, said his organization joined the coalition because it supported the goal of ending supply-management policies in agriculture.

''I think everybody agrees they don't work in today's global market,'' said Gaibler, a native of Farnam, Neb., who was an assistant to former Secretary of Agriculture Richard Lyng.

Drew Collier of Union Pacific Railroad, a coalition member, said the Senate-passed bill would move the country toward a market-oriented farm policy that would result in more grain being transported by rail to export markets.

''The market place ultimately is the best arbiter of these issues,'' Collier said. ''Supply-side management has not proved to be the solution.''

At the Chicago Board of Trade, where farm policy is translated into prices and price protections, Celesta Jurkovich said the need for more U.S. production has been apparent for some time.

''You can see it in what's happening to prices,'' she said. ''They've been going through the roof. The demand out there far exceeds the supply.''

Ms. Jurkovich, a senior vice president at the Chicago Board of Trade, said global trends in population and rising living standards indicate demand will remain strong into the next century.

The PRESIDING OFFICER. Does the Senator from Montana renew his unanimous-consent request?

Mr. BURNS. I propound that same unanimous-consent request.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

So the bill (H.R. 2584), as amended, was passed.

The PRESIDING OFFICER (Mr. BROWN) appointed Senators LUGAR, DOLE, HELMS, COCHRAN, MCCONNELL, CRAIG, LEAHY, PRYOR, HEFLIN, HARKIN, and CONRAD conferees on the part of the Senate.

Mr. BURNS. Mr. President, I inquire of my friend from Nebraska who probably knows more about football than the average Senator. I once heard Darrell Royal, who was head football coach at the University of Texas. They always asked him why he never passed the ball very much. He had a great running team, and had a couple of national championships. He said, ''You know, when you pass the football, three things happen. And two of them are bad.''

That is kind of like the way we are running the farm program now. When you are in the grain business because the grain companies can buy the grain cheap, if you take out a market loan on your grain you can forfeit the grain, if it is not market price. And that goes into the pockets of the taxpayer. Then

the grain companies buy that after that happens probably at a lower price. Or they can go ahead and buy the grain, and the taxpayers pick up the difference between the grain and the target price. Three things happen. Two of them are bad for the taxpayer, and I think for agriculture.

The reason we have high prices right now is because we had a crop failure. How can you pay a deficiency payment when you do not have any wheat?

We had a great crop in Montana. We had a big crop and got a big price, and everybody is wealthy without the luxury of the deficiency payments.

So I think what we are doing is so that a majority of agriculture would like to get their dollars at the marketplace, and I hope that this will work. If it does not then I will be the first Senator on the door of the Senator from Nebraska after he has retired in Lincoln, NE, and we might enjoy a football game and watch Big Red roll. And then we will talk about all the mistakes that we made together.

Mr. EXON. If the Senator will yield, I thank him very much for his comments.

There is one thing that I want to correct, because no one knows it better than my friend and colleague from Montana. Certainly each and every cattle farmer is not doing well today. And no one knows that better than my friend from Montana because at one time he was a very prominent cattle person in Montana, and he knows better than anybody else the sad condition that our cattle industry is in today. I just wanted to correct the record. I know that he agrees with that. So everybody in Montana is not doing well. If there are any corn people up there, and the wheat people are probably doing pretty good and will the next 7 years, I do not know about the cattle business.

Mr. BURNS. We will hope for better times in the cattle business. The Senator from Nebraska knows that we have been through these times before, and we will go through this one.

I will be honest with you. I have a hard time, I say to the Senator from Nebraska, of going down the aisle in the grocery store. And these people are setting up here tonight. They buy a box of Wheaties. Wheaties is $3.46 cents a pound. It is not $3.46 cents a box, but a pound. Until this year we had a hard time getting $3.50 cents a bushel for a bushel of wheat, and there are 60 pounds in that bushel. I have a hard time dealing with that.

So I appreciate the comments of my friend from Nebraska.

WHITEWATER DEVELOPMENT CORP. AND RELATED MATTERS—MOTION TO PROCEED

CLOTURE MOTION

Mr. BURNS. Mr. President, I now move to proceed to Senate Resolution 227, the Whitewater legislation, and I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the clerk will report.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to S. Res. 227 regarding the Whitewater extension.

Alfonse D'Amato, Trent Lott, C.S. Bond, Fred Thompson, Slade Gorton, Don Nickles, Paul Coverdell, Spencer Abraham, Chuck Grassley, Conrad Burns, Rod Grams, Richard G. Lugar, Mike DeWine, Mark Hatfield, Orrin G. Hatch, and Thad Cochran.

Mr. BURNS. Mr. President, I ask unanimous consent that the vote occur on Thursday, March 14, at a time to be determined by the two leaders and the mandatory quorum under rule XXII be waived.

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

Mr. BURNS. Mr. President, I now withdraw the motion.

The PRESIDING OFFICER. The motion is withdrawn.

AUTHORIZING THE USE OF THE CAPITOL ROTUNDA

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate proceed to Senate Concurrent Resolution 45, submitted earlier by Senators DOLE and HELMS.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:.

A concurrent resolution (S. Con. Res. 45) authorizing the use of the Capitol rotunda on May 2d, 1996, for the presentation of the Congressional Gold Medal to Reverend and Mrs. Billy Graham.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. BURNS. Mr. President, I ask unanimous consent that the concurrent resolution be considered and agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the concurrent resolution appear in the appropriate place in the RECORD.

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

So the concurrent resolution (S. Con. Res. 45) was agreed to, as follows:

S. CON. RES. 45

Resolved by the Senate (the House of Representatives concurring), That the rotunda of the United States Capitol is hereby authorized to be used on May 2, 1996, at 2 o'clock post meridian, for the presentation of the Congressional Gold Medal to Reverend and Mrs. Billy Graham. Physical preparations for the conduct of the ceremony shall be carried out in accordance with such conditions as may be prescribed by the Architect of the Capitol.

NOMINATION OF THOMAS A. FINK TO BE A MEMBER OF THE FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

Mr. BURNS. Mr. President, as in executive session, I ask unanimous consent that the Governmental Affairs Committee be immediately discharged of the nomination of Thomas Fink to be a Member of the Federal Retirement Thrift Investment Board; further, that the Senate proceed immediately to the consideration of the nomination; that the nomination be confirmed; that any statement appear in the RECORD as if read; that upon confirmation the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The nomination was considered and confirmed, as follows:

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

Thomas A. Fink, of Alaska, to be a Member of the Federal Retirement Thrift Investment Board for a term expiring October 11, 1999.

HOUSING OPPORTUNITY PROGRAM EXTENSION ACT OF 1995

Mr. BURNS. Mr. President, I ask that the Chair lay before the Senate a message from the House on S. 1494, a bill to provide an extension for fiscal year 1996 for certain programs administered by the Secretary of Housing and Urban Development and the Secretary of Agriculture, and for other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1494) entitled ''An Act to provide an extension for fiscal year 1996 for certain programs administered by the Secretary of Housing and Urban Development and the Secretary of Agriculture, and for other purposes.'', do pass with the following amendment:

Strike out all after the enacting clause, and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Housing Opportunity Program Extension Act of 1996''.

SEC. 2. MULTIFAMILY HOUSING ASSISTANCE.

(a) SECTION 8 CONTRACT RENEWAL.—Notwithstanding section 405(b) of the Balanced Budget Downpayment Act, I (Public Law 104–99; 110 Stat. 44), at the request of the owner of any project assisted under section 8(e)(2) of the United States Housing Act of 1937 (as such section existed immediately before October 1, 1991), the Secretary of Housing and Urban Development may renew, for a period of 1 year, the contract for assistance under such section for such project that expires or terminates during fiscal year 1996 at current rent levels.

(b) LOW-INCOME HOUSING PRESERVATION.—

(1) USE OF AMOUNTS.—Notwithstanding any provision of the Balanced Budget Downpayment Act, I (Public Law 104–99; 110 Stat. 26) or any other law, the Secretary shall use the amounts described in paragraph (2) of this subsection under the authority and conditions provided in the 2d undesignated paragraph of the item relating to ''HOUSING PROGRAMS—ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING'' in title II of

the bill, H.R. 2099 (104th Congress), as passed the House of Representatives on December 7, 1995; except that for purposes of this subsection, any reference in such undesignated paragraph to March 1, 1996, shall be construed to refer to April 15, 1996, any reference in such paragraph to July 1, 1996, shall be construed to refer to August 15, 1996, and any reference in such paragraph to August 1, 1996, shall be construed to refer to September 15, 1996.

(2) DESCRIPTION OF AMOUNTS.—Except as otherwise provided in any future appropriation Act, the amounts described under this paragraph are any amounts that—

(A) are—

(i) unreserved, unobligated amounts provided in an appropriation Act enacted before the date of the enactment of this Act;

(ii) provided under the Balanced Budget Downpayment Act, I; or

(iii) provided in any appropriation Act enacted after the date of the enactment of this Act; and

(B) are provided for use in conjunction with properties that are eligible for assistance under the Low-Income Housing Preservation and Resident Homeownership Act of 1990 or the Emergency Low Income Housing Preservation Act of 1987.

SEC. 3. COMMUNITY DEVELOPMENT BLOCK GRANTS.

(a) DIRECT HOMEOWNERSHIP ACTIVITIES.—Notwithstanding the amendments made by section 907(b)(2) of the Cranston-Gonzalez National Affordable Housing Act, section 105(a)(25) of the Housing and Community Development Act of 1974, as in existence on September 30, 1995, shall apply to the use of assistance made available under title I of the Housing and Community Development Act of 1974 during fiscal year 1996.

(b) INCREASE IN CUMULATIVE LIMIT.—Section 108(k)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5308(k)(1)) is amended by striking ''$3,500,000,000'' and inserting ''$4,500,000,000''.

SEC. 4. EXTENSION OF RURAL HOUSING PROGRAMS.

(a) UNDERSERVED AREAS SET-ASIDE.—Section 509(f)(4)(A) of the Housing Act of 1949 (42 U.S.C. 1479(f)(4)(A)) is amended—

(1) in the first sentence, by striking ''fiscal years 1993 and 1994'' and inserting ''fiscal year 1996''; and

(2) in the second sentence, by striking ''each''.

(b) RURAL MULTIFAMILY RENTAL HOUSING.—Section 515(b)(4) of the Housing Act of 1949 (42 U.S.C. 1485(b)(4)) is amended by striking ''September 30, 1994'' and inserting ''September 30, 1996''.

(c) RURAL RENTAL HOUSING FUNDS FOR NONPROFIT ENTITIES.—The first sentence of section 515(w)(1) of the Housing Act of 1949 (42 U.S.C. 1485(w)(1)) is amended by striking ''fiscal years 1993 and 1994'' and inserting ''fiscal year 1996''.

SEC. 5. LOAN GUARANTEES FOR MULTIFAMILY RENTAL HOUSING IN RURAL AREAS.

(a) IN GENERAL.—The provisions of section 5 of the bill, H.R. 1691 (104th Congress), as passed the House of Representatives on October 30, 1995, are hereby enacted into law.

(b) TECHNICAL AMENDMENT.—Section 538 of the Housing Act of 1949 (as added by the amendment made pursuant to subsection (a) of this section) is amended by striking ''Homesteading and Neighborhood Restoration Act of 1995'' each place it appears and inserting ''Housing Opportunity Program Extension Act of 1996''.

SEC. 6. EXTENSION OF FHA MORTGAGE INSURANCE PROGRAM FOR HOME EQUITY CONVERSION MORTGAGES.

(a) EXTENSION OF PROGRAM.—The first sentence of section 255(g) of the National Housing Act (12 U.S.C. 1715z–20(g)) is amended by striking ''September 30, 1996'' and inserting ''September 30, 2000''.

(b) LIMITATION ON NUMBER OF MORTGAGES.—The second sentence of section 255(g) of the National Housing Act (12 U.S.C. 1715z–20(g)) is amended by striking ''30,000'' and inserting ''50,000''.

(c) ELIGIBLE MORTGAGES.—Section 255(d)(3) of the National Housing Act (12 U.S.C. 1715z–20(d)(3)) is amended to read as follows:

''(3) be secured by a dwelling that is designed principally for a 1- to 4-family residence in which the mortgagor occupies 1 of the units;''.

SEC. 7. LIMITATION ON GNMA GUARANTEES OF MORTGAGE-BACKED SECURITIES.

Section 306(g)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1721(g)(2)) is amended to read as follows:

''(2) Notwithstanding any other provision of law and subject only to the absence of qualified requests for guarantees, to the authority provided in this subsection, and to the extent of or in such amounts as any funding limitation approved in appropriation Acts, the Association shall enter into commitments to issue guarantees under this subsection in an aggregate amount of $110,000,000,000 during fiscal year 1996. There are authorized to be appropriated to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guarantees issued under this Act by the Association such sums as may be necessary for fiscal year 1996.''.

SEC. 8. EXTENSION OF MULTIFAMILY HOUSING FINANCE PROGRAMS.

(a) RISK-SHARING PILOT PROGRAM.—The first sentence of section 542(b)(5) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended by striking ''on not more than 15,000 units over fiscal years 1993 and 1994'' and inserting ''on not more than 7,500 units during fiscal year 1996''.

(b) HOUSING FINANCE AGENCY PILOT PROGRAM.—The first sentence of section 542(c)(4) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended by striking ''on not to exceed 30,000 units over fiscal years 1993, 1994, and 1995'' and inserting ''on not more than 12,000 units during fiscal year 1996''.

SEC. 9. SAFETY AND SECURITY IN PUBLIC AND ASSISTED HOUSING.

(a) CONTRACT PROVISIONS AND REQUIREMENTS.—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended—

(1) in subsection (k), in the matter following paragraph (6)—

(A) by striking ''on or near such premises'' and inserting ''on or off such premises''; and

(B) by striking ''criminal'' the first place it appears; and

(2) in subsection (l)(5), by striking ''on or near such premises'' and inserting ''on or off such premises''.

(b) AVAILABILITY OF CRIMINAL RECORDS FOR SCREENING AND EVICTION.—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended by adding at the end the following new subsection:

''(q) AVAILABILITY OF RECORDS.—

''(1) IN GENERAL.—

''(A) PROVISION OF INFORMATION.—Notwithstanding any other provision of law, except as provided in subparagraph (B), the National Crime Information Center, police departments, and other law enforcement agencies shall, upon request, provide information to public housing agencies regarding the criminal conviction records of adult applicants for, or tenants of, public housing for purposes of applicant screening, lease enforcement, and eviction.

''(B) EXCEPTION.—A law enforcement agency described in subparagraph (A) shall provide information under this paragraph relating to any criminal conviction of a juvenile only to the extent that the release of such information is authorized under the law of the applicable State, tribe, or locality.

''(2) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken with regard to assistance under this title on the basis of a criminal record, the public housing agency shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

''(3) FEE.—A public housing agency may be charged a reasonable fee for information provided under paragraph (1).

''(4) RECORDS MANAGEMENT.—Each public housing agency shall establish and implement a system of records management that ensures that any criminal record received by the public housing agency is—

''(A) maintained confidentially;

''(B) not misused or improperly disseminated; and

''(C) destroyed, once the purpose for which the record was requested has been accomplished.

''(5) DEFINITION.—For purposes of this subsection, the term 'adult' means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.''.

(c) INELIGIBILITY BECAUSE OF EVICTION FOR DRUG-RELATED ACTIVITY.—Section 6 of the United States Housing Act of 1937 is amended by adding after subsection (q) (as added by subsection (b) of this section) the following new subsection:

''(r) INELIGIBILITY BECAUSE OF EVICTION FOR DRUG-RELATED ACTIVITY.—Any tenant evicted from housing assisted under this title by reason of drug-related criminal activity (as that term is defined in section 8(f)) shall not be eligible for housing assistance under this title during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).''.

(d) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS FOR ASSISTED HOUSING.—Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended—

(1) in the section heading by striking ''INCOME''; and

(2) by adding at the end the following new subsection:

''(e) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency shall establish standards for occupancy in public housing dwelling units and assistance under section 8—

''(A) that prohibit occupancy in any public housing dwelling unit by, and assistance under section 8 for, any person—

''(i) who the public housing agency determines is illegally using a controlled substance; or

''(ii) if the public housing agency determines that it has reasonable cause to believe that such person's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project; and

''(B) that allow the public housing agency to terminate the tenancy in any public housing unit of, and the assistance under section 8 for, any person—

''(i) who the public housing agency determines is illegally using a controlled substance; or

''(ii) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the public housing agency to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project.

''(2) CONSIDERATION OF REHABILITATION.—In determining whether, pursuant to paragraph (1), to deny occupancy or assistance to any person based on a pattern of use of a controlled substance or a pattern of abuse of alcohol, a public housing agency may consider whether such person—

''(A) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal

use of a controlled substance or abuse of alcohol (as applicable);

''(B) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

''(C) is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

''(3) INAPPLICABILITY TO INDIAN HOUSING.—This subsection does not apply to any dwelling unit assisted by an Indian housing authority.''.

SEC. 10. PUBLIC HOUSING DESIGNATED FOR ELDERLY AND DISABLED FAMILIES.

(a) AUTHORITY FOR DESIGNATION.—Section 7 of the United States Housing Act of 1937 (42 U.S.C. 1437e) is amended to read as follows:

''DESIGNATED HOUSING FOR ELDERLY AND DISABLED FAMILIES

''SEC. 7. (a) AUTHORITY TO PROVIDE DESIGNATED HOUSING.—

''(1) IN GENERAL.—Subject only to provisions of this section and notwithstanding any other provision of law, a public housing agency for which a plan under subsection (d) is in effect may provide public housing projects (or portions of projects) designated for occupancy by (A) only elderly families, (B) only disabled families, or (C) elderly and disabled families.

''(2) PRIORITY FOR OCCUPANCY.—In determining priority for admission to public housing projects (or portions of projects) that are designated for occupancy as provided in paragraph (1), the public housing agency may make units in such projects (or portions) available only to the types of families for whom the project is designated.

''(3) ELIGIBILITY OF NEAR-ELDERLY FAMILIES.—If a public housing agency determines that there are insufficient numbers of elderly families to fill all the units in a project (or portion of a project) designated under paragraph (1) for occupancy by only elderly families, the agency may provide that near-elderly families may occupy dwelling units in the project (or portion).

''(b) STANDARDS REGARDING EVICTIONS.—Except as provided in section 16(e)(1)(B), any tenant who is lawfully residing in a dwelling unit in a public housing project may not be evicted or otherwise required to vacate such unit because of the designation of the project (or portion of a project) pursuant to this section or because of any action taken by the Secretary or any public housing agency pursuant to this section.

''(c) RELOCATION ASSISTANCE.—A public housing agency that designates any existing project or building, or portion thereof, for occupancy as provided under subsection (a)(1) shall provide, to each person and family who agrees to be relocated in connection with such designation—

''(1) notice of the designation and an explanation of available relocation benefits, as soon as is practicable for the agency and the person or family;

''(2) access to comparable housing (including appropriate services and design features), which may include tenant-based rental assistance under section 8, at a rental rate paid by the tenant that is comparable to that applicable to the unit from which the person or family has vacated; and

''(3) payment of actual, reasonable moving expenses.

''(d) REQUIRED PLAN.—A plan under this subsection for designating a project (or portion of a project) for occupancy under subsection (a)(1) is a plan, prepared by the public housing agency for the project and submitted to the Secretary, that—

''(1) establishes that the designation of the project is necessary—

''(A) to achieve the housing goals for the jurisdiction under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act; and

''(B) to meet the housing needs of the low-income population of the jurisdiction; and

''(2) includes a description of—

''(A) the project (or portion of a project) to be designated;

''(B) the types of tenants for which the project is to be designated;

''(C) any supportive services to be provided to tenants of the designated project (or portion);

''(D) how the design and related facilities (as such term is defined in section 202(d)(8) of the Housing Act of 1959) of the project accommodate the special environmental needs of the intended occupants; and

''(E) any plans to secure additional resources or housing assistance to provide assistance to families that may have been housed if occupancy in the project were not restricted pursuant to this section.

For purposes of this subsection, the term 'supportive services' means services designed to meet the special needs of residents.

''(e) REVIEW OF PLANS.—

''(1) REVIEW AND NOTIFICATION.—The Secretary shall conduct a limited review of each plan under subsection (d) that is submitted to the Secretary to ensure that the plan is complete and complies with the requirements of subsection (d). The Secretary shall notify each public housing agency submitting a plan whether the plan complies with such requirements not later than 60 days after receiving the plan. If the Secretary does not notify the public housing agency, as required under this paragraph or paragraph (2), the plan shall be considered, for purposes of this section, to comply with the requirements under subsection (d) and the Secretary shall be considered to have notified the agency of such compliance upon the expiration of such 60-day period.

''(2) NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under subsection (d), the Secretary shall specify in the notice under paragraph (1) the reasons for the noncompliance and any modifications necessary for the plan to meet such requirements.

''(3) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan does not comply with the requirements under subsection (d) only if—

''(A) the plan is incomplete in significant matters required under such subsection; or

''(B) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan.

''(4) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this section, a public housing agency shall be considered to have submitted a plan under this subsection if the agency has submitted to the Secretary an application and allocation plan under this section (as in effect before the date of the enactment of the Housing Opportunity Program Extension Act of 1996) that have not been approved or disapproved before such date of enactment.

''(f) EFFECTIVENESS.—

''(1) 5-YEAR EFFECTIVENESS OF ORIGINAL PLAN.—A plan under subsection (d) shall be in effect for purposes of this section during the 5-year period that begins upon notification under subsection (e)(1) of the public housing agency that the plan complies with the requirements under subsection (d).

''(2) RENEWAL OF PLAN.—Upon the expiration of the 5-year period under paragraph (1) or any 2-year period under this paragraph, an agency may extend the effectiveness of the designation and plan for an additional 2-year period (that begins upon such expiration) by submitting to the Secretary any information needed to update the plan. The Secretary may not limit the number of times a public housing agency extends the effectiveness of a designation and plan under this paragraph.

''(3) TRANSITION PROVISION.—Any application and allocation plan approved under this section (as in effect before the date of the enactment of the Housing Opportunity Program Extension Act of 1996) before such date of enactment shall be considered to be a plan under subsection (d) that is in effect for purposes of this section for the 5-year period beginning upon such approval.

''(g) INAPPLICABILITY OF UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITIONS POLICY ACT OF 1970.—No tenant of a public housing project shall be considered to be displaced for purposes of the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970 because of the designation of any existing project or building, or portion thereof, for occupancy as provided under subsection (a) of this section.

''(h) INAPPLICABILITY TO INDIAN HOUSING.—The provisions of this section shall not apply with respect to low-income housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority.''.

(b) AUTHORIZATION OF APPROPRIATIONS FOR IMPLEMENTATION OF ALLOCATION PLANS.—There are authorized to be appropriated for fiscal year 1996 such sums as may be necessary for rental subsidy contracts under the existing housing certificate and housing voucher programs under section 8 of the United States Housing Act of 1937 for public housing agencies to implement allocations plans for designated housing under section 7 of such Act that are approved by the Secretary of Housing and Urban Development.

SEC. 11. ASSISTANCE FOR HABITAT FOR HUMANITY AND OTHER SELF-HELP HOUSING PROVIDERS.

(a) GRANT AUTHORITY.—The Secretary of Housing and Urban Development may, to the extent amounts are available to carry out this section and the requirements of this section are met, make grants for use in accordance with this section to—

(1) Habitat for Humanity International, whose organizational headquarters are located in Americus, Georgia; and

(2) other national or regional organizations or consortia that have experience in providing or facilitating self-help housing homeownership opportunities.

(b) GOALS AND ACCOUNTABILITY.—In making grants under this section, the Secretary shall take such actions as may be necessary to ensure that—

(1) assistance provided under this section is used to facilitate and encourage innovative homeownership opportunities through the provision of self-help housing, under which the homeowner contributes a significant amount of sweat equity toward the construction of the new dwelling;

(2) assistance provided under this section for land acquisition and infrastructure development results in the development of not less than 4,000 new dwellings;

(3) the dwellings constructed in connection with assistance provided under this section are quality dwellings that comply with local building and safety codes and standards and are available at prices below the prevailing market prices;

(4) the provision of assistance under this section establishes and fosters a partnership between the Federal Government and Habitat for Humanity International, its affiliates, and other organizations and consortia, resulting in efficient development of affordable housing with minimal governmental intervention, limited governmental regulation, and significant involvement by private entities;

(5) activities to develop housing assisted pursuant to this section involve community participation similar to the homeownership program

carried out by Habitat for Humanity International, in which volunteers assist in the construction of dwellings; and

(6) dwellings are developed in connection with assistance under this section on a geographically diverse basis, which includes areas having high housing costs, rural areas, and areas underserved by other homeownership opportunities that are populated by low-income families unable to otherwise afford housing.

If, at any time, the Secretary determines that the goals under this subsection cannot be met by providing assistance in accordance with the terms of this section, the Secretary shall immediately notify the applicable Committees in writing of such determination and any proposed changes for such goals or this section.

(c) ALLOCATION.—Of any amounts available for grants under this section—

(1) 62.5 percent shall be used for a grant to the organization specified in subsection (a)(1); and

(2) 37.5 percent shall be used for grants to organizations and consortia under subsection (a)(2).

(d) USE.—

(1) PURPOSE.—Amounts from grants made under this section, including any recaptured amounts, shall be used only for eligible expenses in connection with developing new decent, safe, and sanitary nonluxury dwellings in the United States for families and persons who otherwise would be unable to afford to purchase a dwelling.

(2) ELIGIBLE EXPENSES.—For purposes of paragraph (1), the term ''eligible expenses'' means costs only for the following activities:

(A) LAND ACQUISITION.—Acquiring land (including financing and closing costs).

(B) INFRASTRUCTURE IMPROVEMENT.—Installing, extending, constructing, rehabilitating, or otherwise improving utilities and other infrastructure.

Such term does not include any costs for the rehabilitation, improvement, or construction of dwellings.

(e) ESTABLISHMENT OF GRANT FUND.—

(1) IN GENERAL.—Any amounts from any grant made under this section shall be deposited by the grantee organization or consortium in a fund that is established by such organization or consortium for such amounts, administered by such organization or consortium, and available for use only for the purposes under subsection (d). Any interest, fees, or other earnings of the fund shall be deposited in the fund and shall be considered grant amounts for purposes of this section.

(2) ASSISTANCE TO HABITAT FOR HUMANITY AFFILIATES.—Habitat for Humanity International may use amounts in the fund established for such organization pursuant to paragraph (1) for the purposes under subsection (d) by providing assistance from the fund to local affiliates of such organization.

(f) REQUIREMENTS FOR ASSISTANCE TO OTHER ORGANIZATIONS.—The Secretary may make a grant to an organization or consortium under subsection (a)(2) only pursuant to—

(1) an expression of interest by such organization or consortia to the Secretary for a grant for such purposes;

(2) a determination by the Secretary that the organization or consortia has the capability and has obtained financial commitments (or has the capacity to obtain financial commitments) necessary to—

(A) develop not less than 30 dwellings in connection with the grant amounts; and

(B) otherwise comply with a grant agreement under subsection (i); and

(3) a grant agreement entered into under subsection (i).

(g) TREATMENT OF UNUSED AMOUNTS.—Upon the expiration of the 6-month period beginning upon the Secretary first providing notice of the availability of amounts for grants under subsection (a)(2), the Secretary shall determine whether the amount remaining from the aggregate amount reserved under subsection (c)(2) exceeds the amount needed to provide funding in connection with any expressions of interest under subsection (f)(1) made by such date that are likely to result in grant agreements under subsection (i). If the Secretary determines that such excess amounts remain, the Secretary shall provide the excess amounts to Habitat for Humanity International by making a grant to such organization in accordance with this section.

(h) GEOGRAPHICAL DIVERSITY.—In using grant amounts provided under subsection (a)(1), Habitat for Humanity International shall ensure that the amounts are used in a manner that results in national geographic diversity among housing developed using such amounts. In making grants under subsection (a)(2), the Secretary shall ensure that grants are provided and grant amounts are used in a manner that results in national geographic diversity among housing developed using grant amounts under this section.

(i) GRANT AGREEMENT.—A grant under this section shall be made only pursuant to a grant agreement entered into by the Secretary and the organization or consortia receiving the grant, which shall—

(1) require such organization or consortia to use grant amounts only as provided in this section;

(2) provide for the organization or consortia to develop a specific and reasonable number of dwellings using the grant amounts, which number shall be established taking into consideration costs and economic conditions in the areas in which the dwellings will be developed, but in no case shall be less than 30;

(3) require the organization or consortia to use the grant amounts in a manner that leverages other sources of funding (other than grants under this section), including private or public funds, in developing the dwellings;

(4) require the organization or consortia to comply with the other provisions of this section;

(5) provide that if the organization or consortia has not used any grant amounts within 24 months after such amounts are first disbursed to the organization or consortia, the Secretary shall recapture such unused amounts; and

(6) contain such other terms as the Secretary may require to provide for compliance with subsection (b) and the requirements of this section.

(j) FULFILLMENT OF GRANT AGREEMENT.—If the Secretary determines that an organization or consortia awarded a grant under this section has not, within 24 months after grant amounts are first made available to the organization or consortia, substantially fulfilled the obligations under the grant agreement, including development of the appropriate number of dwellings under the agreement, the Secretary shall use any such undisbursed amounts remaining from such grant for other grants in accordance with this section.

(k) RECORDS AND AUDITS.—During the period beginning upon the making of a grant under this section and ending upon close-out of the grant under subsection (l)—

(1) the organization awarded the grant under subsection (a)(1) or (a)(2) shall keep such records and adopt such administrative practices as the Secretary may require to ensure compliance with the provisions of this section and the grant agreement; and

(2) the Secretary and the Comptroller General of the United States, and any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the grantee organization or consortia and its affiliates that are pertinent to the grant made under this section.

(l) CLOSE-OUT.—The Secretary shall close out a grant made under this section upon determining that the aggregate amount of any assistance provided from the fund established under subsection (e)(1) by the grantee organization or consortium exceeds the amount of the grant. For purposes of this paragraph, any interest, fees, and other earnings of the fund shall be excluded from the amount of the grant.

(m) ENVIRONMENTAL REVIEW.—A grant under this section shall be considered to be funds for a special project for purposes of section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994.

(n) REPORT TO CONGRESS.—Not later than 90 days after close-out of all grants under this section is completed, the Secretary shall submit a report to the applicable Committees describing the grants made under this section, the grantees, the housing developed in connection with the grant amounts, and the purposes for which the grant amounts were used.

(o) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) APPLICABLE COMMITTEES.—The term ''applicable Committees'' means the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(3) UNITED STATES.—The term ''United States'' includes the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, and any other territory or possession of the United States.

(p) REGULATIONS.—The Secretary shall issue any final regulations necessary to carry out this section not later than 30 days after the date of the enactment of this Act. The regulations shall take effect upon issuance and may not exceed, in length, 5 full pages in the Federal Register.

SEC. 12. FUNDING FOR SELF-HELP HOUSING ASSISTANCE, NATIONAL CITIES IN SCHOOLS COMMUNITY DEVELOPMENT PROGRAM, AND CAPACITY BUILDING THROUGH NATIONAL COMMUNITY DEVELOPMENT INITIATIVE.

(a) AUTHORITY TO USE ASSISTED HOUSING AMOUNTS.—To the extent and for the purposes specified in subsection (b), the Secretary of Housing and Urban Development may use amounts in the account of the Department of Housing and Urban Development known as the Annual Contributions for Assisted Housing account, but only such amounts which—

(1) have been appropriated for a fiscal year that occurs before the fiscal year for which the Secretary uses the amounts; and

(2) have been obligated before becoming available for use under this section.

(b) FISCAL YEAR 1996.—Of the amounts described in subsection (a), $60,000,000 shall be available to the Secretary of Housing and Urban Development for fiscal year 1996 in the following amounts for the following purposes:

(1) SELF-HELP HOUSING ASSISTANCE.—$40,000,000 for carrying out section 11 of this Act.

(2) NATIONAL CITIES IN SCHOOLS COMMUNITY DEVELOPMENT PROGRAM.—$10,000,000 for carrying out section 930 of the Housing and Community Development Act of 1992 (Public Law 102–550; 106 Stat. 3887).

(3) CAPACITY BUILDING THROUGH NATIONAL COMMUNITY DEVELOPMENT INITIATIVE.—$10,000,000 for carrying out section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note).

SEC. 13. APPLICABILITY AND IMPLEMENTATION.

(a) APPLICABILITY.—This Act and the amendments made by this Act shall be construed to have become effective on October 1, 1995.

(b) IMPLEMENTATION.—The amendments made by sections 9 and 10 shall apply as provided in subsection (a) of this section, notwithstanding the effective date of any regulations issued by the Secretary of Housing and Urban Development to implement such amendments or any failure by the Secretary to issue any such regulations.

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDERS FOR WEDNESDAY, MARCH 13, 1996

Mr. BURNS. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand adjourned until the hour of 9:15 on Wednesday, March 13; further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day, and the Senate begin a period for the transaction of morning business until the hour of 9:30 a.m., with Senators permitted to speak for up to 5 minutes each, with the following exception, and that is Senator BOND for 10 minutes.

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

Mr. BURNS. Mr. President, I further ask that at 9:30 a.m. on Wednesday, the Senate resume consideration of the omnibus appropriations bill, H.R. 3019, and as under the previous order, resume consideration of the pending Hutchison amendment. I further ask unanimous consent that at 10 a.m., the pending amendments be temporarily set aside and Senator DOLE be recognized to offer an amendment.

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

Mr. BURNS. Mr. President, I further ask unanimous consent that the cloture vote with respect to the Whitewater Special Committee occur at 2 p.m. on Wednesday and at 1 p.m. there be 1 hour for debate prior to the cloture vote to be equally divided in the usual form.

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

PROGRAM

Mr. BURNS. Mr. President, for the information of all Senators, the Senate will resume consideration of the omnibus appropriations bill at 9:30 a.m. Additional amendments are expected to be offered, and it is still hoped that we may complete action on the appropriations bill during tomorrow's session.

Under a previous order, there will be a cloture vote at 2 p.m. on Wednesday to be immediately followed by at least one additional vote in relation to the endangered species amendment to the continuing resolution. Additional votes can be expected throughout Wednesday's session of the Senate, and a late session can be anticipated in order to complete action on the omnibus appropriations bill.

ADJOURNMENT UNTIL 9:15 TOMORROW

Mr. BURNS. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand adjourned under the previous order.

There being no objection, the Senate, at 9:32 p.m., adjourned until Wednesday, March 13, 1996, at 9:15 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate March 12, 1996:

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

THOMAS A. FINK, OF ALASKA, TO BE A MEMBER OF THE FEDERAL RETIREMENT THRIFT INVESTMENT BOARD FOR A TERM EXPIRING OCTOBER 11, 1999.

EXTENSIONS OF REMARKS

ENERGY SECURITY, 5 YEARS AFTER THE PERSIAN GULF WAR

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 1996

Mr. SCHAEFER. Mr. Speaker, what is the cornerstone of a sound and thriving economy? What is an absolute prerequisite for American national security? What is the key to this country's overall well-being?

The answer is a vibrant domestic energy industry, one which will help reduce this country's dependence on foreign oil imports.

Unfortunately, despite the development of alternative forms of energy and the tremendous gains in energy efficiency in the past two decades, we are farther now from energy independence than ever. Last year, for the first time in history, the United States imported more than half of the oil it consumed. In 1973, during the oil crisis that virtually paralyzed the country, about 35 percent of our oil supplies were imported.

Though oil appears to be plentiful and real prices for energy are at or near all-time lows, we must not be lulled into a false sense of complacency. We must ensure the viability, productivity, and competitiveness of the domestic American energy industry.

As chairman of the Commerce Committee's Subcommittee on Energy and Power, I am committed to supporting policies that will help lead to greater American energy independence in the years to come.

Though the issue of energy security does not grab as many headlines these days as it did 5 short years ago during the Persian gulf war, I hope my colleagues understand that it will grab the headlines again someday in the future. We must take steps now to ensure that future generations of Americans do not suffer because of any failure on our part to safeguard the integrity and viability of our country's domestic energy industry.

PERSONAL EXPLANATION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 1996

Ms. ROS-LEHTINEN. Mr. Speaker, I was unable to vote on three items from March 7. I would have voted ''yes'' on H.R. 3021 on final passage of the extension of the debt ceiling, ''yes'' on the Dreier amendment to the amendment to the rule on H.R. 3019 the Balanced Budget Act, regarding title IV contingency funding being subject to reconciliation legislation, and ''yes'' on the adoption of the rule to H.R. 3019 the Balanced Budget Act.

CONGRATULATIONS TO RABBI AND MRS. DAVID ELIACH FOR A LIFETIME COMMITMENT TO RELIGIOUS AND EDUCATIONAL LEADERSHIP

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 1996

Mr. SCHUMER. Mr. Speaker, I rise today to honor two unique individuals, Rabbi Doctor David Eliach and his wife, Prof. Yaffa Eliach for their endless dedication and tireless work in the fields of Hebrew language instruction and Judaic studies. On the eve of their retirement, I salute these two outstanding citizens for contributing to the educational achievement of students throughout Brooklyn.

At a time when religious education is often overlooked by more mainstream and secular educational training, Rabbi Eliach singlehandedly inspired the parents and children of Flatbush, Brooklyn with his love and respect for the Hebrew language. As dean of the Yeshiva of Flatbush and principal of the Joel Braverman High School for over 43 years, Rabbi Eliach provided thousands of Yeshiva students with extensive training in Hebrew and Jewish history unmatched by most other educational institutions in New York. The communities of Brooklyn have benefited much from Rabbi Eliach's commitment to thorough language instruction coupled with his drive for academic excellence. His work has made an indelible impression on his students, faculty and friends of the Yeshivah of Flatbush.

Prof. Yaffa Eliach has also established note worthy life-long career in Jewish instruction and creative literature. As a highly-noted scholar of Judiac studies, founder of the Center of Holocaust Studies and creator of the acclaimed ''Tower of Life'' at the U.S. Holocaust Memorial Museum in Washington, Professor Eliach has made enormous contributions to the institutional knowledge of Jewish culture history throughout the world. Her works have been studied and read widely in several different countries.

These two educators have served our community with distinction. Their presence in the cultural and academic life of Yeshiva students and neighbors throughout the world will certainly be missed. As Rabbi Doctor David and Yaffa Eliach celebrate their retirement, I am honored to salute them as leaders of the Jewish community. I urge all my fellow colleagues to recognize these dedicated individuals and wish them well in their future endeavors.

WAYS AND MEANS SCHIZOPHRENIA

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 1996

Mr. STARK. Mr. Speaker, last week, the chairman of the Ways and Means Committee delivered a speech on the 1996 schedule of the committee.

The first three pages talked about how horribly complex the current Tax Code is and how the chairman wants to tear the code out 'by its roots,' substitute a kind of sales tax, and make the IRS unnecessary.

The last two pages talks about what the committee is going to do in March in the health sector: pass medical savings accounts, which are an elaborate and complicated new type tax deferred savings plan, and increase the tax deductibility of health insurance for the self-employed, but not their workers.

Hello.

I am sure that the chairman writes his own speeches, and if I did not know that, I would say that two different people who had never met wrote that speech. How can you start a short speech saying you are going to abolish the current Tax Code and greatly simplify it, and end that speech saying you are going to add two new special incentives that will add pages of regulations and forms to the law?

LEGISLATION FOR CASA MALPAIS NATIONAL HISTORIC LANDMARK

HON. J.D. HAYWORTH

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 1996

Mr. HAYWORTH. Mr. Speaker, today I am introducing legislation which would authorize the Secretary of the Interior to provide assistance to the Casa Malpais National Historic Landmark in Springerville, AZ. The Casa Malpais National Historic Landmark is a 14.5 acre archaeological site located near the towns of Springerville and Eager in northeastern Arizona. The site was occupied around A.D. 1250 by one of the largest and most sophisticated Mogollon communities in the United States.

Casa Malpais is an extraordinary rich archaeological site. Stairways, a Great Kiva complex, a fortification wall, a prehistoric trail, catacombs, sacred chambers, and rock panels are just some of the features of this large masonry pueblo. Due to its size, condition, and complexity, the site offers an unparalleled opportunity to study ancient society in the Southwest and, as such, is of national significance.

My legislation would establish the Casa Malpais National Historic Landmark as an affiliated unit of the National Park Service. Affiliated status would authorize the resources and protection necessary to preserve this treasure. As a member of the family of affiliated national landmarks, the public would also have greater exposure to the Casa Malpais site.

The communities in the area support this legislation. Local officials have taken steps to ensure that all research and development of the site is conducted in consultation with affiliated local native American tribes.

I ask my colleagues to support this measure. It will enhance the landmark's attributes

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

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

for the enjoyment and education of local communities, the State of Arizona, and the Nation. By supporting this measure, we can help open this unique window of history through which we can study and learn about our rich heritage.

EDDIE T. PEARSON BLACK HISTORY TRAILBLAZER

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 1996

Mrs. MEEK of Florida. Mr. Speaker, I rise today to recognize a friend and educator, Mr. Eddie T. Pearson who has devoted over 25 years of leadership in the quest for educational and racial equality. During Black History Month, this Dade County public schools region VI superintendent was honored as a role model for youth. All too often, our youth's instruction regarding historical events is so far removed that any connection to their lives is lost. Honoring Eddie T. Pearson was one way of closing that distance in time.

After graduating from Tuskegee Institute's High School with outstanding academic and athletic accomplishments, Eddie continued his education at Tuskegee Institute. He gained great notoriety as a star football player and was recently inducted into the school's athletic hall of fame. Eddie was the first member of his family to obtain a post-secondary degree, but he did not stop at that milestone. He later received his master's degree from Florida Atlantic University and a specialist degree from the University of Florida.

At 26, Eddie T. Pearson was the youngest principal appointed by Dade County public schools and he was the first black individual appointed to head a primarily non-black student body—Homestead Middle School. This assignment helped to make Eddie an ambassador of race-relations. He created an educational environment so that everyone would be given the opportunity to excel. Eddie T. successfully designed and implemented a plan that provided for the full integration of the student population.

Having served 33 years as a member of the Dade County public school family, Eddie T. Pearson is indeed a role model for our times.

CHRISTOPHER RIES IS WORLD'S PREMIER GLASS SCULPTOR

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 1996

Mr. McDADE. Mr. Speaker, I rise today to honor the achievements of Christopher Ries, who is one of the world's premier glass sculptors. On March 24, the Everhart Museum in Scranton, PA, will present a retrospective of Mr. Ries' work called Glass and Light. This retrospective will showcase Mr. Ries' lifetime of effort to mold glass into works of art which capture and transform light in unique and beautiful ways.

As a student at the Ohio State University, Mr. Ries learned to appreciate the qualities of glass during course work in ceramics. He pursued this interest through studying glass engineering and by designing and building a glass studio at Ohio State.

The cofounder of the Modern Glass Movement, Harvey Littleton, was so impressed with Mr. Ries' work at Ohio State that he invited him to be his assistant at the University of Wisconsin at Madison. While subsequently pursuing his master of fine arts degree, Mr. Ries opened his own studio at Mineral Point, WI.

Mr. Ries began to achieve international acclaim after establishing a relationship with Schott Glass Technologies in Duryea, PA, which creates optical glass of optimum clarity and brilliance. In a unique partnership between artist and industry, Schott allowed Mr. Ries the use of its facilities in order to produce the world's largest crystal sculptures. In 1988, these magnificent pieces were exhibited in an exclusive showing at the Cincinnati Art Museum which, according to museum officials, was the most popular in the museum's history.

Mr. Ries presently maintains a studio in Tunkhannock, PA, where he continues to mold glass into beautiful works of art. It is a privilege for the 10th Congressional District to count Mr. Ries as a resident and I ask my colleagues to join me in honoring his contributions to the world of art.

ARMS CONTROL IS NOT PASSE

HON. ELIZABETH FURSE

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 1996

Ms. FURSE. Mr. Speaker, I am submitting two excellent editorials to the CONGRESSIONAL RECORD that support adequate funding for the Arms Control and Disarmament Agency. These appeared in the March 5 Christian Science Monitor and the March 11 Oregonian.

ACDA is carrying out vital work as we move toward implementing START II, completing negotiations on a comprehensive test ban treaty, and ratifying the Chemical Weapons Convention.

Ridding the world of weapons of mass destruction is perhaps the most important thing we can do to advance the security of the world. I urge my colleagues to support a higher funding level for ACDA in the continuing resolution the next time it comes before us.

[From the Christian Science Monitor, Mar. 5, 1996]

FUND ARMS CONTROL

Some of the federal government's smallest agencies do some of its most important work.

One of them is the Arms Control and Disarmament Agency (ACDA), a tiny, 250-person department that conducts negotiations to limit and reduce nuclear, chemical, and biological weapons and verifies compliance with arms-control treaties.

ACDA has been whipsawed in the budget debate: First, it got caught in Sen. Jesse Helms' misguided attempt to eliminate it and two other foreign-affairs agencies and hand their work over to the State Department. That effort was defeated in the Senate, which passed a State Department authorization bill that includes funding for the other agencies.

But the upper chamber and the House of Representatives have not yet reconciled conflicting versions of the bill. So ACDA got caught in a continuing resolution that provides it with only 70 percent of the funding it had last fiscal year, and only 47 percent of the funding the administration asked for this year.

The resolution expires March 15, and ACDA needs an additional $8.7 million—for a final budget of $44.4 million—to do its job. ACDA Director John Holum has taken extreme measures to make sure his agency stays within the continuing-resolution funding.

He has slapped on a hiring freeze, halted use of consultants, banned overtime, put a hold on promotions, and restricted travel. Most vacancies are being left unfilled. Maintenance on ACDA's phones is limited to emergency repairs.

These measures have allowed the agency to hang on and, so far, fulfill most of its missions. But if Congress doesn't appropriate additional funding for after March 15, several of those missions will be in danger.

The agency has had to withdraw a key expert who is helping the United Nations ensure that Iraq's Sadaam Hussein doesn't develop nuclear, chemical, or biological weapons.

ACDA may not have the expertise it needs to complete negotiations on the treaty to ban nuclear testing.

The agency won't have the personnel to work on ratification of the Chemical Weapons Convention. It already doesn't have the money to send an expert to The Hague to work on inspection procedures that will be required when the accord kicks in.

It's not only silly, it's dangerous for Congress to appropriate money for B–2 bombers the Pentagon doesn't want and for an untested missile-defense program while at the same time starving the agency that ensures other countries abide by arms-control agreements. The extra money ACDA needs buys a lot of national security at a very low price. Congress should find the funds.

[From the Oregonian, Mar. 11, 1996]

KEEPING OUR NUCLEAR GUARD UP—CONGRESS SHOULD ADEQUATELY FUND U.S. ARMS CONTROL AGENCY TO COMBAT SPREAD OF CHEMICAL AND NUCLEAR WEAPONS TO TERRORISTS

Preventing the spread of weapons of mass destruction is a high priority for the Clinton administration and should be a concern of all Americans.

Here's why we should worry:

China stands accused of transferring nuclear-related technology to Pakistan. It refuses to halt its own tests of nuclear weapons. It is accused by U.S. arms negotiators of throwing up roadblocks in Geneva-based talks aimed at promulgating a global Comprehensive Test Ban Treaty. There are indications that China maintains an offensive biological weapons program in violation of international accords.

The Mayak nuclear complex in Russia is so secret that it didn't show up on maps during the Cold War. Enough plutonium is stored there to make 3,750 bombs. The site is protected by enough soldiers to fight a war. But inside, where 30 metric tons of plutonium are stored, security is so lax that it wouldn't take much effort for an errant worker to steal radioactive material.

The danger from within—that's the new nuclear nightmare. That's also why the U.S. Senate should ratify the Chemical Weapons Convention treaty, which not only makes chemical weapons illegal, but would make it illegal to stockpile them as well.

To protect Americans from these threats, Congress needs to spend an estimated $10 million to restore funding for the 250-person U.S. Arms Control and Disarmament Agency, which is the nation's most effective post-Cold War watchdog. Temporary funding for the agency expires Friday. Indeed, the agency has been so strapped for money that when

the chemical weapons treaty's inspection procedures were negotiated, agency experts were forced to stay home due to the lack of travel funds.

The central mission of the U.S. Arms Control and Disarmament Agency is to reduce nuclear stockpiles here and in Russia; to put an end to nuclear testing around the world; and to outlaw poison gas forever. The agency complements the work of the Pentagon by trying to remove the threats to national security through negotiated, verifiable agreements.

The nature of the nuclear threat has changed since the end of the Cold War. It is difficult to police or detect activity: Witness the mortifying prospect that as little as a kilogram of plutonium or weapon-grade uranium could fall into the hands of terrorists targeting U.S. cities.

The nation needs an adequately funded arms control agency to minimize these threats.

TRIBUTE TO THE CITY OF MIAMI'S UNSUNG HEROINES

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 1996

Mrs. MEEK of Florida. Mr. Speaker, it is my great pleasure to join, once again, with the citizens of the city of Miami in honoring the 1996 Unsung Heroines. Each year the city of Miami Commission on the Status of Women commemorates National Women's History Month by recognizing and honoring women who care to share their time by helping others through volunteerism.

This year, I join the city of Miami in saluting the 1996 Unsung Heroines:

Marilyn S. Bloom—a retired preschool and elementary schoolteacher, who is also an enthusiastic advocate for senior citizens and intergenerational programming in Dade County.

Dr. Castell V. Bryant—an educator for over 30 years and currently the interim president of Miami Dade Community College—Wolfson Campus, Dr. Bryant has been deeply committed to programs that help instill pride, build self-esteem and improve family life for inner-city youth.

Doris Emerson—a dedicated volunteer and board member in the Girl Scouts, the Quaker religion, and in the fields of mental health and education.

Dr. Carmen Gonzalez—an untiring chef and creator of Feeding the Mind Foundation, a scholarship for battered women. Dr. Gonzalez has chaired numerous fundraisers for Camillus House, and has actively promoted ''Extra Helpings'' a program that supplies meals for the homeless.

Cindy Lerner—the codesigner of a program titled ''Teenage Dating Violence: Intervention and Prevention,'' that provides curriculum and training for educating youths about the dynamics of domestic violence.

Dr. Ann Moliver Ruben—developed programs for Dade County teachers to help combat gender inequities, and has provided voluntary psychotherapy for rape victims.

Alvia Palmer-Michel—a volunteer at the Children's Home Society, a board member of Florida Legal Services, and a courageous and dedicated advocate for AIDS awareness. She has risen through personal struggles to offer comfort, education and hope to parents of children with AIDS.

Kathleen Sweeney and Denise Nerette—as members of the Haitian Task Force on Domestic Violence they have collaborated in promulgating domestic violence in Miami's Haitian Community.

Christina Zawisza—a child advocate and the founding member of the Florida Foster Care Review Project, who has dedicated her untiring efforts for children in need.

Marcela Viola—is the first unsung student to be honored. She attends Miami Beach Senior High School, and has dedicated time to helping children help themselves, while maintaining superior grade averages in advanced classes.

COPE Schools—Continuing Opportunities for Purposeful Education is the first program to be honored. The two schools, ''North'' and ''South,'' through their dedicated principals, Dorothy Wallace and Dr. Williams Perry, have, through education, improved the quality of life to single teenage mothers and their children.

It is said that Miami is the only major city in the United States to have been created by the inspiration of a woman—Julia Tuttle. It is today that we honor women who follow that inspiration.

TRIBUTE TO MARGIE MONTES, PIO PICO WOMAN'S CLUB 1996 WOMAN OF THE YEAR

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 1996

Mr. TORRES. Mr. Speaker, it is with pride that I rise to pay tribute to Margie Montes, Pio Pico Woman's Club 1996 Woman of the Year. Mrs. Montes has earned this distinctive recognition through her active involvement in our community.

Mrs. Montes became an active member of our community at a very early age, participating in sports while attending Assumption Grammar School. Later, at Our Lady of Loretto High School, Margie began showing her leadership abilities as captain of the tennis team and as yearbook editor. When she graduated in 1979, she was awarded the Bank of America Award for Home Economics. Currently, she is an executive manager for Tupperware where she has received numerous awards of recognition for her performance.

Her contributions extend throughout our community. She is currently president of the Soroptimist of Pico Rivera, where she has also held the positions of first and second vice president. She is also a member of the Pico Rivera Chamber of Commerce, where she serves on the board of directors.

She has been a member of the Pio Pico Woman's Club since 1991. For the past 2 years, she has served as chairperson for the Pio Pico Woman's Club's annual Christmas with Santa Claus dinner, as well as chairperson for the international dinner and pasta nights. She has also chaired the Dessert Fashion Show. She has selflessly contributed her time above and beyond expectations to these events, making wreaths and arranging baskets as door prizes.

In addition to all of her contributions to our community through her membership in various organizations, Mrs. Montes is a loving mother and is as devoted to her family life as she is to her community.

Mrs. Montes has proven herself to be deserving of this award. I ask my colleagues to join me in congratulating this year's Pio Pico Woman's Club woman of the year, Margie Montes.

BEST OF LUCK TO COMDR. SEAN P. SULLIVAN

HON. J.C. WATTS, JR.

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 1996

Mr. WATTS. Mr. Speaker, I rise today to recognize a truly outstanding naval officer, Comdr. Sean P. Sullivan, U.S. Navy, who has served with distinction as Deputy Director of the House of Representatives' Navy Legislative Liaison Office. It is a privilege for me to recognize his many outstanding achievements and commend him for the superb service he has provided to this legislative body and to our great Nation as a whole.

A native of Bridgeport, CT, Commander Sullivan received his commission from the U.S. Naval Academy in Annapolis, MD. He was commissioned as an ensign in May, 1980. Commander Sullivan then completed a rigorous nuclear propulsion training program and submarine officers basic course.

Following this initial training, Commander Sullivan reported to his first ship, U.S.S. *Plunger*, SSN–595. While on U.S.S. *Plunger*, Commander Sullivan served as reactor control assistant, main propulsion assistant, and weapons officer.

Completing a successful tour on U.S.S. *Plunger*, Commander Sullivan was selected to return to his alma mater, the U.S. Naval Academy, as a company officer. In this vital role, Commander Sullivan was charged with the training of our future naval officers.

All great naval officers can't wait to get back to sea and Commander Sullivan is no exception to that rule. Following his tour at the Naval Academy he reported to U.S.S. *Chicago*, SSN–721, where he served as the ship's engineer. While on U.S.S. *Chicago*, Commander Sullivan served in Operation Desert Shield and Desert Storm.

Completing his tour aboard U.S.S. *Chicago*, Commander Sullivan reported to the staff of Submarine Group 11 where he served as the squadron engineer. In May 1993, Commander Sullivan again returned to sea duty serving as the executive officer of U.S.S. *Maryland*, SSBN–738.

Due to his demonstrated sustained outstanding performance, Commander Sullivan was handpicked to report to his current job upon completion of his tour on U.S.S. *Maryland*. During his tenure at the Legislative Affairs Office, Commander Sullivan has provided the members of the House National Security Committee, our professional and personal staffs, as well as many of you seated here today, with superior support regarding Navy plans and programs. His valuable contributions have enabled Congress and the Department of the Navy to work closely together to ensure our naval forces are well equipped and superbly trained.

Mr. Speaker, Sean Sullivan, his wife Sharon, and their four children, Amy, Casey, Kelly,

and Maxwell, have made many sacrifices during his 16-year-naval career. Serving on three submarines, he has spent a significant amount of time underway away from his family. We are all deeply in debt to the contributions of great Americans such as Commander Sullivan to ensure the freedom we all cherish.

As Commander Sullivan now prepares to return to sea yet again, this time as captain of his own submarine, I call upon my colleagues from both sides of the aisle to wish him every success as well as fair winds and following seas.

BALANCED BUDGET DOWN PAYMENT ACT, II

SPEECH OF

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 1996

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3019) making appropriation for fiscal year 1996 to make a further downpayment toward a balanced budget, and for other purposes:

Mr. GUTIERREZ. Mr. Chairman, the Republicans believe they have a great plan to put a downpayment on a balanced budget.

They believe they have found a perfect method to cut what they consider to be excessive ''social spending.''

They have proposed legislation that slashes funding by $900 million for veterans health care, veterans employment programs, and the construction of new veterans psychiatric care facilities. They have said ''No'' to needed VA hospitals and outpatient clinics which would have served up to 700,000 veterans. These cuts are for below President Clinton's budget request and are even below the House-passed level with regard to health care issues.

On top of all that, they have now given themselves a safety mechanism. They have invented a sure-fire way to guard their plan from criticism.

How?

By removing these indefensible provisions? By realizing the errors of their huge budget cuts?

No. Instead they choose to silence someone who has the courage and the expertise to point out the flaws in their budget plan, our Secretary of Veterans Affairs, Jesse Brown.

In the Republicans believe their plan is such a marvelous solution to our budget woes, why then are they trying to muzzle the Secretary of Veterans Affairs from during his job, advocating for adequate funding for VA programs? Why else would the Republicans aim their funding cuts at the Secretary of Veterans Affairs travel budget and staff support?

I think I know the answer.

Maybe the Republicans themselves don't believe their plan is so wise. Maybe they know their downpayment unfairly cuts funding for those men and women who served under our Nation's flag. Maybe they fear that veterans will be informed of these cuts and will vote their concerns at the ballot box next November. Maybe they are worried that the next time they drape themselves in the flag the American people won't buy it.

They know that Secretary Brown is speaking the truth. They know that he is a strong and knowledgeable advocate for veterans.

I can find no other explanation.

The Republicans must doubt their own commitment to veterans. They must fear that Jesse Brown will expose their budget for what they know it is. Why else would they prevent the Secretary of Veterans Affairs from speaking out on the issues that he knows best?

I urge my colleagues to oppose the rule for this continuing resolution. It prevents those who really care about our Nation's veterans from striking punitive language aimed at silencing the Secretary of Veterans Affairs.

It attacks the independence of a cabinet level agency and silences the best voice America's veterans have. It compromises Congress' commitment that the Secretary of Veterans Affairs would be an effective advocate for the millions of men and women who served in our military. This rule is bad for veterans and bad for the United States.

AMBASSADOR FERRARO RECOGNIZES INTERNATIONAL WOMEN'S DAY

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 1996

Mrs. SCHROEDER. Mr. Speaker, on March 8, 1996, Ambassador Geraldine Ferraro, head of the U.S. delegation to the United Nations Human Rights Commission, spoke eloquently about International Women's Day. Ambassador Ferraro recognized the many high-ranking women in our Government who perform outstanding service on behalf of human rights all over the world. She spoke at length about the many human rights violations that women still face, in spite of our best efforts. I would like to have her remarks included in the RECORD.

AMBASSADOR GERALDINE FERRARO, HEAD OF U.S. DELEGATION, UNITED NATIONS HUMAN RIGHTS COMMISSION, ON THE OCCASION OF INTERNATIONAL WOMEN'S DAY, MARCH 8, 1996

Thank you so much, Tim, for that kind introduction. It is a great honor for me to be here today on the occasion of International Women's Day with so many friends and former colleagues and to have the chance to speak with you about women and human rights and the essential role they both play in our efforts to fashion a new and better world for those who follow us.

Before I begin, however, I want you to know that you have chosen some of my favorite people to honor today, Mr. Secretary. I am pleased, but not surprised, because each of them has been at the forefront of the struggle to protect the rights of women, each of them fought for the rights of children, the poor, the disabled and the disenfranchised at home before coming to Washington. So moving into the arena of international human rights has been a natural progression for them.

These are women who are not afraid to stand up for the cases they believe in. Indeed, the desire to fight for such beliefs was why they ran for public office in the first place.

But many run and only a few win. What we see here are women who have helped make history, each in her own way, women who overcame the obstacles others so often put in their path. Together, they prove that it is not just possible for women of principle to lead, but that the public will support them when they do.

This, them, is change. And change is what this administration has achieved, both with regard to women and to human rights. You know and I know that this has not been easy. But change is taking place. There are more women at the highest levels of our Government now than ever before, demonstrating their competence, day in, day out, proving their value to the country and to the world—no nonsense women like Madeleine Albright. I don't know how many of you saw her on television the other day, when the Cubans were trying to explain how shooting down unarmed planes in international waters was somehow an act of courage. Madeleine let the world know exactly what she thought of their so-called machismo, and she called it, what it was in plain English, as well as in Spanish. Yes, Madeleine has been a most articulate spokesperson for this country no matter what the issue.

And, of course, there's Donna Shalala, Janet Reno and Hazel O'Leary, handling complex Cabinet portfolios with skill and determination. And here in the State Department: Robin Raphel is doing an excellent job with India and Pakistan; Tony Verstandig is making real contributions to the Middle East Peace Process; Melinda Kimble, proved herself a leader at the Beijing Women's Conference; and Nancy Ely-Raphel made a vital contribution to the success of the Vienna conference and more recently the Dayton accords. Both Lynn Davis and Joan Spero are among the Secretary's most trusted advisors, while Phyllis Oakley has been a pillar of strength on refugee issues. And Pru Bushnell has shown enormous leadership on African issues.

There are many more of you who also deserve to be recognized as well, women who stand in the trenches of government and do battle every day for the things we believe in. Because we don't have just a handful of exceptional women in Government any more; we've got thousands of them. In every office in every department and agency in this Government, there are women making believers of those who doubted them before. This is change.

It's a measure of your achievement that this change is, I believe, irreversible.

That doesn't mean that I think the battle to ensure women's rights is over in this country, that women have achieved equality in the workplace and in their paychecks. That doesn't mean that we have put an end to sexual harassment, that we are free to walk our streets at night, or that the fear of violence no longer haunts the daily lives of millions. Nor does it mean that those who would turn us against each other, pitting those who stay at home to raise their children against those who go to work, have suddenly seen the light. It doesn't mean that the glass ceiling is shattered or that every deadbeat dad is paying for his children now. It doesn't even mean that we, as a society, understand what it takes to be a woman today, what it means to walk a tightrope between family and the work place, at a time when so much is changing and yet so little.

No, but I'm optimistic because there is a course to history. How many women worked here in the State Department a generation ago—not just in secretarial positions—women have always filled those spots—but as analysts, office directors, desk officers? There was Eleanor Dulles, a specialist in German affairs—whose brother just happened to be Secretary of State—and who else? Not many. Look at your numbers now. Who among you thinks we're ever going back?

I'm optimistic about the future because I am convinced that the doors of opportunity which we have opened will never again be closed. The gains we have achieved will be

built on—not only in the State Department, but in Congress and in the State legislatures, on Wall Street and in Silicone Valley, in the boardrooms, the newsrooms and the classrooms of our great universities, in the science labs and in space and wherever the next chapters of our history are being written.

It will be tough. Every step of the way will be contested. Power is always contested.

But I'm optimistic for another reason. In 1984, when I was running for Vice President, the campaign had me shy away from emphasizing women's issues. I didn't have to prove to anyone where I stood on equity for women. I had to convince ''the guys'' that I had the courage and the intelligence to run the country. But it didn't make sense. How can a woman not address the needs of women? And so in late October, right before the election, I gave my one and only women's speech, It addressed every issue we care about and have fought for over the last dozen years. I was concerned that somehow the message would be lost if we didn't bring in the other half of the population, and so I said: ''I am not only speaking to women here tonight. Every man is diminished when his daughter is denied a fair chance; every son is a victim when his mother is denied fair pay.''

Those are the same points we make when we discuss women's rights as human rights as the First Lady did so eloquently in Beijing. Allowing women full participation in society benefits not just them, but society as a whole.

Many of you participated in one way or another to the effort which made the Beijing Women's Conference such a success. I was privileged to be part of the delegation. It was one of the most fascinating and exhilarating events I've ever attended. The platform for action we adopted commits the nations of the world to halting violence against women, protecting their rights to free speech, health and education, and establishing a higher standard of respect for women's rights than ever before in history.

This, in itself, is quite an achievement. But I don't think that we will have done our job until the standard we set is met—and not just in America, but everywhere. And that will take a lot of work on the part of all of us who care about women and human rights. For we all know how easy it is for some nations to agree to international standards one moment then forget them entirely the next. So will it be with the Beijing platform if you and I relax or focus too narrowly on ourselves.

It is the special fate of America to be the particular champion of human liberty. It is not always an easy burden to live with. Whether we like it or not, the hopes of millions and millions of people across the world rest on our shoulders. And we know why: When the rest of the world has proven itself incapable of unwilling to lead, the United States has accepted the challenge.

It took two generations of sacrifice to win the cold war and bring the blessings of liberty and freedom to a hundred million people. And now, in Bosnia, in Haiti and in the Middle East, the eyes of the victims are turned to Washington again. There are jobs which only we can do. Not that we can do them all, or that we can always do them by ourselves. But the fact is, we are different; we are a catalyst. When we act, others follow.

So it is with human rights. The United States has been leading for over two hundred years. That's as it should be. Leadership in human rights is a burden we embrace in this building, in this administration, and in hundreds of private institutions and organizations throughout the country.

That's why I'm looking forward to heading back to Geneva next week for the meeting of the U.N. Human Rights Commission. There will be a lot on our plate there—China, Bosnia, Cuba and the Middle East. But despite all that, you can be sure that no delegation is going to be more active in the defense of women's rights than we will.

Human rights are universal, but they're also American through and through. They're as old as the Declaration of Independence, as new as this week's human rights reports. Despite our lapses, our institutions and policies are grounded in a genuine belief that the rights and freedoms we cherish belong to everyone. And that gives us a strength most other nations lack.

That is why I think that ultimately our views on human rights will prevail throughout the world. One day the standard we first set in our own institutions and then helped establish in the international arena will become the one by which all countries judge themselves.

Our job, then, is to take that voice and amplify it, to use the power of our institutions and the strength of our people, people like you to hold the nations of the world—our own included—accountable to the standards we have set for ourselves so many times—whether in the Bill of Rights, the U.N. Charter or the Universal Declaration of Human Rights—or more recently in the Vienna declaration, the Beijing platform and our 1996 human rights reports.

Of course, some governments won't be disseminating our reports this week. They'll be doing their best to silence them. They may succeed in the short term. They may jam the Voice of America. They may censor their newspapers, lock their dissidents in distant jails. They may oppose us at the United Nations and at the Human Rights Commission. They may bluster and rage and obfuscate. But time is no longer on their side. Eventually, with modern telecommunications the truth will find its way to even the most remote outpost of injustice. They are going to find it impossible to kill ideas which just won't die, ideas like freedom, justice and equality.

We only have to look at Bosnia or Baghdad, to Cuba or Chechnya or the desperate refugee camps in Sudan, Tanzania and Zaire to see how far we have to go. For if women's rights are human rights and human rights are universal—and all the nations of the world have agreed they are—there must come a time when the respect for these rights becomes universal, too. There must come a time when words become deeds, not just in America, but in every hut and every home in every land.

Yes, I think that time will come. It may not be in my lifetime, but it will come. There will be a time when the women of the world won't need to petition the powerful for protection, when ''poor'' and ''defenseless'' won't be names we give to half a billion women. There'll be a time when girls are not left to starve upon a hillside because they were not born boys; when their genitals are not mutilated to please some cruel, outdated custom; when they are not violated in the name of ethnic cleansing; when girls are not sold into prostitution out of financial desperation; when they are not burned because their dowries are too small or their husbands died before them.

There will be a time when women will not be either the victims or the cause of overpopulation; when they will not bear eight children in the hope that three may live; when they are not forced into early marriage; when they will not lack the education they need to become productive citizens.

There will be a time when refugee women will not sell themselves for food; when they will not be raped by marauding soldiers; when they will not be terrorized because they come from the wrong group or the wrong city or because they chose the wrong time to gather firewood to cook the family meal.

Yes, there will be a time for all of that. There'll be a time when the women of America can walk the streets of our cities and not know fear. There'll be a time when the life of a ghetto girl will mean as much as one in the wealthy suburbs; when comparable work will mean comparable pay; and when we can look out across any meeting room in any county of this country and see as many women there as men.

But that is some time off. Until then, violence against women will remain a thread that knits the world's rich and poor together. No nation is immune. This is not a problem of the developed or developing world. It is not African or Asian or American alone. It is universal. It is our problem; it is every nation's problem, and so it will remain until women take their rightful place alongside men, in all strata and at all levels of society. For violence is a reflection of second-class status.

And so as I look around me here and see so many examples of what this country can produce when it nurtures its girls as well as boys, I can't help but feel pride that we women have begun to force history to march forward. But time has caught us in mid-step. Our work, the work of everybody here today—men and women—is but half-done.

And yet I cannot think of a more exciting time to be alive. There is so much to do and so many talented people like you to do it. Women, not just here in America, but everywhere, are on the move, brushing aside the obstacles, defending our interests, our families and our values. Women's rights are human rights.

It's been a long time in coming, but I can feel the sweep of history now. It's in this room and in this country. And it won't stop here. One day the pulse of freedom and human dignity will beat in every woman's heart, not just in America, and not just on International Women's Day, but in every village and in every nation of the world every day of the year. It may not happen soon, but I know that with all of us working together, its time is sure to come.

Daily Digest

HIGHLIGHTS

House Committees ordered reported 13 sundry measures.

Senate

Chamber Action

Routine Proceedings, pages S1789–S1904

Measures Introduced: Six bills and two resolutions were introduced, as follows: S. 1604–1609, and S. Con. Res. 44–45. **Page S1855**

Measures Reported: Reports were made as follows:

Special Report entitled ''Revised Allocation to Subcommittees of Budget Totals from the Concurrent Resolution for Fiscal Year 1996''. (S. Rept. No. 104–240) **Page S1854**

Measures Passed:

Use of Capitol Rotunda: Senate agreed to S. Con. Res. 45, authorizing the use of the Capitol Rotunda on May 2, 1996, for the presentation of the Congressional Gold Medal to Reverend and Mrs. Billy Graham. **Pages S1870, S1900**

Agricultural Market Transition Act: Senate passed H.R. 2854, to modify the operation of certain agricultural programs after striking all after the enacting clause and inserting in lieu thereof the text of S. 1541, Senate companion measure, as passed by the Senate. **Pages S1889–99**

Senate insisted on its amendment, requested a conference with the House thereon, and the Chair appointed the following conferees: Senators Lugar, Dole, Helms, Cochran, McConnell, Craig, Leahy, Pryor, Heflin, Harkin, and Conrad. **Page S1899**

Continuing Appropriations: Senate continued consideration of H.R. 3019, making appropriations for fiscal year 1996 to make a further downpayment toward a balanced budget, taking action on amendments proposed thereto, as follows: **Pages S1792–S1808, S1810–15**

Adopted:

(1) Daschle (for Harkin) Amendment No. 3467 (to Amendment No. 3466), to restore $3.1 billion funding for education programs to the fiscal year 1995 levels. **Pages S1792–S1808, S1817**

(2) By 84 yeas to 16 nays (Vote No. 27), Specter/Harkin Amendment No. 3473 (to Amendment No. 3467), to revise provisions with respect to the Departments of Labor, Health and Human Services, and Education. **Pages S1811–15, S1816–17**

Subsequently, the amendment was modified. **Page S1851**

(3) Gregg (for Lautenberg/Hollings) Amendment No. 3476 (to Amendment No. 3466), to provide funds necessary to enhance efforts in the United States to combat Middle Eastern terrorism. **Page S1833**

(4) Gregg (for Reid) Amendment No. 3477 (to Amendment No. 3466), to protect and promote the public safety and health and activities affecting interstate commerce by establishing Federal criminal penalties for the performance of female genital mutilation. **Pages S1833–37**

Rejected:

By 47 yeas to 52 nays (Vote No. 28), Hollings Amendment No. 3474 (to Amendment No. 3466), to restore funding for certain technology initiatives. **Pages S1818–24, S1828–32**

Pending:

Hatfield Modified Amendment No. 3466, in the nature of a substitute. **Page S1792**

Reid Amendment No. 3478 (to Amendment No. 3466), to restore funding for and ensure the protection of endangered species of fish and wildlife. **Pages S1837–46**

Hutchison/Kempthorne Amendment No. 3479 (to Amendment No. 3478), to reduce funding for endangered species listings. **Page S1846**

Withdrawn:

Gregg Amendment No. 3475 (to Amendment No. 3474), to strike chapter 3, providing for emergency spending. **Pages S1824–28**

A unanimous-consent time agreement was reached providing for further consideration of certain of the pending amendments on Wednesday, March 13, 1996, with votes to occur thereon. **Page S1846**

Senate will continue consideration of the bill and amendments pending thereto, on Wednesday, March 13, 1996.

D.C. Appropriations Conference Report—Cloture Vote: By 56 yeas to 44 nays (Vote No. 25), three-fifths of those Senators duly chosen and sworn not having voted in the affirmative, Senate failed to agree to close further debate on the conference report on H.R. 2546, making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1996. **Page S1808**

Whitewater Investigation—Cloture Vote: By 53 yeas to 47 nays (Vote No. 26), three-fifths of those Senators duly chosen and sworn not having voted in the affirmative, Senate failed to agree to close further debate on the motion to proceed to the consideration of S. Res. 227, to authorize the use of additional funds for salaries and expenses of the Special Committee to Investigate Whitewater Development Corporation and Related Matters. **Page S1808**

A third motion was entered to close further debate on the motion to proceed and, by unanimous-consent, a vote on the motion will occur on Thursday, March 14, 1996. **Page S1900**

A vote on a second cloture motion will occur on Wednesday, March 13, 1996.

Housing Opportunity Program Extension Act: Senate concurred in the amendment of the House to S. 1494, to provide an extension for fiscal year 1996 for certain programs administered by the Secretary of Housing and Urban Development and the Secretary of Agriculture, clearing the measure for the President. **Pages S1900–03**

Nominations Confirmed: Senate confirmed the following nominations:

Thomas A. Fink, of Alaska, to be a Member of the Federal Retirement Thrift Investment Board for a term expiring October 11, 1999.

Pages S1900, S1904

Nominations Received: Senate received the following nominations:

David H. Shinn, of Washington, to be Ambassador to Ethiopia. **Page S1853**

Communications: **Pages S1853–54**

Executive Reports of Committees: **Pages S1854–55**

Statements on Introduced Bills: **Pages S1855–69**

Additional Cosponsors: **Pages S1869–70**

Amendments Submitted: **Pages S1870–84**

Authority for Committees: **Page S1884**

Additional Statements: **Pages S1884–89**

Record Votes: Four record votes were taken today. (Total–28) **Pages S1808, S1817, S1832**

Adjournment: Senate convened at 9:30 a.m., and adjourned at 9:32 p.m., until 9:15 a.m., on Wednesday, March 13, 1996. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S1904.)

Committee Meetings

(Committees not listed did not meet)

INTERNATIONAL CRIME

Committee on Appropriations: Subcommittee on Foreign Operations concluded hearings to assess the costs associated with law enforcement training initiatives to combat international crime, terrorism, and narcotics, after receiving testimony from Louis J. Freeh, Director, Federal Bureau of Investigation, Department of Justice.

NOMINATIONS

Committee on Armed Services: Committee ordered favorably reported the nominations of Maj. Gen. Richard C. Bethurem, USAF, to the grade of lieutenant general, Lt. Gen. Michael E. Ryan, USAF, to the grade of general, Gen. Richard E. Hawley, USAF, to the grade of general, Alvin L. Alm, of Virginia, to be Assistant Secretary of Energy for Environmental Management, and 131 routine military nominations in the Army, Navy, and Air Force.

AUTHORIZATION—DEFENSE

Committee on Armed Services: Committee resumed hearings on proposed legislation authorizing funds for fiscal year 1997 for the Department of Defense, and the future years defense plan, receiving testimony from John H. Dalton, Secretary of the Navy; Adm. Jeremy M. Boorda, USN, Chief of Naval Operations; and Gen. Charles C. Krulak, Commandant of the Marine Corps.

Hearings continue tomorrow.

WELFARE FOR IMMIGRANTS

Committee on the Budget: Committee concluded hearings to examine Federal welfare benefits for immigrants, focusing on the public charge exclusion in immigration law and the enforcement of a sponsor's support affidavits, after receiving testimony from David A. Martin, General Counsel, Immigration and Naturalization Service, Department of Justice; Virginia State Delegate Karen Darner, Arlington, on behalf of the National Conference of State Legislatures; George J. Borjas, Harvard University, Cambridge, Massachusetts; and Mark Tajima, Los Angeles County Chief Administrative Office, Los Angeles, California.

ANGOLA

Committee on Foreign Relations: Subcommittee on African Affairs concluded hearings to examine prospects for peace and democracy in Angola, after receiving testimony from J. Brian Atwood, Administrator, Agency for International Development; George E. Moose, Assistant Secretary of State for African Affairs; Paul Hare, U.S. Special Representative to the Angolan Peace Process; Gerald J. Bender, University of Southern California, Culver City; R. Bruce McColm, Institute for Democratic Strategies, Alexandria, Virginia; and Edward DeJarnette, United States-Angola Chamber of Commerce, and Edmond Corthesy, International Committee of the Red Cross, both of Washington, D.C.

HUMAN RADIATION EXPERIMENTS

Committee on Governmental Affairs: Committee held hearings to examine human radiation experiment issues, focusing on initiatives to protect human subjects in research, receiving testimony from Sarah F. Jaggar, Director, Health Financing and Public Health Issues, Health, Education, and Human Services Division, and Bernice Steinhardt, Associate Director, Energy, Resources, and Science, Resources, Community, and Economic Development Division, both of the General Accounting Office; Gary B. Ellis, Director, Office for Protection from Research Risks, National Institutes of Health, Department of Health and Human Services; Tara O'Toole, Assistant Secretary of Energy for Environment, Safety and Health; Gordon K. Soper, Principal Deputy to the Assistant Secretary of Defense for Nuclear and Chemical and Biological Defense Programs; Mayor George N. Ahmaogak, Sr., North Slope Borough, Alaska; Phillip Muller and Tony de Brum, both representing the Government of the Republic of the Marshall Islands; E. Cooper Brown, Task Force on Radiation and Human Rights, Washington, D.C.; Gwendon Plair, Concerned Relatives of Cancer Study Patients, Cincinnati, Ohio; and James Nageak, Wainwright, Alaska.

Hearings were recessed subject to call.

YOUTH VIOLENCE

Committee on the Judiciary: Subcommittee on Youth Violence concluded hearings on proposed legislation authorizing funds for programs of the Juvenile Justice and Delinquency Prevention Act, after receiving testimony from Senator Grassley; Ray Luick, Wisconsin Office of Justice Assistance, Madison; William R. Woodward, Colorado Department of Public Safety, Denver; S. Camille Anthony, Utah Commission on Criminal and Juvenile Justice, Salt Lake City; Jerry Regier, Oklahoma Department of Juvenile Justice, Oklahoma City; Patricia West, Virginia Department of Youth and Family Services, Richmond; Robert G. Schwartz, Pennsylvania State Advisory Group on Juvenile Justice, Philadelphia, on behalf of the American Bar Association; Steve A. Carson, LaFollette Police Department, LaFollette, Tennessee; and Byron F. Oedekoven, Gillette Police Department, Gillette, Wyoming.

House of Representatives

Chamber Action

Bills Introduced: 14 public bills, H.R. 3060–3073; and 3 resolutions, H. Con. Res. 151, and H. Res. 378–379 were introduced. **Pages H2122–23**

Reports Filed: Reports were filed as follows:

H.R. 2972, to authorize appropriations for the Securities and Exchange Commission, and to reduce the fees collected under the Federal securities laws, amended (H. Rept. 104–479); and

H. Res. 380, providing for the consideration of H.R. 2703, to combat terrorism (H. Rept. 104–480). **Page H2122**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designates Representative Kolbe to act as Speaker pro tempore for today. **Page H2035**

Recess: House recessed at 1:01 p.m. and reconvened at 2 p.m. **Page H2038**

Corrections Calendar: On the call of the Corrections Calendar, the House passed H.R. 2685, to repeal the Medicare and Medicaid Coverage Data Bank. **Pages H2041–48**

Presidential Messages: Read the following messages from the President:

Extension of Iran emergency: Message wherein he advises he has sent to the Federal Register a notice extending the national emergency with respect to Iran beyond March 16, 1996—referred to the Committee on International Relations and ordered printed (H. Doc. 104–184); and **Page H2048**

Report on Iran emergency: Message wherein he transmits his report on developments regarding the national emergency with respect to Iran—referred to

the Committee on International Relations and ordered printed (H. Doc. 104–185). **Pages H2048–49**

Suspensions: House voted to suspend the rules and pass the following measures:

SEC reauthorization: H.R. 2972, amended, to authorize appropriations for the Securities and Exchange Commission, and to reduce the fees collected under the Federal securities laws; **Pages H2050–53**

FAA revitalization: H.R. 2276, amended, to establish the Federal Aviation Administration as an independent establishment in the executive branch; **Pages H2053–68**

Bi-State development: H.J. Res. 78, amended, to grant the consent of the Congress to certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois (passed by a recorded vote of 405 ayes, Roll No. 57); **Pages H2068–69, H2082–83**

Chattahoochee compact: H.R. 2064, to grant the consent of Congress to an amendment of the Historic Chattahoochee Compact between the States of Alabama and Georgia; and **Pages H2069–70, H2083**

Terrorism attacks in Israel: H. Con. Res. 149, amended, condemning terror attacks in Israel (agreed to by a yea-and-nay vote of 406 yeas, Roll No. 58). **Pages H2070–74, H2083–84**

American Overseas Interests: By a yea-and-nay vote of 226 yeas to 172 nays, Roll No. 59, the House agreed to the conference report on H.R. 1561, the American Overseas Interests Act of 1995—clearing the measure for Senate action. **Pages H2084–95**

H. Res. 375, the rule waiving all points of order against the conference report and against its consideration, was agreed to earlier by a yea-and-nay vote of 226 yeas to 180 nays, Roll No. 56. **Pages H2075–82**

Committee Funding: House agreed to H. Res. 377, providing amounts for further expenses of the Committee on Standards of Official Conduct in the second session of the One Hundred Fourth Congress. **Page H2095**

Quorum Calls—Votes: Three yea-and-nay votes and one recorded vote developed during the proceedings of the House today and appear on pages H2082, H2082–83, H2083–84, and H2094–95.

Adjournment: Met at 12:30 p.m. and adjourned at 11:39 p.m.

Committee Meetings

AGRICULTURE, RURAL DEVELOPMENT, FDA, AND RELATED AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Agriculture, Rural Development, FDA, and Related Agencies held appropriation hearing on Food and Drug Administration. Testimony was heard from David A. Kessler, M.D. Commissioner, FDA, Department of Health and Human Services.

LABOR-HHS-EDUCATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education held a hearing on the following: Corporation for National and Community Service; Federal Mediation and Conciliation Service; Federal Mine Safety and Health Review Commission; National Commission on Libraries; and the National Council on Disability. Testimony was heard from Harris Wofford, CEO, Corporation for National and Community Service; May Lu Jordan, Chairperson, Federal Mine Safety and Health Review Commission; John Calhoun Wells, Director, Federal Mediation and Conciliation Service; Jeanne Hurley Simon, Chairperson, National Commission on Libraries; and Kate Pew Wolters, member and Chairperson, Committee on Finance, National Council on Disability.

TRANSPORTATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Transportation held a hearing on the Coast Guard. Testimony was heard from Adm. Robert E. Kramek, USCG, Commandant, U.S. Coast Guard, Department of Transportation.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS

Committee on Appropriations: Subcommittee on Treasury, Postal Service, and General Government held a hearing on developments in financial law enforcement. Testimony was heard from the following officials of the Department of the Treasury: Eljay B. Bowron, Director, U.S. Secret Service; John W. Magaw, Director, Bureau of Alcohol, Tobacco and Firearms; Charles F. Rinkevich, Director, Federal Law Enforcement Training Center; Donald K. Vogel, Assistant Commissioner, Criminal Investigation, IRS; and Stanley E. Morris, Director, Financial Crimes Enforcement Network.

MISCELLANEOUS MEASURES; COMMITTEE BUSINESS

Committee on House Oversight: Ordered reported the following measures: H. Res. 377, providing amounts

for further expenses of the Committee on Standards of Office Conduct in the second session of the 104th Congress; a resolution adopting regulations implementing Congressional Accountability Act (House); a resolution adopting regulations implementing Congressional Accountability Act (other entities); H.R. 3058, to amend the Uniformed and Overseas Citizens Absentee Voting Act to extend the period for receipt of absentee ballots; and S. Con. Res. 34, to authorize the printing of ''Vice Presidents of the United States, 1789–1993.''

The Committee also approved other pending Committee business.

PLO COMMITMENT COMPLIANCE—TERRORIST THREAT TO ISRAEL

Committee on International Relations: Held a hearing on PLO Commitment Compliance and the Terrorist Threat to Israel. Testimony was heard from Robert H. Pelletreau, Assistant Secretary, Near East and South Asian Affairs, Department of State; and public witnesses.

REAUTHORIZING EXPORT ASSISTANCE PROGRAMS

Committee on International Relations: Subcommittee on International Economic Policy and Trade held a hearing on exports, growth and jobs and reauthorizing Federal Export Assistance programs. Testimony was heard from public witnesses.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Ordered reported the following bills: H.R. 2925, Antitrust Health Care Advancement Act of 1996; H.R. 2937, amended, for the reimbursement of legal expenses and related fees incurred by former employees of the White House Travel Office with respect to the termination of their employment in that Office on May 19, 1993; H.R. 2511, Anticounterfeiting Consumer Protection Act of 1995; H.R. 1861, amended, to make technical corrections in the Satellite Home Viewer Act of 1994 and other provisions of title 17, United States Code; H.R. 1734, amended, National Film Preservation Act of 1995; H.R. 2977, Administrative Dispute Resolution Act of 1996; H.J. Res. 129, granting the consent of Congress to the Vermont-New Hampshire Interstate Public Water Supply Compact; and H.R. 2604, to amend title 28, United States Code, to authorize the appointment of additional bankruptcy judges.

The Committee also approved the following: private claims bills; and its Budget Views and Estimates for submission to the Committee on the Budget.

DEFENSE AUTHORIZATION

Committee on National Security: Subcommittee on Military Personnel continued hearings on the fiscal year 1997 national defense authorization request, receiving a quality-of-life and compensation review. Testimony was heard from the following officials of the Department of Defense: Frederick Pang, Assistant Secretary, Force Management Policy; Lt. Gen. Theodore G. Stroup, Jr., USA, Deputy Chief of Staff, Personnel, Department of the Army; VAdm. Frank L. Bowman, USN, Chief of Naval Personnel, Department of the Navy; Lt. Gen. George R. Christmas, USMC, Deputy Chief of Staff, Manpower and Reserve Affairs, U.S. Marine Corps; and Lt. Gen. Michael D. McGinty, USAF, Deputy Chief of Staff, Personnel, Department of the Air Force; John W. Marsh, Jr., former Secretary of the Army and Chairman, Task Force on Quality of Life; and Adm. William D. Smith, USN (Ret.), Senior Fellow, Center for Naval Analysis.

DEFENSE AUTHORIZATION

Committee on National Security: Subcommittee on Military Procurement began hearings on the fiscal year 1997 national defense authorization request, with emphasis on the Department of Energy budget. Testimony was heard from the following officials of the Department of Energy: Charles Curtis, Deputy Secretary; Victor Reis, Assistant Secretary, Defense Programs; and John Rohlfing, Director, Office of Nonproliferation and National Security; Harold Smith, Jr., Assistant to the Secretary, Nuclear, Chemical, and Biological Matters, Department of Defense; and the following Directors, National Laboratories: Sig Hecker, Los Alamos; Bruce Tarter, Lawrence Livermore; and Paul Robinson, President and Director, Sandia.

DEFENSE AUTHORIZATION

Committee on National Security: Subcommittee on Military Research and Development continued hearings in the fiscal year 1997 national defense authorization request, with emphasis on the chemical-biological defense program and response to urban terrorism. Testimony was heard from the following officials of the Department of Defense: Ted Prociv, Deputy Assistant Secretary, Chemical and Biological Matters; Maj. Gen. George E. Friel, USA, Commander, U.S. Army Chemical and Biological Defense Command; RAdm. Scott A. Frey, USN, Deputy Director, Strategy and Policy, Joint Staff; and Brig. Gen. Thomas E. Swain, USA, Deputy Assistant Secretary, Missions and Applications, Office of the Assistant Secretary, Special Operations/Low Intensity Conflict; G. Clay Hollister, Deputy Associate Director, Response and Recovery, FEMA; Robert Blitzer, Acting Section

Chief, Domestic Terrorism, FBI, Department of Fire and Rescue Services, State of Maryland.

EFFECTIVE DEATH PENALTY AND PUBLIC SAFETY ACT

Committee on Rules: Granted, by voice vote, a modified closed rule on H.R. 2703, the Effective Death Penalty and Public Safety Act of 1996, providing one hour of general debate divided equally between the chairman and ranking minority member of the Committee on the Judiciary. The rule provides for the consideration of only those amendments printed in the report of the Committee on Rules, which shall be considered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole. The rule waives all points of order against the amendments printed in the report. The rule allows the Chairman of the Committee of the Whole to postpone votes during consideration of the bill, and allows the Chairman of the Committee of the Whole to reduce votes to five minutes on a postponed question if the vote follows a fifteen minute vote. The rule provides one motion to recommit, with or without instructions. It shall be in order at any time for the Chairman of the Committee on the Judiciary or a designee to offer amendments en bloc consisting of amendments not previously disposed of which are printed in the report of the Committee on Rules or germane modifications thereof. The rule provides that amendments offered en bloc shall be considered as read (except that modifications shall be reported), and shall be debatable for 20 minutes equally divided between the chairman and ranking minority member of the Committee on the Judiciary or their designee. The rule permits the original proponent of an amendment included in an en bloc amendment to insert a statement in the CONGRESSIONAL RECORD immediately prior to the disposition of the amendments en bloc. The rule provides that after passage of H.R. 2703, it shall be in order to take S. 735 from the Speaker's table and consider it in the House. The rule allows for a motion to strike all after the enacting clause of the Senate bill and insert the text of H.R. 2703 as passed by the House. Finally, the rule provides that it shall be in order to move that the House insist in its amendment(s) to S. 735 and request a conference.

Testimony was heard from Representatives McCollum, Schiff, Bryant of Tennessee, Barr, Burton of Indiana, Cunningham, Bachus, Bartlett of Maryland, Horn, Istook, Manzullo, Quinn, Martini, Salmon, Conyers, Frank of Massachusetts, Schumer, Nadler, Watt of North Carolina, Jackson-Lee, Markey, Hoyer, Traficant, Skaggs, Slaughter, DeLauro, Hastings of Florida, and Stupak.

OVERSIGHT—RAIL SAFETY

Committee on Transportation and Infrastructure: Subcommittee on Railroads continued oversight hearings on Rail Safety: Equipment and FRA Regulatory Procedures. Testimony was heard from Jolene Molitoris, Administrator, Federal Railroad Administration, Department of Transportation; James E. Hall, Chairman, National Transportation Safety Board; Dennis Sullivan, Chief Operating Officer, National Railroad Passenger Corporation (AMTRAK); and public witnesses.

POVERTY CAUSES—OUT-OF-WEDLOCK BIRTHS

Committee on Ways and Means: Subcommittee on Human Resources held a hearing on the causes of poverty, with a focus on out-of-wedlock births. Testimony was heard from Representatives Rangel, Talent, Hutchinson and Clayton; and public witnesses.

NRO FORWARDING FUND

Permanent Select Committee on Intelligence: Met in executive session to hold a hearing on NRO forward funding. Testimony was heard from departmental witnesses.

COMMITTEE MEETINGS FOR WEDNESDAY, MARCH 13, 1996

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Armed Services, Subcommittee on Strategic Forces, to hold closed and open hearings on the Department of Energy Atomic Energy Defense Programs (Nuclear Stockpile Stewardship and Management), 9:30 a.m., SR–232A.

Subcommittee on Personnel, to hold hearings on proposed legislation authorizing funds for fiscal year 1997 for the Department of Defense and the future years defense program, focusing on manpower, personnel, and compensation programs, 10 a.m., SR–222.

Full Committee, to resume hearings on proposed legislation authorizing funds for fiscal year 1997 for the Department of Defense and the future years defense plan, 2 p.m., SR–222.

Committee on Energy and Natural Resources, business meeting, to consider pending calendar business, 9:30 a.m., SD–366.

Committee on Foreign Relations, to resume hearings on the Convention on the Prohibition of Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, opened for signature and signed by the United States at Paris on January 13, 1993 (Treaty Doc. 103–21), 2 p.m., SD–419.

Committee on Governmental Affairs, Permanent Subcommittee on Investigations, to resume hearings to examine global proliferation of weapons of mass destruction, 9:30 a.m., SD–342.

Committee on the Judiciary, business meeting, to resume markup of S. 269 and S. 1394, bills to reform the United States immigration system, 10 a.m., SD–G50.

Committee on Rules and Administration, to resume hearings on S. 46, to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate primary and general election campaigns, and to limit contributions by multicandidate political committees, S. 1219 and S. 1389, bills to reform the financing of Federal elections, and S. 1528, to reform the financing of Senate campaigns, 9:30 a.m., SR–301.

Select Committee on Intelligence, to hold closed hearings on intelligence matters, 2 p.m., SH–219.

House

Committee on Appropriations, Subcommittee on Agriculture, Rural Development, FDA, and Related Agencies, on Inspector General Overview, 1 p.m., 2362A Rayburn.

Subcommittee on Interior, on National Endowment for the Arts, 10 a.m., B–308 Rayburn.

Subcommittee on Labor, Health and Human Services, and Education, on the National Mediation Board and the Railroad Retirement Board, 10 a.m., and on Armed Forces Retirement Home, the Physician Payment Review Commission and the Prospective Payment Assessment Commission, 2 p.m., 2358 Rayburn.

Subcommittee on Military Construction, on Navy, 9:30 a.m., B–300 Rayburn.

Subcommittee on National Security, executive, on Commander in Chief, U.S. Pacific Command and the Commander in Chief, U.S. Forces Korea, 10 a.m., H–140 Capitol.

Subcommittee on Transportation, on Federal Railroad Administration and AMTRAK, 10 a.m., 2358 Rayburn.

Committee on Banking and Financial Services, hearing on the Risk Assessment of Banks, 10 a.m., 2128 Rayburn.

Committee on the Budget, hearing on Generational Accounting and Long-term Fiscal Prospects, 10 a.m., 210 Cannon.

Committee on Commerce, to mark up the following bills: H.R. 2596, to extend energy conservation programs under the Energy Policy and Conservation Act through fiscal year 1999; H.R. 2967, to extend the authorization of the Uranium Mill Tailings Radiation Control Act of 1978; H.R. 2501, to extend the deadline under the Federal Power Act applicable to the construction of a hydroelectric project in Kentucky; H.R. 2630, to extend the deadline for commencement of construction of a hydroelectric project in the State of Illinois; H.R. 2695, to extend the deadline under the Federal Power Act applicable to the construction of certain hydroelectric projects in the State of Pennsylvania; H.R. 2773, to extend the deadline under the Federal Power Act applicable to the construction of 2 hydroelectric projects in North Carolina; H.R. 2816, to reinstate the license for, and extend the deadline under the Federal Power Act applicable to the construction of, a hydroelectric project in Ohio; H.R. 2869, to extend the deadline for commencement of construction of a hydroelectric project in the State of Kentucky; and H.R. 1663, Waste Isolation Pilot Land Withdrawal Amendment Act, 10 a.m., 2123 Rayburn.

Committee on Government Reform and Oversight, Subcommittee on the Postal Service, oversight hearing on the U.S. Postal Service, 9:30 a.m., 311 Cannon.

Committee on International Relations, to consider Budget Views and Estimates for submission to the Committee on the Budget; followed by a hearing on Arms Transfers to Jordan, 10 a.m., 2172 Rayburn.

Subcommittee on Asia and the Pacific, to mark up the following resolutions: H. Res. 345, expressing concern about the deterioration of human rights in Cambodia; and H. Con. Res. 148, expressing the sense of the Congress that the United States is committed to the military stability of the Taiwan Straits and United States military forces should defend Taiwan in the event of invasion, missile attack, or blockade by the People's Republic of China, 1:30 p.m., 2200 Rayburn.

Subcommittee on International Operations and Human Rights and Subcommittee on Africa, joint hearing on Slavery in Mauritania and Sudan, 2 p.m., 2172 Rayburn.

Committee on National Security, to continue hearings on fiscal year 1997 national defense authorization request, 9:30 a.m., 2118 Rayburn.

Subcommittee on Military Installations and Facilities, to begin hearings on the fiscal year 1997 national defense authorization request, with emphasis on the recapitalization and modernization of facilities, 2 p.m., 2212 Rayburn.

Committee on Resources, to mark up the following bills: H.R. 1823, to amend the Central Utah Project Completion Act to direct the Secretary of the Interior to allow for prepayment of repayment contracts between the United States and the Central Utah Water Conservancy District dated December 28, 1965, and November 26, 1985; H.R. 2824, Snowbasin Land Exchange Act of 1995; H.R. 1965, to reauthorize the Coastal Zone Management Act of 1972; H.R. 2160, to authorize appropriations to carry out the Interjurisdictional Fisheries Act of 1966 and the Anadromous Fish Conservation Act; H.R. 2107, Visitor Services Improvement and Outdoor Legacy Act of 1995; H.R. 1527, to amend the National Forest Ski Area Permit Act of 1986 to clarify the authorities and duties of the Secretary of Agriculture in issuing ski area permits on National Forest System lands and to withdraw lands within ski area permit boundaries from the operation of the mining and mineral leasing laws; H.R. 1999, to establish the Augusta Canal National Heritage Area in the State of Georgia; and H.R. 1975, Federal Oil and Gas Royalty Simplification and Fairness Act of 1995; and to consider a motion to go to conference for all bills previously reported, 11 a.m., 1324 Longworth.

Committee on Standards of Official Conduct, executive, to consider pending business, 2 p.m., HT–2M Capitol

Committee on Transportation and Infrastructure, Subcommittee on Aviation, to continue hearings on the Airport Improvement Program, 9:30 a.m., 2167 Rayburn.

Committee on Ways and Means, Subcommittee on Trade, hearing on implementation of Uruguay Round Agreements and World Trade Organization, 10 a.m., 1100 Longworth.

Next Meeting of the SENATE

9:15 a.m., Wednesday, March 13

Senate Chamber

Program for Wednesday: After the recognition of one Senator for a speech and the transaction of any morning business (not to extend beyond 9:30 a.m.), Senate will resume consideration of H.R. 3019, Continuing Appropriations, 1996.

At 2 p.m., Senate will vote on a second cloture motion to close further debate on the motion to proceed to S. Res. 227, Whitewater Investigation Extension, following which Senate will vote on, or in relation to, certain amendments pending to H.R. 3019, Continuing Appropriations, 1996.

Next Meeting of the HOUSE OF REPRESENTATIVES

11 a.m., Wednesday, March 13

House Chamber

Program for Wednesday and the balance of the week: Consideration of H.R. 2703, Effective Death Penalty and Public Safety Act of 1996 (modified closed rule, 1 hour of general debate).

Extensions of Remarks, as inserted in this issue

HOUSE

Furse, Elizabeth, Ore., E324
Gutierrez, Luis V., Ill., E326
Hayworth, J.D., Ariz., E323
McDade, Joseph M., Pa., E324
Meek, Carrie P., Fla., E324, E325
Ros-Lehtinen, Ileana, Fla., E323
Schaefer, Dan, Colo., E323
Schroeder, Patricia, Colo., E326
Schumer, Charles E., N.Y., E323
Stark, Fortney Pete, Calif., E323
Torres, Esteban Edward, Calif., E325
Watts, J.C., Jr., Okla., E325

Congressional Record The public proceedings of each House of Congress, as reported by the Official Reporters thereof, are printed pursuant to directions of the Joint Committee on Printing as authorized by appropriate provisions of Title 44, United States Code, and published for each day that one or both Houses are in session, excepting very infrequent instances when two or more unusually small consecutive issues are printed at one time. ¶Public access to the Congressional Record is available online through *GPO Access,* a service of the Government Printing Office, free of charge to the user. The online database is updated each day the Congressional Record is published. The database includes both text and graphics from the beginning of the 103d Congress, 2d session (January 1994) forward. It is available on the Wide Area Information Server (WAIS) through the Internet and via asynchronous dial-in. Internet users can access the database by using the World Wide Web; the Superintendent of Documents home page address is http://www.access.gpo.gov/su_docs, by using local WAIS client software or by telnet to swais.access.gpo.gov, then login as guest (no password required). Dial-in users should use communications software and modem to call (202) 512–1661; type swais, then login as guest (no password required). For general information about *GPO Access,* contact the *GPO Access* User Support Team by sending Internet e-mail to help@eids05.eids.gpo.gov, or a fax to (202) 512–1262; or by calling (202) 512–1530 between 7 a.m. and 5 p.m. Eastern time, Monday through Friday, except for Federal holidays. ¶The Congressional Record paper and 24x microfiche will be furnished by mail to subscribers, free of postage, at the following prices: paper edition, $112.50 for six months, $225 per year, or purchased for $1.50 per issue, payable in advance; microfiche edition, $118 per year, or purchased for $1.50 per issue payable in advance. The semimonthly Congressional Record Index may be purchased for the same per issue prices. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington, D.C. 20402. ¶Following each session of Congress, the daily Congressional Record is revised, printed, permanently bound and sold by the Superintendent of Documents in individual parts or by sets. ¶With the exception of copyrighted articles, there are no restrictions on the republication of material from the Congressional Record.