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House of Representatives

The House met at 9 a.m. and was called to order by the Speaker pro tempore [Mr. COLLINS of Georgia].

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
August 2, 1996.

I hereby designate the Honorable MAC COLLINS to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Reverend Dr. Ronald F. Christian, office of the bishop, Evangelical Lutheran Church of America, Washington, DC, offered the following prayer:

The Psalmist prays:

The heavens declare the glory of God,

And the firmament shows his handiwork.

Oh God, we can recognize Your presence in that which is about us; intricacies of nature in flowers and in fragrance; diversity in people in size and shape; variety of animals in habits and habitats; and beauty of the night skies in the Southern Cross and the dippers, large and small.

Oh God, as we recognize Your presence, so let us honor that presence, by taking care of all that in nature we so glibly call our own; by protecting that which we have dominion over; by giving consideration to people's differences of both opinion and interests; and by offering our thanks for both Your grace and Your mercy as we, each one, seek justice for all.

Oh God, dispose our days and our deeds in Your peace. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from North Carolina [Mr. BALLENGER] come forward and lead the House in the Pledge of Allegiance.

Mr. BALLENGER 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.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3734) ''An act to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997.''

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain five 1-minute speeches from each side.

CONGRESSMAN BUNN OF OREGON DESERVES APOLOGY FROM SECRETARY OF THE INTERIOR BABBITT

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

Mr. REGULA. Mr. Speaker, the Associated Press on July 30 of this year quoted Secretary of the Interior Babbitt as follows:

There are a lot of people, like Congressman Bunn, who want to shut down the national park system, dissolve the national forest lands, and convey away all the public land.

I just want to say for the record that the gentleman from Oregon, Congressman BUNN, serves with me on the subcommittee on appropriations responsible for funding national parks, for funding national forests, and for funding Federal public lands.

The facts are as follows: Congressman BUNN has supported, as a member of this subcommittee, increased funding for all of these functions: parks, forests, and public lands. At no time has he suggested that we close parks or that we dissolve national forest lands into private ownership, or that we convey away the public lands owned by the people of this Nation.

Statements such as the one made by Secretary Babbitt do a great disservice to truth and facts. Congressman BUNN deserves an apology.

GAIL DEVERS; SAN DIEGO'S OLYMPIC HERO

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

Mr. FILNER. Mr. Speaker, Americans in every corner of this great Nation let out a collective cheer last Saturday as Gail Devers won her second straight Olympic gold medal in the 100 meters.

Everyone in San Diego County, CA, is familiar with Gail's achievements. A graduate of Sweetwater High School in National City, Devers became only the second woman in history to win consecutive gold medals in the 100 meters.

Even without this impressive accomplishment, Gail Devers would be a modern day hero. She won 10 area track titles in various events for Sweetwater High while setting seven section records and winning three State titles. She was so widely known in San Diego's South Bay that Sweetwater High named its stadium after her.

Her high school yearbook inscription read, ''follow your dreams wherever they may lead.'' Little did she know that those dreams might never have been fulfilled on the track. In 1988, she developed Graves' disease and could not run for almost 2 years. She suffered through radiation therapy to counter the disease, which nearly forced the amputation of her feet in 1991. Only a year later, she won the first of her two 100 meter gold medals at the Barcelona Olympics.

Despite consecutive disappointing finishes in the 100 meter hurdles, including a fall over the final hurdle to surrender the lead at the Barcelona Olympics, Gail Devers has been a model champion with her bright smile and uplifting demeanor.

Gail led the San Diego County contingent of athletes at the Atlanta games—a contingent that numbers 98 strong. Many of these athletes, and others from across the Nation and around the world, trained prior to the games at the ARCO Olympic Training Center in Chula Vista in my district.

The San Diego community deserves to be proud of its athletes and its support of the American Olympic effort through the Olympic Training Center. We are especially proud of Gail Devers, who has overcome life-threatening adversity to become an heroic Olympic champion.

THE CRY FOR CHANGE AND REFORM HAS NOT GONE UNHEARD IN THE 104TH CONGRESS

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

Mr. BALLENGER. Mr. Speaker, in 1994, the American people delivered to this Congress a message of frustration and hope that a new legislature with fresh faces and a fresh commitment to honor the voice of the people that would radically alter the political landscape.

Their cry for change and reform did not go unheard.

In this Congress, we have changed the way Washington works and given the power back from where it came—the people in the States and cities and towns with real problems and real answers.

In this Congress, we passed real welfare reform, giving hope and opportunity to those who were trapped in a system that robs people of their dreams and dignity.

In this Congress, we forced this very body to live under the same laws and rules as those who elected us. We are no longer accountable to ourselves, but to the American people.

There is still a long road ahead of us to accomplish everything that the American people set before us. But we will remain faithful to their message and continue in the right direction.

DEMOCRATS DECLARE VICTORY FOR GETTING MINIMUM WAGE BILL TO FLOOR OF HOUSE

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

Mr. PALLONE. Mr. Speaker, the Democrats can declare victory again today, once the minimum wage bill is brought up on the House floor, but I just wanted to point out two things: First, to remind my colleagues that the Republicans fought against this minimum wage bill tooth and nail over the last 2 years; and, second, to point out that this affects real people.

Too many times on the other side of the aisle, particularly last Monday when the House Republican leader, the gentleman from Texas, DICK ARMEY, once again blasted the minimum wage and said that it was not important to real people, it was somehow an inside-the-beltway issue. Well, that is simply not true.

There are probably about 10 million Americans that are affected by a minimum wage increase, and they are people that have to go out every day and work to bring home the bread, to raise families, to pay for their mortgages, to pay for heat, to pay for their rent, whatever it happens to be. By delaying this minimum wage increase over 18 months, the Republican leadership has made it very difficult for those real people.

I am pleased today that it is finally being brought up. It is a victory not only for the Democrats but it is a victory for the real people in this country who only earn a minimum wage.

A THREEFER

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

Mr. HOKE. Mr. Speaker, I guess if the gentleman from New Jersey thinks that we delayed it for 18 months, he obviously agrees the Democrats delayed it for 5 years.

Mr. Speaker, we did a threefer this week. A threefer. First of all, we passed welfare reform that fundamentally changes the welfare system, and it ways no more something for nothing. We are not going to condemn people to a cycle of dependency. We will not rip off their dignity and their self-worth. Great bill.

Second, health care reform says that health insurance can be kept when individuals leave or change their jobs. It provides for long-term care insurance deductions, fights fraud and abuse, allows self-employed health care deductions, and it establishes for the first time the one thing that is going to put consumers, patients, back in the driver's seat and take the power away from bureaucracies and insurance companies: medical savings accounts. We passed that.

Today we are going to pass another bill that will make our airports safer, that will crack down on terrorism and that is going to make this country a safer place to live.

A threefer for this Congress, Mr. Speaker.

NIKE: RICH BOSSES, SWEAT SHOP SLAVES

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

Mr. TRAFICANT. Mr. Speaker, the Olympics is great for fans, athletes, and sponsors. Especially sponsors. Take Nike. Please, someone take Nike.

Nike pays Indonesian and Vietnamese workers an average of 15 cents an hour. They then sell those shoes for $140 a pair. And then, if Members think that is highway robbery, their chief executive officer, Phillip Knight, made $6.5 million in 1995.

I say a Nike ad should read, ''Rich Bosses, Sweat Shop Slaves.'' And if we want to talk about sneakers, Nike is not joking.

Mr. Speaker, I say it is time for the American consumers to tell Nike to take a hikey and buy some American shoes before, so help me God, we are all working in some sweat shop.

With that, I yield back all the sweat and pain.

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

Mr. TRAFICANT. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, I am sure that the gentleman is aware that Reebok has ceased buying soccer balls from anybody that hires children.

Mr. TRAFICANT. Mr. Speaker, reclaiming my time, last I heard, Reebok was not an American operation either.

REPUBLICAN CONGRESS KEEPS COMMITMENTS TO AMERICAN PEOPLE

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

Mr. GUTKNECHT. Mr. Speaker, in November 1994 the American people sent a very clear message and Republicans were elected to restore the bonds of trust between the American people and their Government.

We have cut spending and are continuing on the path to a balanced budget. We are returning power and decisionmaking ability to States and local governments. We are eliminating the failed welfare state that has entrapped fellow Americans in poverty and despair. We passed health care reform

legislation to make it easier for people to have insurance.

Rather than impose government mandates and create more bureaucracy, Republicans are getting government out of Americans' lives so they can do more for their families, children, and communities.

This Republican Congress is historic because we are keeping our commitments to the American people to end business as usual in Washington.

DEMOCRATS STAND WITH LAW ENFORCEMENT; REPUBLICANS RUN AWAY FROM IT

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

Mr. SCHUMER. Mr. Speaker, evidently today we will vote on an antiterrorism bill. No one knows what is in it. The Committee on Rules passed a blank check bill. It has not even been printed, but we know one thing for sure.

Mr. SOLOMON. Mr. Speaker, if the gentleman will yield, I will be glad to tell him what is in it.

Mr. SCHUMER. Mr. Speaker, I will yield only on the gentleman's time. I am going to say what I think, and he can tell everyone what is in it.

We know what will not be in it: the two things law enforcement requested, roving multipoint wiretaps and taggants to trace black powder explosives. These are the two things that law enforcement wanted. These are the two things the Republican majority will not put in this bill.

It is a rerun of the last antiterrorism bill, where they could not bring themselves to do what the law enforcement people wanted. There has been a big reversal, my fellow Americans. Democrats stand with law enforcement, Republicans are running away from it.

The bill today will be a weak Milquetoast bill just like the one we passed 3 months ago, and the only people who will suffer will be the American people.

GENETIC PRIVACY IS A VERY IMPORTANT ISSUE

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

Mr. STEARNS. Mr. Speaker, I believe the issue of genetic privacy is of the utmost importance. With new forms of genetic testing, we will be able to test an individual's likelihood of contracting a number of diseases. The possibilities that arise that employers and health insurance can use this information to discriminate is out there.

This is a civil rights issue and a civil rights issue we should be concerned with. People who are already at risk due to their genetic makeup should not have to worry about the additional hardship of losing their job or health insurance.

The Republican Congress and the bill we passed yesterday included for the first time in human history the words ''genetic information.'' That is part of the bill that the gentleman from Illinois, DENNIS HASTERT, prepared as special task master to bring health care to the House floor, and we now have the words ''genetic information'' so that no one can be discriminated against because of genetic information.

□ 0915

And I think all of our colleagues and all of the people across this country should realize for the first time in human history, we now have those words in the bill and we are making a start.

MINIMUM WAGE INCREASE FINALLY COMES TO HOUSE FLOOR

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

Mrs. SCHROEDER. Mr. Speaker, as I prepare to retire I understand there are some wags around here who keep saying that will be a big mouth to fill. But this is a day when I am very proud of my big mouth and I am very proud of the results that we have seen, because the Republicans kept fiddling while the average working American got burned. There was no way they wanted to deal with the minimum wage, absolutely no way. And for 18 months they stalled.

Well, big mouths like myself went to work, and today we get to put out the fire. Today we get to finally get the minimum wage up here, which is so terribly important for so many mothers who are out there working on it. The majority of the people and more than a majority under minimum wage are women.

This is indeed a good day, and I wish everybody would put their big mouth to work on the right thing. When they finally do, they finally cave.

CONFERENCE REPORT ON H.R. 3448, SMALL BUSINESS JOB PROTECTION ACT OF 1996

(Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 503 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 503

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 3448) to provide tax relief for small businesses, to protect jobs, to create opportunities, to increase the take home pay of workers, to amend the Portal-to-Portal Act of 1947 relating to the payment of wages to employees who use employer owned vehicles, and to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate and to prevent job loss by providing flexibility to employers in complying with minimum wage and overtime requirements under that Act. 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. COLLINS of Georgia). The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, I see the distinguished gentleman from Boston, MA [Mr. MOAKLEY] sitting over there. It seems like only yesterday that we spent all day together, and all night too. I yield him the customary 30 minutes, pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for debate purposes only.

Mr. Speaker, House Resolution 503 is a typical rule for a conference report. It waives all points of order against the conference report, and it provides that the conference report shall be considered as read as usual.

Mr. Speaker, I am so pleased that the House and Senate conferees were able to put together this bipartisan bill. They put partisanship behind them and reported a bill that raises the minimum wage in a responsible way by offsetting the additional costs to small business through tax relief, and is so important.

As one who ran a small business before coming to this body, I am particularly pleased that we are making a much needed effort to give some tax relief to hard working people who run these small businesses and provide most of the new jobs.

The small business provisions included in the conference report include an increase in the amount small businesses can expense, which will make it easier to start up and expand a small business. The provisions also include modifications of the rules governing subchapter S corporations, which is the way that many small businesses get along, and raise capital.

For example, it will increase from 35 to 75 the number of shareholders an S corporation may have, and the bill would permit S corporations to have wholly owned subsidiaries as well.

The small business relief also include much-needed pension simplification provisions, which are intended to strengthen and to encourage retirement plans for employees of small businesses. There are several other provisions designed to encourage and protect jobs as well.

Mr. Speaker, I represent a rural district that has many, many small businesses. They are an important part of the economy in my district just like some of the large Fortune 500's are an important part of the economy of the country. I know how difficult it is to start up and maintain a small business. Many small businesses fail before the first year is even over, and that is why they need to be able to utilize all of their operating capital early.

But even with all the difficulties, small businesses create more jobs than any other type of business in America.

In fact, small businesses account for almost 75 percent of all new jobs created every single year in this country. That means jobs for kids coming out of high school, and for young men and women coming out of college. So, Mr. Speaker, these tax provisions do not just help small businesses, they help everyone by encouraging job growth.

But, Mr. Speaker, that is not all. This conference report also includes provisions that increase the availability of spousal IRA's to help families plan for their retirement. And the bill includes needed extensions of several expiring tax provisions. One of those provisions is the employer-provided educational assistance tax credit, which allows employers to deduct up to $5,250 for educational expenses for their employees. This is a tax credit that helps the employer, and it certainly helps those employees that are struggling to advance up the promotion ladder in life.

This conference report also would replace the expired targeted tax job credit with a new work opportunity tax credit. This credit will encourage businesses to hire individuals who are long-term welfare recipients that might otherwise not be employed. It is going to help them. It is going to help lift them up by the bootstraps. Certain disabled workers are going to have the same opportunity. That is why this is such an important bill.

Finally, Mr. Speaker, this bill contains something I have advocated and encouraged for so long: An adoption tax credit. The conference report provides a tax credit for up to $5,000 of qualified adoption expenses. The gentlewoman from Ohio [Ms. PRYCE] is going to speak about this in a few minutes because this includes her language, and I commend her for the great job she has done in getting this written into this bill, which is going to become the law of the land.

Now, I know that this provision is not germane to a bill that raises the minimum wage and offers small business tax deductions to protect jobs, but the adoption tax credit has gotten bogged down in politics in the Senate and probably would not have passed Congress this year unless the gentlewoman from Ohio [Ms. PRYCE] and others had not been able to work it into this legislation. So I feel that this provision is so important that I am very glad that the conferees decided to include it.

In conclusion, Mr. Speaker, I would urge support of the rule we are considering now, and I urge support of the conference report so that the President can sign this important piece of legislation.

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

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume and I thank my colleague and dear friend from New York, Mr. SOLOMON, the honorable chairman of the Committee on Rules, for yielding me this time.

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

Mr. MOAKLEY. Mr. Speaker, on behalf of the 4.2 million Americans who work for the minimum wage, I want to say: it's about time.

The minimum wage in the United States has not been raised in more than 6 years.

For that reason, I congratulate my Republican colleagues for recognizing the importance of this increase today and I am proud to stand in support of this rule, making the bill in order.

Mr. Speaker, the value of minimum wage is at a 40-year low. A 40-year low.

Today, people who work for minimum wage, people who work very hard to support their families and try to stay off of welfare, earn only $8,500 a year. That is not enough, Mr. Speaker, to support a family.

In fact it is $3,800 below the poverty line for a family of three. That's right, Mr. Speaker. People who work very hard in full time minimum wage jobs earn almost $4,000 less than people at the poverty level.

Yesterday we voted on a Republican welfare bill which President Clinton has said he will sign. That bill made significant changes in our Nation's welfare system. But I would argue, Mr. Speaker, that this bill we are doing today is the real of welfare reform.

Because, Mr. Speaker, instead of haggling over which benefits the Federal Government should provide to support children, as we were yesterday, we are working on making it easier for parents to support children themselves without the Federal Government. And that's the way it should be.

With this increase in the minimum wage, working parents will come closer to having jobs that enable them to support their families.

Instead of working full time for only $8,500 a year, these parents will get a 90-cent-an-hour raise. It may not sound like much but to these 4.2 million people, it's a very good start.

It used to be, Mr. Speaker, that only one parent had to work to support a family. A father could go to work and earn a good living which would provide food and shelter and clothing for his family. But not anymore.

The earning power of a lower income worker in the United States has declined to the point that a person working full time for the minimum wage earns below the poverty level.

A lot of families chose welfare over work because it is absolutely impossible to make ends meet otherwise.

That's why this bill, this small increase in the minimum wage, is so important. Because it will make it just a little bit easier for lower income families to make those ends meet.

It will bring the minimum wage closer to what it should be: A safety net for primary earners and the best kind of welfare reform this Congress can enact.

I want to add, Mr. Speaker, that my home State of Massachusetts already has a minimum wage of $4.75. I think we did the right thing by raising the minimum wage in Massachusetts and we are doing the right thing today by raising it even further for the entire country.

Mr. Speaker, for the last year and a half my Democratic colleagues and I have been fighting for a minimum wage increase—if my Republican colleagues had listened to us earlier—12 million Americans would have gotten a raise by now.

But Mr. Speaker, they have joined us now. I am pleased to welcome them to this side of the issue and I urge my colleagues to support this rule to give hard working Americans a long overdue raise.

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

Mr. SOLOMON. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Columbus, OH. [Ms. PRYCE], one of the very, very valuable members of the Committee on Rules. She has a major role in this legislation.

Ms. PRYCE. Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON], my friend and the distinguished chairman of the Committee on Rules, for yielding me this time, and I appreciate having the opportunity to work with him on some of the underlying legislation and in managing this important rule.

Mr. Speaker, as the chairman described, House Resolution 503 has the customary 1 hour granted for debating conference rules in the House, and I urge all my colleagues to give it their full support.

Mr. Speaker, the conference report on the Small Business Job Protection Act contains many very important elements. First, we provide for an increase in the minimum wage, a provision fought so hard and passionately for by the gentleman from New York, Mr. QUINN, my Republican colleague from New York, Mr. QUINN.

The report also provides for a series of tax incentives designed to make it easier to start up and then expand small businesses, and also the numerous provisions outlined by the gentleman from New York [Mr. SOLOMON] at the outset of his remarks.

Our Nation's economic health depends in large part on the success of America's small businesses. They are the engine of economic growth, creating nearly 75 percent of all new jobs in the United States in any given year, but we cannot expect them to survive, much less prosper given the regulatory and tax burdens imposed on them under current laws. That is why the tax incentives contained in the conference agreement are so important to the future of small business and jobs in this country. Together, they will provide small business owners and entrepreneurs alike with the financial tools they need to grow and compete and to create the kind of stable and lasting jobs that the American people need.

Mr. Speaker, the third, and to me the most personally significant, element of

the bill is made up of the provisions designed to remove barriers that currently discourage hundreds and hundreds of caring families each year from seeking to adopt children.

□ 0930

As many of my colleagues know, I am an adoptive parent myself. Since coming to this body, I have worked hard to find ways to make it easier for parents to adopt, especially young parents with moderate incomes. While progress is being made, the high costs associated with the adoption process, which can be as much as $15,000 or more in many cases, still pose very significant obstacles.

To help families defray these costs, the conference report provides a valuable tax credit of up to $5,000 for qualified adoption expenses, and it recommends the necessary offsets to pay for the credit.

In addition, the conference report seeks to remove barriers to interracial adoptions by prohibiting a State or any other entity that receives Federal assistance from denying or delaying a child's adoption because of the race, color, or national origin of the child or the prospective parents.

Hopefully, this change will make it possible for more children to find their way into loving, permanent homes regardless of the race of the family seeking to adopt.

Mr. Speaker, these pro-adoption provisions were originally included in legislation passed by the House earlier this year, but unfortunately the other body has not acted as quickly on this important measure. I congratulate the gentleman from Texas, Chairman ARCHER, and the conferees for ensuring that these beneficial pro-family provisions are enacted into law this year.

Mr. Speaker, this week we have passed major legislation to reform welfare and to expand access to affordable health care coverage. With this legislation, we will add to those victories by easing the financial burden on small businesses, by lifting the barriers that discourage more families from seeking to adopt. I urge my colleagues to support this fair rule and to vote for the conference report.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. PALLONE], a very active Member dealing with this matter.

Mr. PALLONE. Mr. Speaker, once again I want to point out that the Democrats can truly declare victory this morning with this minimum wage bill finally being brought to the floor. But two points need to be made. One is that the Republicans consistently over the last 2 years have opposed this minimum wage increase and, second, that this really does impact a lot of real people. It is not something that is pie in the sky that we are just talking about here that does not mean anything to the average Americans.

Democrats have been trying to pass this minimum wage increase since February 1995, when President Clinton first proposed the bill and Democratic leader GEPHARDT introduced it into the House. But it took over a year to force the Republicans into acting. The Republican leadership remained strongly opposed to the minimum wage bill, and Republicans marched in lockstep behind them voting five separate times to kill Democratic efforts to bring it up.

Many of us were here many times trying to bring this up but we were opposed by the Republican leadership. Even when the moderate Republicans finally started to cave in, faced with polls showing that over 80 percent of the Americans supported this bill, Republican leaders continued to try to kill the bill. They offered amendments that would have gutted the bill in a failed attempt to appease the business lobby and blunt the Democratic initiative.

Mr. Speaker, let me just say we are talking about real people, over 10 million Americans that are going to be positively impacted by this legislation. Most minimum wage earners are not teenage children of the affluent. According to the Bureau of Labor Statistics, of current minimum wage earners, two-thirds are adults, with over 50 percent being 26 or older, while 62 percent are women.

These workers have to work almost twice as many hours just to live near the poverty level for a family of four. They work hard, they provide what they can for their family and they deserve the opportunity to earn a livable wage.

Mr. Speaker, yesterday and this past week both parties have been talking about welfare reform. We passed a good welfare bill. But reform is useless if we do not do something to improve wages. We need to reward hard work and make it less enticing to collect welfare. This bill will accomplish that. I urge support for the conference report.

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

I have been around here a long time. It is not that politics is wonderful. It is no wonder that the American people hold us in such low esteem when they see that in every other speech we get up here and engage in partisan attacks. I long for the old days when maybe there was no television coverage, and we came on this floor and we hammered out the issues and we did not have this partisan bickering.

The man I am going to introduce right now is a man I have never heard utter one single partisan word on this floor. He is a standup Congressman. If it were not for him, this legislation would not be on the floor today. His name is JACK QUINN from Buffalo, NY.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. QUINN].

Mr. QUINN. Mr. Speaker, I thank the gentleman for yielding time to me today.

Mr. Speaker, I rise in support today of the rule and also rise in support of the Small Business Job Protection Act. I also rise as a Republican Member of this body for almost 2 terms now who has never opposed the minimum wage and was pleased to join a number of Republican colleagues of mine to finally get this bill to a vote on the floor.

This has been a historic week in our House and in Congress. On Wednesday, the House voted to end welfare as we know it, and just last night we passed legislation to make health insurance more accessible to Americans who get sick or lose their jobs.

Today the House is considering legislation to raise the minimum wage and at the same time provide necessary tax incentives to small businesses. Mr. Speaker, in April, about the middle of April, I was proud to begin this process by submitting the bringing a bill to the floor that would have raised the minimum wage. Today, now as we take another historic step in raising the minimum wage for over 4 million Americans, it is an opportunity for me to thank the people who worked so hard in this effort.

I want to thank those sometimes-courageous 23 other Republican Members who joined me in my minimum wage increase bill. I also wanted to thank the Republican leadership who continued to meet with me and the others, who continued to work with us, our group, as we found ways to bring the bill in an acceptable manner to this floor.

Time after time during that often heated debate, there were times when it was not acceptable to one group or another; but in the end, leadership worked with Members who felt a need to bring this bill to a vote and we did. What we found out was that we thought was going to happen all along, the minimum wage increase in the House passed overwhelmingly with bipartisan support.

Mr. Speaker, it is also an opportunity for me today to thank my Democrat colleagues on the other side of the aisle who also, once we had the bill in acceptable form on the floor, joined in that bipartisan fashion to pass the bill and, at the same time, I believe, sent a message to the Senate, our colleagues across the building, that this was important legislation and that the House was prepared to act in a bipartisan way to get them a bill, to get a bill that the American people needed, the American people who had not seen the minimum wage increase in almost 7 years. I think we need to thank all of those Members who helped us get to this day today.

I believe, Mr. Speaker, that Americans who work a 40-hour work week ought to make a wage that they can live on. A lot of rhetoric has taken place in the well, a lot of rhetoric has taken place back and forth in these past 3 months since my bill was introduced. I think we are here today, again, on an historic event, to say that we are going to give those workers, the men and women of this country, a

raise. Today America will get the raise it deserves.

It is through the hard work of a lot of Members in this Chamber and in the Senate. I stand here before all of our colleagues today asking support for the rule, support for the conference report and also urge the President to sign this bill as quickly as possible to give Americans the raise they deserve.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT], the Garrison Keillor of the House of Representatives.

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

Mr. TRAFICANT. Mr. Speaker, everybody is declaring victory. I would like to declare a few facts today.

I am bipartisan, nonpartisan type of guy. I rise to indict both parties for subsidizing China and Japan, Mexico, and Canada with another continuing record trade deficit. Japan is over 60 million; China is approaching 40. And the analysts say in 5 years China will surpass Japan.

Anyway, I do not know, I do not think anybody is listening, but there is an old saying, God loves poor people. They say God must love poor people, he made so many poor people, and there are so many working poor people. They deserve a minimum wage increase. I support the rule. I support the bill. I want to commend Mr. MOAKLEY and Mr. SOLOMON, great job they have done over the years. Mr. QUINN fought hard from the Republican side. I want to commend him.

I just want to remind Members, between 1991 and 1993, 13 million Americans lost their jobs. As I speak today, 36 percent are still unemployed; 18 percent took pay cuts less than 50 percent of what they previously made; 10 percent are working for 75 percent less pay than they mad 5 years ago. If you do your math, 60 percent of those 13 million people, 7.8 million people are worse off today than they were 5 years ago. So, yes, I support a minimum wage increase. But my colleagues, a minimum wage job is still the bottom rung of the ladder.

If we do not resolve our trade deficits, we will not balance our budget deficits. By God, we are going to have a Communist party fund raiser on the east lawn of this White House.

I thank the gentleman for the time.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. FAWELL].

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

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

I rise in support of the rule and I rise in support of the legislation, although with some doubts in reference to the minimum wage question. I have supported it before. I plan to support it again. There are many other fine provision in the bill: the portal-to-portal provisions, for instance; a lot of tax matters that are of importance to small business people.

I do, however, want to also apprise my colleagues of the fact that unfortunately there was a provision that was added in the Senate involving a Supreme Court case called the Harris Trust case back in December 1993, which involves the ERISA statute, involves pensions and indeed is, I think, one of the bad features of this bill.

As editorial in the Chicago Tribune of last week, entitled Reckless Attack on Pension Plans, tells the story. There are about anywhere from $300 to $700 billion held by the life insurance industry in this Nation for the benefit of pension plans. That is, they are deemed to be under the ERISA statute.

That statute requires that those assets are held exclusively for the benefit of the private pensions of America. But there has been a big argument about this and the life insurance industry has said they have a right to commingle those funds with their own assets so they did so for 20 years. Then the Supreme Court said, no, you are wrong. You cannot do that. You have to have separate accounts for these funds that belong to the pension plans.

This legislation unfortunately, which is a part of this minimum wage bill that is not germane at all, basically eliminates the U.S. Supreme Court case entirely and immunizes, the life insurance industry for all past misconduct in violation of ERISA going back to 1975. If that is not bad enough, it also goes into the future, and immunizes the life insurance industry for any wrongs it may do, including even civil fraud and self-dealing up to July 1, 1999.

Then, on the basis of some changes that we were able to effect in conference, then the traditional fiduciary standards of ERISA will be reinstituted but only in the future, on July 1, 1999. So, this is still a very, very unfortunate piece of legislation. I think a lot of us are going to consider that we will have to introduce legislation to rectify it, to repeal it.

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We cannot allow something like this, when you are talking about something like $700 billion of pension funds which are going to be continually commingled in the assets of the life insurance industry in this Nation. That is not right. I simply wanted my colleagues to know about this.

Mr. Speaker, I rise to support this legislation overall. I support raising the minimum wage, with the conditions included in the legislation, and I support the small business simplification provisions of the bill. Thus, I will vote ''yes'' on the conference report, and, as a House conferee on the bill, I signed the conference report on title II.

I, however, continue to object to one provision that was originally added to title I by the Senate which will shield the insurance industry from suits arising from the Supreme Court *Harris trust* case, and seriously weaken the integrity of ERISA which has protected pension for more than 20 years. While through intense negotiations, Mr. Goodling and I were able to make some improvements to the Senate-passed Harris Trust language—and our amendment was adopted by the conference—I still must object to this language being included in this bill. For the record, I would like to explain why this provision should not be included in this bill.

Those who manage and invest retirement funds have been subject to the wise fiduciary standards of ERISA—the Employee Retirement Income Security Act—for more than two decades. ERISA overhauled Federal pension law in 1973 after Congress found many loyal, long-term employees weren't getting the retirement money they were promised under their pension plans. Most important, ERISA makes sure those in control of your money are held to the highest standard of conduct—that they manage and invest your money under a duty of complete loyalty to you.

Incredibly, this crucial standard of conduct—the backbone of our pension system—would be eroded by the legislation we are passing today as it applies to hundreds of billions of retirement dollars held by insurance companies. When the Senate passed their version of the minimum wage and small business tax bill, tucked within the bill was a provision exempting from ERISA's fiduciary standards the at least $300 billion the industry holds in its general account contracts sold to pension plans. I can only assume the Senate, in passing this legislation, did not understand the implications for our retirement system.

The Senate bill overturns a 1993 Supreme Court decision, John Hancock Mutual Life Insurance versus Harris Trust, which conformed what the insurance industry has known for hears—that these fund are in fact subject to the ERISA fiduciary standards put in place to protect America's retirees. Before the Court's decision, insurance companies had mistakenly relied upon an unrelated Department of Labor pronouncement which they claimed exempted these general account contracts from the traditional protections of ERISA. The insurance industry has been lobbying Congress for 20 years for the sort of change they're getting—clear evidence they knew ERISA applies to these assets.

Not only would this bill give the insurance industry a retroactive pardon for all past misconduct in handling these retirement dollars—even willful violations—it would create a new, prospective, until 1999, fiduciary standard weaker than ERISA, and prevent pension plans and participants—you—from suing under Federal law to recover your money.

As chairman of the employer-employee relations subcommittee with responsibility for ERISA matters, I strongly opposite letting this provision become law. As groups outside Congress become aware of this bill, opposition and outraged gelled.

The American Association of Retired Persons, acting on behalf of the Nation's retirees, voiced its opposition, as has the Financial Executives Institute, a group of pension plan sponsors with more than $900 billion in assets—including BellSouth, Coca-Cola, Ford Motor Co., Motorola, and Procter & Gamble. Significantly, both the AFL–CIO and the Teamsters have also sent letters to Congress opposing this insurance industry bailout.

Ironically, President Clinton is out campaigning telling you how much he wants to improve

your pension system while his Department of Labor is at the same time supporting this serious weakening of pension protection. Is the President unaware that this bill would excuse any misconduct, however egregious, that's taken place over the past two decades, and would weaken the protections retirees have under ERISA? And the Department of Labor, which is supposed to be America's pension watchdog, is selling out the retirement security of American workers. That anyone who cares about the integrity of our retirement system could support his unprecedented move to excuse past and future abuses to retirees defies logic.

Perhaps most disturbing is the fact this provision has been attached to the unrelated minimum wage bill and is being passed without a single legislative hearing in the House or Senate. It has never been voted on by any Member of the House and was not included in the House-passed bill.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Speaker, I rise in support of the rule and the bill.

Mr. Speaker, today is a good day for our Nation's working people, both men and women. What a difference a year makes. This Republican majority Congress passes a minimum wage increase. The world has definitely turned upside down. With the passage of this conference committee report, working Americans will finally see an increase in their wages. To again quote the late Senator from Texas, U.S. Senator Ralph Yarborough, we are putting the jam on the lower shelf for the little people to reach it. This is a day to celebrate.

But we should not forget the Republican attempts to stonewall, derail, and defeat the increase. The American people brought the Republican majority to this point, in some cases kicking and screaming, with a few exceptions. My colleague, the gentleman from New York [Mr. JACK QUINN], is to be commended for his leadership on this effort.

The credit should go to the American people, who made it absolutely clear to the Republican leadership that they expected an increase in the minimum wage. Eighty percent expected that. American workers understand that the purchasing power of the minimum wage will soon be the lowest in 40 years, and now they will make an additional $1,800 a year in their pocket to spend. Let us stop talking about it. Let us give the American people what they want and deserve, an increase in the minimum wage. The best welfare reform is a job that pays a decent wage.

Mr. MOAKLEY. Mr. Speaker, it gives me great pleasure to yield 2 minutes to the gentleman from California [Mr. MILLER], ranking minority member of the Committee on Resources.

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

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of this legislation. It has been a long time coming, Mr. Speaker, to give the people of this country a minimum wage increase, to give those who work so very hard, sometimes at the lowest wages, with long hours and in difficult jobs, to finally give them a pay raise.

Let us remember, though, that this minimum wage increase has been fought tooth and nail by the Republican leadership. We had to have over a dozen procedural votes before we could finally get the attention of the Republican leadership on this legislation.

In the Senate they did everything they could to stifle the consideration of this legislation. It was only because of the tenacious nature of Senator KENNEDY and Senator DASCHLE to bring the Senate to a stall, to a stop, to a complete ending of business, before they could get consideration. Only after the Senate did that did we see the Republican leadership here concede that America was entitled to a minimum wage increase.

Mr. Speaker, the fact is, these Americans have been entitled to this minimum wage increase for many years. I want to commend our colleague, the gentleman from Michigan [DAVE BONIOR], who came to this floor on one vote after another and tried to force this issue. I want to commend our colleague, the gentleman from New York [JACK QUINN], who finally showed courage and separated from that leadership, and recognized the need of people to have this increase in the minimum wage.

I also want to remember the gentleman from Texas [Mr. ARMEY], the majority leader, who said he would fight this with every fiber of his body, he would fight this and never allow this to happen. The American people are about to win, and because of the persistence of the Democratic leadership in the House and Senate, an increase is going to happen for the minimum wage.

This is going to be an improvement for people's lives. This is going to allow people to leave welfare. This is going to reduce our food stamp contributions, our housing contributions, our other welfare payments, because now employers will have to start paying people a liveable wage and no longer have to subsidize unemployment.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, let me just say hallelujah, because when this Congress started a year and a half ago, I would not have predicted this day. There are a lot of things that I would have predicted would have happened in this session of Congress, but an increase in the minimum wage, the first legislated increase since 1989, I would not have predicted.

The good news is that miracles do happen. The good news is that those who say that they are going to fight a minimum wage increase with every fiber of their being can often be proved wrong. This is a very important day for West Virginians as well as Americans.

There are 112,000 payroll jobs in West Virginia that will see an increase because of this minimum wage increase, going from $4.25 to $5.15. That is roughly 17 percent of the payroll jobs in our State. It means that the delay that people have been facing, in which $2 million a week in payroll has been lost because there has not been a minimum wage increase, that will no longer take place.

Yes, Mr. Speaker, I have heard the complaints of small business. I appreciate them. I know many of our small businesses are struggling. But there are also tax provisions that will assist them and that will prove beneficial.

Additionally, Mr. Speaker, I think it has to be recognized that while the minimum wage has stayed the same since 1991, the last increase, all other costs of business have gone up. What about that minimum wage recipient? Nobody has said anything at the grocery store about keeping prices low because their wages have not gone up. Nobody said anything at the utility about keeping prices low because their wages have not gone up. Nobody said anything, when they have to go out and try and find an automobile to get to work, about keeping the price low because their minimum wage has not gone up.

The fact of the matter is, if we want people to be able to make it in today's society, we have to occasionally give them a minimum wage increase. This House yesterday passed a welfare reform bill. It stresses work. I supported that bill. If we are going to stress work, we have to make sure that people can make a livable wage when they get that work. The minimum wage increase today brings that a little closer to reality.

Mr. MOAKLEY. Mr. Speaker, it gives me great pleasure to yield 2 minutes to the gentleman from New Jersey [Mr. ANDREWS].

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

Mr. ANDREWS. Mr. Speaker, I thank the gentleman from Massachusetts [Mr. MOAKLEY] for yielding time to me.

Mr. Speaker, sometimes the measure of a legislative body is who it listens to. The majority this year listened to a certain elite group of citizens who said they wanted to renounce their citizenship in order to avoid paying taxes, and they got what they wanted.

The majority this year listened to corporate America that wanted to continue to flood our campaigns with political contributions, and they got what they wanted. The majority this year listened to the huge argribusiness that get billions and billions of dollars of welfare checks from the public Treasury, and they got what they wanted.

Today a bipartisan majority of Republicans and Democrats is going to

listen to the people who sweep our floors, wash our dishes, take care of our children, and do the hard work of America, and finally they are going to get what they rightfully deserve, an increase in the minimum wage of this country.

We have lad a lot of talk on this floor this week about the desirability of work. Talk is cheap. What is more important about the desirability of work is to say to someone who washes dishes or sweeps floors or works in a child care center, your work counts, too.

By rising today in support of this rule and this bill, we are finally going to say to the Americans that no one ever listens to, thank you for a job well done. America does need a raise. Today the most deserving Americans are going to get one.

Mr. SOLOMON. Mr. Speaker, yield 3 minutes to the distinguished gentleman from Stamford, CT, CHRIS SHAYS.

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

Mr. Speaker, this is an historic day I am thrilled to be able to celebrate. This is, in fact, a bipartisan effort. Republicans wanted a tax cut, and some Democrats wanted a minimum wage, and some Republicans. We united in a common goal to do both. We have $8 billion of tax cuts for businesses who are going to hire the most unemployable in our society. We have a minimum wage for those who work for the least amount.

As my colleagues, the gentleman from New York [Mr. QUINN], a leader in this effort pointed out, this is not just an historic day, it is an historic week, because we passed welfare reform. We want to get people off of welfare and onto work. It is very important that we have a minimum wage that is competitive with welfare.

Welfare recipients will have a minimum wage that will not pay them 20 percent more. In a 40-hour workweek they were making $8,000. They will now receive $10,000. This was an effort that would not have passed had it not been bipartisan.

I might just express one slight concern with the bill. We are kind of distorting the concept of how we classify workers, and this is an issue we are going to have to find a way to address, because we have too many workers who work as outside consultants who then are not paid certain benefits. I just want to lay that on the table for the record. We have to find a way to make sure that workers are properly classified.

But this bill does two things it needs to do. It provides tax cuts and it provides a livable minimum wage. No one can live, in my judgment, on a minimum wage if they only work 40 hours a week. But tell me, what people in society only work 40 hours a week and succeed? This, to me, is truly an historic day. I congratulate both Republicans and Democrats on their combined effort to provide a minimum wage and tax cut for those businesses that need it.

Mr. MOAKLEY. Mr. Speaker, it gives me great pleasure to yield 1 minute to my colleague, the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, I congratulate all of those who helped bring forward this increase in the minimum wage, a small but important step toward social equity which we very much need.

I also want to express my appreciation within this bill to the U.S. Treasury Department, to the Committee on Ways and Means, the chairman, the gentleman from Texas, and the ranking member. My colleague, the gentleman from Massachusetts, and I approached them on behalf of fishermen in the greater New Bedford area who were caught up unfairly in a tax dispute. They found themselves, in effect, retroactively taxes, I believe. We made our case. These are very hardworking people, already facing great difficulties because of conservation-imposed restrictions.

I am very appreciative of the willingness of the Committee on Ways and Means, on a bipartisan basis, to entertain our requests; the Treasury Department, to make a rare exception and say retroactively would be acceptable in this case; and I am pleased that as part of this bill, some very hardworking people in the greater New Bedford area will get the tax relief they are entitled to. They are getting nothing they should not have had in the first place. They have been through a lot of expense and aggravation to get here, but at least from now on they will not have this burden.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. MARTINEZ].

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

Mr. MARTINEZ. Mr. Speaker, I thank the gentleman very much for yielding time to me.

Mr. Speaker, I rise, on a rare occasion that I take the well, to congratulate all those people whose persistence paid off in bringing us this minimum wage bill. It truly is a bipartisan bill. I know there were people in the leadership on one side of the aisle that had made comments, I think very drastic comments, about withholding this piece of legislation. Eventually, better minds prevailed and this is being brought to the floor now.

On behalf of my constituents, I very sincerely thank you. I do not care whether you make $100,000 or $10,000, you actually want a raise, because the cost of living continues to go up. Finally, the people that were persisting in this made people realize that we need to have a minimum wage increase.

Let me tell the Members that in California, though, we have an initiative on the ballot, and every poll has indicated that that particular ballot proposition will pass overwhelmingly. It will pass overwhelmingly, for the reason I just stated.

If we need to be vindicated in what we do today, just watch that California vote, because I can guarantee the Members that it will be a landslide. It will be people from all walks of life, from both sides of the aisle, Republicans and Democrats alike, and even Libertarians, that will vote for that particular initiative. I guarantee the Members, we are in the right ball field in the right ball game.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Vermont, the Honorable BERNIE SANDERS.

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

Mr. SANDERS. Mr. Speaker, ever since my first day in Congress I have been fighting to raise the minimum wage. The simple truth is that the purchasing power of the minimum wage today is 26 percent less than it was in 1970, which means that our minimum wage workers today are much, much poorer and harder pressed than they were in the past.

The fact of the matter is that millions and millions of American workers cannot survive, cannot live in dignity on $4.25 an hour, and I am glad now today, finally, we are going to be raising the minimum wage to $5.15 an hour, although in truth, we should be raising it higher than that.

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The reality of the American economy is that more and more of the new jobs that are being created are low-wage jobs, they are part-time jobs, they are temporary jobs without benefits. Today we are saying to those workers that at least you are going to be getting $5.15 an hour and that is long overdue.

The second part of this bill, which is also a positive step forward, is that we are saying to small businesses in Vermont and all over this country that we understand that you and not corporate America who are taking our jobs to China and Mexico but you, small businesses, are the people who are creating the new jobs in Vermont and in California and all over this country, and that you and not big business are entitled to the tax breaks that you desperately need so that you can reinvest in our communities and create more jobs.

So this bill ultimately does two very important things: It says to every worker in America that you are going to make at least $5.15 an hour and it says to the small businesses of this country who are creating the new jobs that this Congress hears what your problems are and we are going to give you some tax breaks so you can reinvest and create more jobs.

Mr. SOLOMON. Mr. Speaker, Addison, MI, is very fortunate to have an outstanding representative by the name of NICK SMITH.

I yield 2 minutes to the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Speaker, I thank the chairman for yielding me this time and certainly for that introduction.

It is so frustrating listening to the debate, pretending that Congress can somehow create more wealth by passing a law saying you increase wages. Do we think $5.15 an hour is that great of an income? Do we think that is the correct rate for people to survive? If anybody thought Congress could do it, why in the world are we not raising it to $10 or $12 or a respectable living for an American family of $14, $16? It is because Government cannot set prices. That is not the way our system works.

Let me tell my colleagues how I think it works. I think competition is just as important in the labor force as it is in the total economy of this country. The free market with competition is what has made us so great.

If we want to improve the chances of people to increase their salaries, then one thing we need is to have competition in the labor market with better mobility of labor. The bill that we passed yesterday that allows a person working to be assured that their health care can go with them as they go looking for a better job is a good step toward improving mobility of labor.

Another area that needs attention if we really wanted to help mobility, to help assure the highest possible wage would be to allow accrued pension benefits earned to go with the worker to the next job. Another thing we could do would be to provide better information regarding jobs and job skills that are and will be in high demand.

The pretense by liberals that we can somehow magically pass a law and set prices and wages to improve our standard of living is ridiculous, and is contrary to the economic system that made this country great.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me this time.

We are going to do something for workers today, and I am delighted. I am delighted at last we will have a final vote on the minimum wage increase today. The American people wanted this, 8 out of 10, and I am pleased that both Democrats and Republicans also will make this a reality. Twelve million workers certainly deserve better than to be working at their current level. Yes, the minimum wage that we are raising is not sufficient, but indeed the minimum wage increase will raise that to a level which will be a livable wage.

The minimum wage worker now earns about 50 percent less if you equate the value of the raise now to the cost and the value some years ago. It means that the minimum wage we are increasing then is still not sufficient, but nevertheless this is an important first step. At least 117,000 or more persons who live in my State will have the benefit of this increase.

What will this mean to them? Obviously it will mean 90 cents over 2 years, for a 2-year period, but that increase will mean $1,800 a year. That means it will make a difference in their lives and their families, their ability to provide for their families food and shelter, clothing and education. While indeed the cost of bread and eggs and a place to sleep and clothes to wear, a bus ride or even a ride to the doctor has increased, this minimum wage is beginning to approach that increase in the cost of living.

We are now at the threshold, I think an important threshold, of saying that the American workers also need to have some of the abundance of our economy. Just as our corporate structure has great profits and our executives have great increases in their salary, we are saying to the average worker, they too can have a benefit. I am delighted that we are going to pass this. This is a historic day.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. CARDIN].

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

Mr. CARDIN. First let me thank my friend, the gentleman from Massachusetts [Mr. MOAKLEY], for yielding me this time.

Mr. Speaker, there are many reasons to support this rule and the conference report. It contains very important provisions increasing the minimum wage and extending some very important tax credit provisions that will help create more jobs and investment in our community.

I would like to just mention one provision in the conference report that I take pride that we are finally going to get enacted, that is, pension simplification that will help many businesses in this country and many small businesses particularly. I started working on this issue 5 years ago when I filed legislation in this area. I did it because the savings ratios of this country indicate very clearly that we must encourage more private sector investment and savings.

Retirement plans, particularly for small companies, were on the decline because of the red tape and difficulty in establishing a pension plan for small businesses. In 1992 many of the provisions that are included in this conference report were passed by a Democratic Congress and vetoed by a Republican President for reasons totally unrelated to the retirement provisions, because they were included in an omnibus bill. Then again on 1995 these provisions were passed by a Republican Congress, vetoed by a Democratic President, again for reasons totally unrelated to the retirement provisions.

The third time is the charm. It looks like we are finally going to get these provisions enacted into law. I particularly want to thank the gentleman from Ohio [Mr. PORTMAN] for the work that he has done on pension simplification. I want to thank the gentleman from Texas [Mr. ARCHER], chairman of the Committee on Ways and Means, and the gentleman from Florida [Mr. GIBBONS], the ranking member, for making sure that these provisions were included in this very important legislation.

This is a very important provision for the small businesses in our country. it will allow them to expand and set up retirement 401(K) plans that will encourage more people to be able to plan for their retirement. I congratulate the committees for including this in the legislation.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, I want to compliment the Rules Committee for bringing this bill forward today.

One of my friends spoke a little earlier and said that Congress cannot determine wealth or it cannot set wages. Yet every year for the 7 years that we have both been here, Congress has given our senior citizens a COLA, cost of living increase, on their Social Security check. For each of those 7 years, we have given retired Federal employees a cost of living adjustment on their check. For each of those 7 years, we have given our military retirees a cost of living adjustment on their check, not for what they are doing but for what they have done. And no one stood up and said we should not do this, because everyone realized that the cost of living has gone up.

This week speaker after speaker came to the podium and said that people should value work, and I agree. But if people should value work, then work must have value. And so, yes, the least fortunate in our society, those who by and large have the toughest jobs, they deserve a wage increase. I want to compliment the gentleman from New York [Mr. SOLOMON], and I want to compliment the gentleman from Massachusetts [Mr. MOAKLEY] for bringing this bill to the floor today. It is long overdue. Let us help those people out.

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

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

Mr. Speaker, I think it was the gentleman from West Virginia that stood up a few minutes ago and said, ''Hallelujah, I never thought this day would come when we would have this bill on the floor.'' He was talking about raising the minimum wage. I guess I would have to turn around and say, hallelujah, I thought this day would never come, either, because for the last 2 years we have been trying to give some tax relief to working men and women, to small businesses in this country, and, yes, it is so terribly important that we do raise the minimum wage like the gentleman from Mississippi said. That is important. But just as important, Mr. Speaker, is the fact that

we have to give some tax relief to small businesses to help offset the cost of the minimum wage increase.

I could go down through this list. There is $22 billion in tax relief for the American people in this bill: Increases in expensing for small businesses. That is terribly important. Home office deductions so that people can run their businesses out of their home, particularly women who have to stay home with children and still want to operate a business. There is tax relief in there. To expand eligibility for first-time farmers. Industrial development bonds. This is more for first-time farmers. I could go through this whole list. Employer-provided educational assistance. Contributions for stock to private foundations to help the charities in this Nation. It goes on and on and on.

Mr. Speaker, this is a good piece of legislation, it does provide for the increase in the minimum wage, but it also provides for $22 billion in tax relief for the American people. That is why we should all come over here, vote for this rule, and vote for the outstanding bill that the gentleman from Texas [Mr. ARCHER] will be bringing to the floor in just a few minutes.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. ARCHER. Mr. Speaker, pursuant to House Resolution 503, I call up the conference report on the bill (H.R. 3448) to provide tax relief for small businesses, to protect jobs, to create opportunities, to increase the take home pay of workers, to amend the Portal-to-Portal Act of 1947 relating to the payment of wages to employees who use employer-owned vehicles, and to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate and to prevent job loss by providing flexibility to employers in complying with minimum wage and overtime requirements under that Act.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. LATOURETTE). Pursuant to House Resolution 503, the conference report is considered read.

(For conference report and statement, see proceedings of the House of Thursday, August 1, 1996, at page H9568.)

The SPEAKER pro tempore. The gentleman from Texas [Mr. ARCHER] and the gentleman from Florida [Mr. GIBBONS] will each be recognized for 30 minutes.

The chair recognizes the gentleman from Texas [Mr. ARCHER].

GENERAL LEAVE

Mr. ARCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the conference report on H.R. 3448.

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

There was no objection.

Mr. ARCHER. Mr. Speaker, I ask unanimous consent that I allot 15 minutes to myself for distribution and, subsequent to the conclusion of that, 15 minutes to the gentleman from Pennsylvania [Mr. GOODLING], chairman of the Committee on Economic and Educational Opportunities, so that he may distribute that time according to his discretion.

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

There was no objection.

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

Mr. Speaker, today the House is on the verge of enacting the first major tax bill of this new historic did-something Congress. It is great to report to the American people that this bill provides tax relief and not tax increases. What a difference this new Congress is making in the lives of the American people.

This bill actually is three bills: We have combined many of the items in the Small Business Relief Act with the adoption tax credit and with the trade bill renewing the generalized system of preferences, also known as GSP. I am really not sure what to call this new bill, except to call it a helping hand for millions of Americans struggling to make ends meet.

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This bill awards three gold medals to the American people. The first gold medal goes to millions of small businessmen and women so that their companies can grow, prosper and create jobs.

The second gold medal goes to hundreds of thousands of loving families who seek the joy of adoption and the children who will benefit from that love.

The third gold medal goes to millions of Americans who worry about their ability to retire with comfort and security. The two dozen pension changes in this bill will make it easier for people to save for retirement and protect their retirement nest eggs so that these savings will be secure.

I especially want to note that this bill will end the discrimination against homemakers, usually women, that stay in the home to take care of children and to do what is so important to our society, and in doing so that has stopped them from getting the same individual retirement deduction allowed to those who work outside the home. So we have a new homemaker IRA that is a great addition to this bill. It is a part of this bill that also helps people retire with comfort and security.

Let me add one other thing. This bill, together with the health bill that we passed last night, updates and closes several corporate tax loopholes, particularly the section 936 tax break for companies doing business in Puerto Rico and a big loophole that benefitted insurance companies.

I am pleased to note that we are taking action to close tax loopholes just as we said we would at the beginning of the Congress last year. I am proud that the new Republican Congress is getting the job done.

Mr. Speaker, as I said earlier, by giving tax relief and pension security to the American people, this Congress is doing the people's business and doing it right. Democrats and Republicans, on a bipartisan basis, are working together, and that is good government.

Mr. Speaker, this new Congress is moving America in the right direction, and I am pleased that President Clinton is going to join with us by signing this bill. It has been a great week for the Republican Congress and it has been a great 2 years of accomplishment for our efforts to reform Congress and change America.

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

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent to yield 15 minutes of my time to the gentleman from Missouri [Mr. CLAY], and that he may further yield that time.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GIBBONS. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, this is a very important piece of legislation, particularly the minimum wage part, but I shall dwell on the part that is germane to the Committee on Ways and Means and talk about that.

As best I have been able to tell, from all search and research and participation, this bill is a fair bill. It contains little if nothing that was not in either the House bill or the Senate bill and it stays within the germaneness of the topic that we are dealing with.

There are many fine adjustments in here that are perhaps warranted. I believe they are warranted because the Internal Revenue Code is probably the most complex document that exists on the face of this Earth and it, from time to time, needs adjusting.

The adjustments here were done with the help of a very competent staff and under the direction of, I think, a very conscientious chairman of the Committee on Ways and Means. The gentleman from Texas [Mr. ARCHER] was fair, he was principled, and he did a good job of putting this bill together and controlling it through conference.

I urge the Members to support this bill. It is extremely thick and complex. The conference report is about six inches thick. It will probably take a week to print, but I believe it is an important and well-produced document. I urge favorable consideration and passage of this bill.

Mr. CLAY. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I am pleased that at long last a Congress will provide hard-working wage earners a well-deserved raise. I commend the 93 Republicans,

the 1 Independent, and the 187 Democrats who made this increase possible with their vote to raise the minimum wage.

Mr. Speaker, I cannot resist expressing my disappointment with the Republican leadership that attempted to sabotage this badly needed increase for our workers. The Republican leadership has fought this effort with every fiber of their beings. For months the Republican leadership refused even to allow the committee of jurisdiction to hold a hearing on the minimum wage.

When forced to bring the bill to the floor, the Republican leadership tried to gut the legislation, tried to exempt most employers from the obligation to pay the minimum wage.

In this conference report the Republican leadership has needlessly postponed the minimum wage increase by 1 month in 1996 and, incredibly, by 2 months in 1997. At every turn the Republicans have felt compelled to nickel and dime low-wage workers and their families. Now some to them want the American workers to believe that the leadership of the Republican Party are giving them a raise.

Mr. Speaker, I am also extremely disappointed that the conferees included a special interest provision, the so-called Harris Trust provision, that weakens the protection for pension participants and beneficiaries. The final conference report moderates that provision somewhat by providing that ERISA shall be fully applicable to pension plan contracts with life insurance companies issued after 1998. However, the Harris Trust provision should never have been included in the first place.

Despite serious misgivings, Mr. Speaker, I support the conference report. American workers deserve a fair day's pay for a fair day's work and we cannot afford to delay an increase any longer.

Mr. ARCHER. Mr. Speaker, I yield myself 1 minute. I do so to thank my colleague, the ranking Democrat on the Committee on Ways and Means, the gentleman from Florida [Mr. GIBBONS], who will be retiring at the end of this Congress, for his kind comments about how we put this bill together.

We did it, Mr. Speaker, on a bipartisan basis, the way the Committee on Ways and Means should operate. Members from both sides of the aisle had a chance to make an input. I do agree with the gentleman from Florida, naturally, that I think we have a good bill, but I am grateful for his comments and I want to compliment him for his input in making this bill the good bill that it is.

Mr. Speaker, I yield 3 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON], the distinguished chairman of the Subcommittee on Oversight of the Committee on Ways and Means.

Mrs. JOHNSON of Connecticut. Mr. Speaker, this is truly a great day for the American people. This is a good bill but it is a result of outstanding leadership.

Let me make plain that as one of those who supports increasing the minimum wage, I feel honored to stand here today in support of a bill that not only does that but recognizes the ramifications of increasing the minimum wage on our society and protects, for example, job opportunities for teenagers in the summer, and protects small businesses by giving them a series of preferred tax treatments to lower their costs of doing business.

This bill opens up pension opportunities for employees of small businesses. It dramatically helps women. For the first time it puts in the law the legislation we need to give women who stay home and take care of the children the same IRA rights as anyone else in America.

This is a sea change. This is good legislation. This is about equality for all of us. This is about building a strong future for the families of our Nation.

Mr. Speaker, there is also a very important provision that we have worked on for many years, giving our small businesses greater expending rights so that they can expense out the costs of machinery and equipment, computers and so on, and add more jobs, grow more rapidly.

In a society where small business is driving job growth, the kind of help this bill gives to small business is indeed critical and key to leading our Nation to enjoy a more rapid rate of economic growth, job growth, and job opportunities for career advancement for our people.

Last, I want to mention the R&D tax credit in this bill. I regret we could not do it retroactively, I regret we could not do it many more years out to the future, but we have reformed it in a way that small, inventive little companies, our future, those companies will be able to take advantage of it.

We have also restructured it in a way that the old defense companies that we need to be able to turn around, we need to be able to do new product research, we need to be strong in 10 years, will also benefit from the R&D tax credit for the first time in many years.

This bill before us helps families in numerous ways, not only increasing the minimum wage but also increasing pension opportunities, saving opportunities, job opportunities, and it strengthens the very sector on which our future growth, job expansion, and well-being depends, the small business sector.

Mr. Speaker, I thank the chairman for his extraordinary leadership and for the work of both sides on this bill.

Mr. ARCHER. Mr. Speaker, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Texas.

Mr. ARCHER. Mr. Speaker, I want to compliment the gentlewoman for driving the expensing for small business. She was the one who pushed and pushed and pushed to get this in the bill.

Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. NEAL].

(Mr. NEAL of Massachusetts asked and was given permission to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, I thank the gentleman from Florida, and, like the gentleman from Texas [Mr. ARCHER], I want to thank him for the many remarkable years of service in this institution, and for those of us on the minority side of the Committee on Ways and Means, we want to thank him for the leadership he has provided during the past 18 months.

I also want to thank Chairman ARCHER for the provision in this legislation that deals with the New Bedford fishermen, which was a contentious issue for many years. I am grateful we were able to resolve this issue in an amicable manner.

I want to ask the following rhetorical question, if I can, for just a second. Last year in this House we voted more than 1,000 times. Here we are now, in the middle of the Olympics, with a tangible accomplishment for the American people in this piece of legislation. Why do we not ask ourselves this: What did we accomplish in this institution last year with 1,000 votes?

Well, we certainly satisfied the psychology of an element that got elected. We made them happy that they were able to go home and point to some headline-grabbing news that really had little consequence for the American people, but we spent 5 days a week and sometimes 5 nights a week on this floor and in this institution talking about things, again, that had little relevance to the American people.

So here we are on the day before the House recesses, with a tangible piece of legislation, and it is in the middle of the summer Olympics, so we cannot report back to the American people on what we have done during the last week.

We have a good increase in the minimum wage. What did the majority leader of the Republican Party say? He was going to do everything he could to stop that bill from ever happening. That is what we did last year.

There is an improvement here in spousal IRA's, which I have sponsored and pushed hard for. That should have been done last year. We, in fact, should have done a more expansive individual retirement account piece of legislation that we all could have taken satisfaction from its passage having occurred.

One thousand votes last year. We should ask ourselves, what did we accomplish?

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Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. OWENS].

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

Mr. OWENS. Mr. Speaker, I agree with the gentlewoman from Connecticut [Mrs. JOHNSON], my classmate, my Republican colleague, that this is a

''see'' change. This is a very important change. This Congress should congratulate itself. We did in a bipartisan way finally come to grips with the common sense of the American people. The common sense of the American people came home to us.

The polls showed that almost 90 percent of the American people wanted a minimum-wage increase. This is important for people at the very bottom of the rung. It does not seem like much, an increase of 90 cents over a 2-year period. But it will buy shoes, it will buy beans, it will buy rice. This is very important to these other people that have been left out while prosperity soared in America. It is very important that we begin to reward work.

There are a lot of very powerful people who have spoken loudly about moving from welfare to work in the last few weeks. Well, the burden of proof is on them. Will there be work or jobs? In my district you mention a job, and people line up in long lines and hundreds of people go away disappointed because there are only a few jobs.

So let us create the jobs first, and let us make the jobs pay minimum wage. There is a lot of work to be done, but work is not a job unless it is paid properly. We need the minimum wage plus a health care package. A real job is minimum wage plus a health care package. It is up to us to try to create that. Start with the minimum wage.

We also want those health care packages for everybody. People on welfare find they are better off not going to work because they lose their health care. Let us finish the job, but begin with the minimum wage. We want work. The tremendous economic gap exists, with the top 5 percent of the American people, income earners, earning huge profits while at the very bottom they have found their wages have gone down in the past 20 years. If we really increase the minimum wage to a level where it would keep pace with inflation, we would be talking about a $6.25 increase.

Mr. Speaker, let us reward work and pay what it is worth so that people will go to work.

MR. ARCHER. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. RAMSTAD], a distinguished member of the Committee on Ways and Means.

Mr. RAMSTAD. Mr. Speaker, I thank the chairman for yielding, and I rise today to enter into a brief colloquy with the gentleman from Texas [Mr. ARCHER]. First of all, I want to commend the gentleman for his outstanding leadership in bringing this legislation to the floor.

I am concerned, however, about regulations that were just issued by the IRS in May regarding the section 936 possession tax credit therein. I believe these regulations will have an unfair impact on companies during the phaseout of section 936 because they cast aside regulatory rules upon which companies have relied for many years permitting arm's-length pricing in the purchase of components. They produce a discriminatory result that an arm's-length third party price can be used to value outbound sales of components but not inbound purchases by the possession company for purposes of the section 936 calculation.

Mr. Speaker, I believe that a fair and workable solution can be developed to address these concerns, and I would ask that the chairman join me in strongly encouraging the Treasury Department to seek such a solution.

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

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

Mr. ARCHER. Mr. Speaker, I am happy to join the gentleman from Minnesota [Mr. RAMSTAD] in strongly encouraging the Treasury Department to do that.

Mr. RAMSTAD. Mr. Speaker, I thank the gentleman for his agreement and also for his leadership.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. PORTMAN], a distinguished member of the Committee on Ways and Means

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

Mr. PORTMAN. Mr. Speaker, I thank the gentleman from Texas [Mr. ARCHER] for the time. This is a guy who has had his own legislative marathon this week during the Olympics, and he deserves a medal because he has achieved a lot of good legislation for America.

Mr. Speaker, I want to talk about a gem hidden in this bill, and I do not want it to be lost. It is simplification of our pension laws and strengthening of retirement savings for all Americans.

My friend from Maryland [Mr. CARDIN] and I have pushed this legislation, because we want to expand retirement security for all Americans. It is in this bill and something very important for America and for American workers.

These days 401(k)'s profit-sharing plans, and other pension plans are being used less and less because, frankly, they are overregulated. Today small businesses, for the most part, do not offer any kind of retirement savings at all. Of those companies under 20 employees, fewer than 20 percent of them offer any pension savings plans at all.

Since 1980, Congress has passed an average of one law per year affecting private sector pensions. Congress has increasingly complicated this area, and as these rules and regulations have multiplied, retirement savings plans have become less and less attractive. They are too costly to set up and too costly and burdensome to maintain, particularly for small businesses that cannot afford either the inside or outside professional help to make their way through the bureaucratic maze.

As a result, these days pension plans are being terminated around this country faster than they are being established. The bottom line is that if this legislation is enacted, which I think it will be now, it will encourage private savings, it will help the economy because we need to increase our savings rate, and, most importantly, it will allow more people to plan for their future.

Mr. Speaker, I applaud the gentleman from Maryland [Mr. CARDIN] and the gentleman from Texas [Mr. ARCHER], as well as the other conferees, for including this legislation in this report, and I hope that this legislation receives the support of all Members of the House.

Despite the fact that these important pension simplification provisions are included in the conference report, I am concerned that this bill will also raise the minimum wage. In my view, this is a misguided and regrettable effort, because I fear it will hurt the very working people we are trying to help. Thankfully, because of Chairman ARCHER'S leadership, we added the pension reform and other provisions that will help to mollify the effect of his legislation on small business. For that reason, I will vote in favor of this bill, despite my deep concerns about the effects of the minimum-wage increase on working people at the low end of the economic ladder, on small businesses and on local and State governments.

Mr. ARCHER. Mr. Speaker, I yield myself 15 seconds in order to compliment the gentleman from Ohio [Mr. PORTMAN] and the gentleman from Maryland [Mr. CARDIN] because it was their efforts that put this pension simplification provision in the bill.

Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Speaker, I thank the gentleman for yielding. This is vital legislation, and I applaud those on the majority caucus that broke away from their leadership that was doing everything possible to stop a minimum wage increase and joined with us in the minority to reach the critical mass necessary to pass the minimum wage and get these workers at the lowest levels of earning power the raise they so desperately needed. it took guts to buck your own leadership and those of you who did that I applaud you.

While we address the immediate earning needs of those at the lowest level, this legislation should also be commended for what it does to advance pension and retirement savings policy. Our Nation has a looming crisis because Americans are not saving adequately for their retirement.

Three aspects of this bill advance pension retirement savings policy. The first is straightening out and clarifying how the pension administration occurring in the life insurance industry will proceed in the wake of the Harris trust ruling. Unlike previous comments made on this floor, I believe that the Harris trust language is very positive and helpful in clarifying this situation and should be in this bill.

Second, pension simplification: at a point when only 24 percent of employees and employers under 100 have the opportunity to save for retirement at the workplace, this simplifies pensions. This is going to make small employers more willing to offer pension and retirement savings opportunity for their employees. It is a vital part of the bill.

Third, the spousal IRA. Representing a rural area, I cannot think of a more unfair part of the Tax Code relative to retirement policy than the present provision which limits to $250 a contribution by a spouse not employed in the workplace.

In a farm family where you have the husband and wife pitching in to make that farm go, it is just desperately unfair to limit to $250 the contribution of the second spouse. By allowing the full contribution in the spousal IRA we have improved this law a lot.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Ms. WOOLSEY].

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

Ms. WOOLSEY. Mr. Speaker, it is about time. It is about time to make work pay more than welfare.

When I was on welfare 28 years ago, I had to go for aid for dependent children because my wages were so low that I could not afford the health care, the child care and the food that my three small children needed. Too many American workers face that same situation today. In fact, many minimum wage earners look like I did 28 years ago.

Sixty percent of minimum wage earners are woman; one-fifth are single parents. Increasing the minimum wage will mean that these parents and others can depend on work rather than welfare to support their children.

Increasing the minimum wage will prevent the need for welfare in the first place. Increasing the minimum wage is the right thing to do, it is the smart thing to do, and it makes work pay. It is about time, Mr. Speaker.

Mr. ARCHER. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. ENGLISH], a distinguished member of the Committee on Ways and Means.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I would like to start by joining my colleagues in complimenting the distinguished chair of the House Committee on Ways and Means, who in my view has done a superb job of bringing to the floor a balanced conference report that not only addresses the needs of minimum wage workers, but also the needs of small business.

I particularly want to acknowledge his role in addressing a pension provision which is included in this package which addresses an inequity in the law that would have otherwise destroyed 1,100 jobs, including 150 jobs in Erie, PA, at Erie Forge & Steel, and I salute him for doing that.

Mr. Speaker, I am proud to rise in support of this conference report that will increase the minimum wage for the first time in 5 years and at the same time provide significant tax relief to America's small businesses. This is a balanced approach, and this legislation is long overdue.

I remember last year when I was the first member of my party to introduce minimum wage legislation in the House. Since then, I joined some of my colleagues and ultimately supported the Riggs-Quinn-English-Martini amendment that increased the minimum wage and included it in this package of legislation. I am proud to see and very pleased to see that it has earned massive, bipartisan support.

In my congressional district in northwestern Pennsylvania, I have seen far too many families supported by one or more members working in minimum wage jobs. These hard-working people could very easily surrender to the welfare system, but they do not. Instead of taking tax money, they pay it, and I think they deserve more.

At the same time, I know of many small business people who are struggling to get by, who are struggling to grow their businesses, and they are finding it difficult because of the Tax Code. This legislation provides incentives for them to grow jobs, to create more jobs and at the same time bring part of the bounty back to minimum wage workers.

Mr. Speaker, this legislation, as has been noted before, includes important expensing liberalization in the Tax Code. It includes a home office deduction, subchapter S reforms and much-needed pension simplification. In addition, it extends some critical expiring tax provisions, including the work opportunity tax credit and employer-provided educational assistance.

In my view, Mr. Speaker, this is a balanced package that merits the support of every Member of this House. I am happy to endorse it. It is a great day for American workers and American small businesses.

Mr. ARCHER. Mr. Speaker, I ask unanimous consent to yield the balance of my time to the gentleman from Pennsylvania [Mr. GOODLING] to add to his original 15 minutes, and ask that he be allowed to control that time.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. BECERRA].

Mr. BECERRA. Mr. Speaker, about a year and a half ago, January 1995, the gentleman from Texas [Mr. ARMEY], the majority leader, said, ''I will resist an increase in the minimum wage with every fiber in my being.''

Well, sure enough, on more than five occasions on this floor, Democrats tried to pass a minimum wage bill and each time it was defeated. The result, about 12 million Americans had no chance to see their wages increased. The result of that, well, about $5.6 billion in lost earnings for these people. What does that mean? About 3½ months of groceries for an individual on the minimum wage or maybe 6 months of health care insurance payments or about 4½ months of payments of utility bills or about 2 months of housing for that particular worker were lost as a result of 18 months of delays.

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It is about time, Mr. Speaker, that we got a message here in Congress, the message that America has known for a long time. American workers deserve a raise. I am pleased that we are finally going to get the message here in Congress.

Mr. GOODLING. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. THOMAS].

Mr. THOMAS. Mr. Speaker, I thank the chairman for yielding me the time.

I just want to take a minute because very often we forget that the legislation in front of us, although worked out in general by Members, is always finalized, structured, coordinated and made correct by staff.

Chief of staff on the Committee on Ways and Means, Phil Moseley, and those competent staff under him on our side, Jim Clark, Paul Auster, Tim Hanford, John Harrington, and Norah Moseley, and the Joint Committee on Taxation under Ken Kies, have worked a number of hours, along with minority staff, to make sure that what is in front of us is done accurately.

I want to make sure that they got credit because they certainly put in the hours.

Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. RANGEL].

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

Mr. RANGEL. Mr. Speaker, I would like to join the gentleman from California [Mr. THOMAS] in expressing our appreciation for staff, both Democrat and Republican, because it was they that guided us when we were not actually in session for the conference. And the conference was a bipartisan conference inasmuch as we had very strong disagreements, but the issues were resolved at least in a civil manner.

I think it is a successful conference because I think we emphasize how important it is for people to have jobs. We are obsessed with the problems we get from immigrants, from unwanted children, from drugs, from crime and from violence. Yet education, job training and the opportunity to have hope for the future seems to have in great measure reduced these problems.

The minimum wage just makes a lot of sense, and I am glad the American people just did not say no but insisted that at least we move this far forward.

I also wanted to thank the Republicans for extending the targeted jobs credit, which means disabled people,

veterans, those that come from poor families, those that are on welfare will be provided with incentives to get jobs by giving credits to employers who take this risk and who hire people.

It is unfortunate that most of the moneys in this bill were raised just by cutting off economic development in Puerto Rico. I think it will take a long time before this country and especially this Congress would recognize these are citizens who fight and die for the United States of America and, if we want to change the support that we are giving them, I would think that you could put me first on the list to review it.

I think that it is insulting just to cut off economic assistance and job creation without hearing, without even thinking about the impact that this will have not only to people in Puerto Rico but those who will leave to come to the mainland because of lack of opportunity on the island.

I would hope, too, that those of us that intend to work together would realize that working together with civility makes a heck of a lot more sense than attacking each other in a partisan way.

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

Mr. GOODLING. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, throughout the sometimes fractious debate on the minimum wage over the past few months, it has been my observation that we were concentrating on our areas of disagreement. However, I think there was a fundamental thing on which Republicans and Democrats, liberals and conservatives seemed to agree, and that was that America needs a raise. But as most of my colleagues know, simply raising the minimum wage without making other reforms may do more harm than good. Economists and experts have let us know in no uncertain terms that raising the minimum wage will in fact hinder job growth, particularly for those in the lowest rungs of the economic ladder.

That is why a series of reforms and changes must occur before Americans truly see the economic situation improved overall so that everyone can benefit. Small business tax breaks proposed in our bill will help our Nation's mom and pop businesses better afford the minimum wage hike that they are receiving. We are past due in fixing the IRA system so that the spouse who works at home as the homemaker can enjoy IRA retirement savings and benefits similar to that enjoyed by the spouse who works outside the home.

We have also simplified and strengthened retirement plans through a number of reforms, including permitting a simplified plan for small businesses which will encourage pension plan growth for workers who currently do not enjoy those benefits.

The report also provides incentives for employers to provide their employees with educational assistance. These reforms and others contained in the bill will help all Americans receive a raise.

With respect to the minimum wage itself, I supported the increase after modifying it to protect the most vulnerable workers. Many studies support the conclusion that a mandated increase in the minimum wage would jeopardize disadvantaged Americans, those least educated, senior citizens, young Americans looking for their first job. These people are the last hired, the first fired, and least likely to be hired with a higher wage. As we mandate an increase in the minimum wage, we must protect the most vulnerable Americans.

While some low wage earners reap the benefits of an increase in the minimum wage, other low wage workers would bear the brunt of the destructive effects of the minimum wage. The additional protection which we have included in this legislation helps to eliminate the negative effects. The opportunity wage allows employers to pay new hires under the age of 20 not less than $4.25 per hour for the first 90 calendar days of employment. This will encourage employers to hire new workers and in turn help low skilled and entry level workers gain a foothold in the job market.

The current law cash wage paid by employers to tipped employees is maintained by the conference reports. Tipped employees typically receive wages of $7 to $8 an hour, so this modification will help to soften the negative impact of a wage increase on these types of workers. If tips are insufficient to earn the new minimum wage, the employer must pay the difference.

The conference agreement also maintains the current law requirements for the computer professional exemption, ensuring that the minimum wage increase will go to those most in need.

The conference report changed the effective date of the minimum wage increase to allow employers an opportunity to be notified of the new wage and to adjust for the wage increase.

I would like to note that the conference agreement will clarify the Portal-to-Portal Act of 1947 to allow employees and employees to agree on the use of employer-provided vehicles to commute between work and home without travel time having to be treated as hours of work.

Turning to section 1461 of the conference report, I want to briefly discuss the improvements in the bill that we were able to achieve through the House amendment concerning the Harris Trust decision:

Under the conference agreement, future general account contracts sold to pension plans will have to fully comply with the fiduciary standards of the Employee Retirement Income Security Act, ERISA. Under the Senate-passed language, these pensioners would never have received the protections of ERISA.

Under the new agreement, existing general account contracts, and new contracts sold until full ERISA protection takes effect, now will have to be managed prudently and will have to meet reporting and disclosure requirements, requirements not imposed by the Senate-passed provision.

Insurers will now have to mention pension assets held in insurance company general accounts with a prudent man's level of care, skill, prudence, and diligence. The Senate version would have offered pensioners a significantly lower level of protection.

With respect to existing contracts, insurers will now have to meet stringent new reporting and disclosure rules. The insurer will have to provide periodic reports to the policyholder disclosing the allocation of general account income and expenses to the policy, and disclosing the effect of such allocation on the return to the plan under the policy.

While these improvements are important, compromises were made, and compromises by the very nature are not perfect. I do believe that this matter would have been better addressed in another area and not in this legislation.

Mr. GIBBONS. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. HOYER].

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

Mr. HOYER. Mr. Speaker, we are about to go home; 1995 was about the principles of the majority, and 1996 is about the politics of the majority. The Contract With America, does anybody remember that? It has not been mentioned much; unremembered, unhonored and not inclusive of what this bill does, because the central part of this bill is the minimum wage.

Yesterday we did something to try to do a little bit for health care for Americans: preexisting conditions, portability. It is not in the contract.

Today we do minimum wage; not in the contract. The contract has been forgotten. Why? Because it is not what the American public wanted. But this minimum wage bill is. It is the right thing to do.

DICK ARMEY was wrong to say that he would fight it until his last breath. I am pleased that we move today on America's agenda.

Mr. GOODLING. Mr. Speaker, I yield 3 minutes and 30 seconds to the gentlewoman from New Jersey [Mrs. ROUKEMA], a member of the committee.

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

Mrs. ROUKEMA. Mr. Speaker, I rise in strong support of the Small Business Job Protection Act and ask consent to revise and extend my remarks.

It's long past due that we raise the minimum wage and extend many of the tax provisions that are so beneficial to small business nationwide.

But Mr. Speaker, I rise this morning to address provisions of this bill that are designed to clarify uncertainties

raised by the John Hancock versus Harris Trust Supreme Court decision in 1993. Earlier this year, I introduced legislation that would address problems raised by the Court's holding that an insurance company's general account may contain plan assets because of the purchase by a plan of certain contracts issued from such accounts.

I want you to know that my legislation was cosponsored by a strong bipartisan majority of the Members of the Opportunities Committee and I am pleased that compromise language on this issue is contained in this conference report.

The specific provision we are debating is a modified version of the legislation I introduced in March. I believe it is a good compromise that balances the interests of plan participants and beneficiaries, plan sponsors, the Department of Labor and the insurance industry.

There are some who wrongly believe and I must stress this legislation eliminates essential Federal protections from billions of dollars of pension assets. In fact, the legislation requires any policy issued from an insurance company general account after December 31, 1998, that is not a guaranteed benefit policy to meet ERISA's standards.

With respect to contracts issued before that date, the legislation requires the Department of Labor to issue regulations which Secretary of Labor Reich states, ''will hold the insurance companies to as high a level of fiduciary responsibility as any pension plan.'' In testimony before our committee the Actuarial Association assured us of the high judiciary compliance that is not violated.

There are those who are also concerned with the relief the legislation gives to insurers for lawsuits with respect to past transactions.

I am here to say that relief is appropriate. During this period, the insurance industry, along with the parties with which it did business, including employee benefit plans, relied on the Department of Labor guidance on how it was to act. In other words, Labor Department set the rules and the industry followed them. There is no dispute on this point.

I must add that during this period it has never been established that an insurance company violated any of ERISA's fiduciary responsibility provisions or caused harm to any plan participants.

Moreover, insurers still remain liable for violations of any Federal criminal law or for fiduciary breaches that also rise to the level of a Federal or State criminal violation.

Finally, the legislation does not affect any lawsuit brought prior to November 7, 1995.

Mr. Speaker, I recognize that this legislation has been controversial to some people and there are different points of view regarding its efficacy. However, this provision is a good compromise that will avoid undue disruption to the pension community while assuring that the rights and interests of participants are protected.

Again this is supported by a strong bipartisan majority of the committee.

Mr. Speaker, I urge support for this important legislation.

□ 1100

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. HINCHEY].

Mr. HINCHEY. Mr. Speaker, first I want to express my thanks to the gentleman from Missouri [Mr. CLAY] for his tireless and dedicated leadership on behalf of working Americans and to strongly support this legislation, H.R. 3448.

At long last this body today has the opportunity to provide some relief to working families in my district in New York and across the country. A 90-cent increase in the minimum wage will raise the earnings of a full-time minimum worker by $1,872 a year. If we had raised the minimum wage last year as we advocated, in New York alone minimum wage workers would have earned an additional $181 million last year. Nevertheless, this now will help thousands of families work themselves out of poverty and raise their standard of living.

While I would have preferred to see the minimum wage increased higher than $5.15 an hour and put into effect sooner than October 1, I support this bill in its current form recognizing that it is the best we are going to get. In addition to raising wages, the tax relief contained in the bill will help small businesses hire more workers, invest in new equipment and create more jobs.

Finally the expansion of the availability of IRA deductions to homemakers is a good idea and one that I advocated since the beginning of this Congress. I am glad to see it finally enacted.

Mr. Speaker, this conference report is an example of how this Congress can overcome the objections of the leadership of this House and finally work in a dedicated and productive way on behalf of American families.

Mr. GOODLING. Mr. Speaker, I yield myself 5 seconds first just to remind everyone on that side that they had 2 years when I was a minority Member in the committee, and the words ''minimum wage'' were never raised.

Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. RIGGS], who added the amendment to the portal-to-portal bill, which brought about the minimum wage.

Mr. RIGGS. Mr. Speaker, I thank the gentleman for yielding me time to speak during what has, I think, truly been a remarkable and historic week and the most productive and significant Congress in modern history. In the last 72 hours we have enacted truly historic changes which will better the lives of millions of our fellow Americans.

We have made it easier to move from welfare to work, arguably a very difficult transition especially for single mothers. We are making work pay more than welfare by raising the Federal minimum wage, if not to keep pace with inflation at least to restore some of the purchasing power of the minimum wage that has been eroded by inflation, and we are making it easier for American workers in the workplace to get and keep accessible affordable health insurance.

Welfare reform, which we enacted earlier this week, fundamentally changes a system that, in my view, over time had come to replace compassion with a system of political patronage, and it is estimated that our welfare reform will help move 1.3 million of our fellow Americans into productive jobs by the year 2002.

Health insurance reform, which we enacted yesterday on this floor, will end job lock. For many of our fellow Americans, it will make it, as I said earlier, easier to get and keep health insurance. It will make it easier for people to move from job to job without the risk of losing their health insurance due to a pre-existing medical condition, and it will eliminate the longstanding insurance practice of excluding Americans from health insurance based on a pre-existing health condition.

And today we take up the minimum wage package, which is coupled with some very necessary and important small business tax incentives. I was proud to offer the minimum wage increase when that legislation first came to the House floor, and the minimum wage increase will help roughly 10 million of our fellow Americans, and it will reverse this perverse incentive where welfare is more attractive than work.

I think many of us recognize, and this is truly on a bipartisan basis, that we must in America, if we want to move people from welfare to work, make work pay more than welfare. We must make work more attractive than welfare.

Now, this stands in stark contrast to the last Congress, and I am not going to get real partisan for a moment, but I could not help but notice how many speakers on the Democratic side of the aisle have come down to the well during the debate on the rule and during this general debate on the legislation and have made extremely partisan remarks. I think that is unfair.

I think the record speaks for itself. The last Congress, the Democratically controlled Congress, did not pursue welfare reform legislation, did not pursue an increase in the Federal minimum wage, and, of course, did pursue a dramatic overhaul of the American health care delivery system, a 13,000-page bill that would have nationalized and arguably led to a big government takeover of the private health care delivery system in America.

But that partisanship aside, I think it is very important to look at the fact

that we have on a bipartisan basis in this Republican-led Congress been able to enact these very important and historic reforms that emphasize work, families, and personal responsibility while leaving in place a very strong safety net for the genuinely indigent and the desperately poor in our society.

We are, and I think we can all take pride in this as we prepare to go home and report to our bosses, our constituents, back home in our congressional districts, we are building a better America with more hope and more opportunity for millions of our fellow citizens and that is, again, why I say this is the most productive and significant and historic Congress in modern history.

Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding this time and thank him for his great leadership in this Congress. I know that we will continue to be well-served by him until the last day of this Congress and we will be the beneficiaries of his legacy for a long time to come. I thank him again for yielding.

Mr. Speaker, today is a good day, not a great day but a good day for the American worker. It is a day that the Republican leadership has finally been dragged kicking and screaming in support of raising the minimum wage.

Democrats can be proud that at long last the pressure that we have brought to bear on Republicans has finally produced real results for 12 million working Americans. The Republicans have finally caved after months of staunch opposition-voting five times to defeat Democratic efforts to bring up an increase in the minimum wage.

Even with polls showing over 80 percent of the American people support increasing the minimum wage, the extreme Republican majority tried to kill the bill or gut the bill and blunt its impact. These delaying tactics cost American workers $5.6 billion. Faced with the failure of their extreme agenda, moderate Republicans finally have embraced this Democratic initiative, but in the meantime the American worker has paid the price for Republican extremism.

By refusing to take action on the minimum wage sooner, Republicans have cost American workers, as I have said, $5.6 billion in lost wages. That increase in the minimum wage would have paid for 3½ months of groceries, 6 months of health care, 4½ months of utility bills or 2 months of housing. Too bad it took 18 months to shame Republicans into doing the right thing and raising the minimum wage from a 40-year low in purchasing power.

House Republican leader, the gentleman from Texas [Mr. ARMEY], has said, and we have quoted him many times, that he would fight an increase in the minimum wage with every fiber of his being. That was an earlier statement. As recently as Monday he blasted the minimum wage increase yet again saying that it was not a matter of importance to real people and dismissing it as an inside-the-beltway issue.

I urge our colleagues to recognize the importance of the Democratic effort and increase the minimum wage.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Speaker, Members of the House, yes, it is a great day for the people of this country who are the working poor. That is right, they are the working poor. They are the lowest level in the financial status that we have, but they work just as hard as my colleagues and I do and everybody else does.

This should have been done a year ago. That meant that those people would have been able to buy shoes for the kids. Not at the retail store, but no, at the yard sale, at the Salvation Army secondhand store.

I challenge all of my colleagues to realize that these people who work every day for the minimum wage are not able to live like my colleagues and I. My colleagues must realize that these people scrape and save to just make ends meet every day.

I challenge those that are going to vote against this bill to take this month of August and go out and visit with some of the people in their home areas that earn the minimum wage and find out how they have to live and how my colleagues wanted them not to have that minimum wage increase.

Mr. GOODLING. Mr. Speaker, I reserve the balance of my time until they are all finished.

Mr. GIBBONS. Mr. Speaker, I yield 1 minute to the gentlewoman from Hawaii [Mrs. MINK].

(Mrs. MINK of Hawaii asked and was given permission to revise and extend her remarks.)

Mrs. MINK of Hawaii. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, it is very important for this body and the country to realize that the vast majority of workers in this country working for the minimum wage are women, and it is these hard-working women who are supporting their families that we need to celebrate today because they are finally going to get 90 cents an hour more, not a whole lot, but it is $36 week, $1,800 a year, something which they should have been getting many, many months ago. They are finally getting it. We have been preached at about the importance of work, so today finally they are getting a pay raise to help support their families.

Under welfare we are forcing single mothers to go to work. With this minimum wage they will have a chance to lift their families out of poverty. Not a single person in this body ought to regret the fact of minimum wage going up today.

Mr. GIBBONS. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, this is a great day that almost never came. America needs a raise. It is a tribute to the dignity and to the hard work of those Americans who get up every morning and go to work for the minimum wage that we are here today about to pass legislation raising the minimum wage by 90 cents.

The American people's overwhelming support for a minimum wage increase has won the day today, but we had to overcome the steadfast opposition of a Republican leadership who vowed to stop it and even denied that minimum wage workers exist in this country.

I know different. I have a letter from Janis Venditto, a working mother in Hamden, CT, whose husband fought in the Persian Gulf war. They are struggling to feed their kids and to pay their bills and my constituent says:

> I really wish someone out there can really listen to me for once. Raise the minimum wage. I know I am not the only person in this situation. It is a shame that the most wonderfulest country in the world cannot give us moms a small break.

That is what this is all about. We need to pass the minimum wage.

Mr. GIBBONS. Mr. Speaker, I yield 1 minute to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY. Mr. Speaker, there is a crisis of fairness in this country. The rich are getting richer and the poor are getting poorer. In real terms, the minimum wage is at its lowest level in 40 years. Where I come from if one earns the minimum wage and work full-time, they live in extreme poverty. More than 600,000 New Yorkers will benefit from this increase.

This is also a woman's issue; 5.7 million women earn the minimum wage. That is 59 percent of all minimum wage earners.

Raising the minimum wage promotes families. If we want to encourage work and make it pay, we need to do this for the American people. Unfortunately, it took a Democratic uproar in Congress and 80 percent of the American people to get the Republican Congress to give in and do the right thing.

The current minimum wage is indefensible, it discourages work, it demoralizes workers, and it makes a mockery of fairness.

Mr. GIBBONS. Mr. Speaker, I yield my remaining 1 minute to the gentleman from Maryland [Mr. CARDIN] to close debate on our particular part of this.

□ 1115

Mr. CARDIN. Mr. Speaker, once again let me thank the gentleman from Florida [Mr. GIBBONS] for his leadership on this legislation.

Mr. Speaker, we are going to be able to enact this legislation. Why we are going to be able to do it, it is because it is the right mix. We have a well-balanced bill. It is good for small businesses and it is also good for those people who work for small businesses.

It provides real help to small businesses by extending tax credit provisions for work opportunity tax credits; employer-provided educational assistance; the R&D credit; retirement simplification that I talked about before, and which the gentleman from Ohio [Mr. PORTMAN] has talked about; the small business expensing, where it helps small businesses because it increases the minimum wage.

Mr. Speaker, I hope we will use this formula in the future in considering legislation, and rather than looking at extreme legislation, let us look at well-balanced legislation. It is in the interests of our constituents, and I urge my colleagues to support the conference report.

Mr. CLAY. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, House Majority Leader DICK ARMEY loves to quote country music lyrics.

Well, the Republican strategy on the minimum wage reminds me of another old country song. It's called, ''Walk out Backwards Slowly So I'll Think You're Walking In.''

Republicans have been walking up to the podium today to take credit for raising the minimum wage. But we all know that beyond a few people like the gentleman from New York, JACK QUINN, and a few others over there, they have been running away from this issue for months.

Five separate times, this Republican Congress blocked an increase in the minimum wage. NEWT GINGRICH implied that the minimum wage should be based on Mexican wages. TOM DELAY said that minimum wage families don't really exist. JOHN BOEHNER said he would commit suicide before voting to raise the minimum wage.

DICK ARMEY said he would fight a minimum wage increase with every fiber in his being. And just last week, he said the real people don't care about the minimum wage.

Well, I think they've found out the past few months that real people do care about the minimum wage. The American people understand that if we want to move people from welfare to work, we have to make work pay. You can't raise a family on $4.25 an hour.

These are people who work hard—and work long hours—to give their kids a better life. They deserve to be treated with dignity and respect.

Mr. Speaker, it's sad that it took 18 months for Democrats to browbeat the Republicans into doing the right thing for America's families. But thanks to public pressure, and the hard work of people like Senator TED KENNEDY, an increase in the minimum wage will be signed into law by Labor Day.

Mr. Speaker, the Republican leadership can quote all the country songs they want. This is one song that has a happy ending for America's families.

Mr. CLAY. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Missouri [Mr. GEPHARDT], the minority leader, who will be the majority leader.

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

Mr. GEPHARDT. Mr. Speaker, in a few short moments I believe this House of Representatives will vote to raise the minimum wage, which is at a 40-year low. It is severely impacting, in a negative way, American families.

I realize that for many of my colleagues on the other side of the aisle this is a difficult vote to cast. Even for some who will support this increase, this is a vote of resignation, not one of joy. But while this might not be an easy vote for some of you, I believe with all my heart that this is the right vote and probably the most important vote of this Congress.

Let us put aside this morning all the ideology, all the partisan differences, all of the political argument, and let us put one thing and one thing only in our mind today, which is what the gentleman from Michigan [Mr. BONIOR] talked about: That is American families that are living day-by-day today on the minimum wage.

I had a woman in my district recently, as I went door-to-door, tell me that she had two minimum wage jobs, worked 16 hours a day, two children. She said, ''Congressman, I cannot pay my bills. But that is not what I am worried about. That is my problem.'' She said, ''What I am worried about is that I am never home to raise my children.'' She welled up as she talked about her failure of responsibility to raise her children to be productive citizens. She said, ''I am not worried that they will be victims of crime, I am even worried they will commit crimes.''

It went through me like a knife. We had women out here the other day who talked about living on the minimum wage, what it means to raise a family on $8,500 a year. We had a woman go through her bills. She had her bills: How much she paid for rent, how much she paid for health care, how much she paid for groceries.

She said, ''You know, at the end of the month I always have to put three bills aside because I cannot pay them.'' She said, ''My son hurt his hand in football. We went to the emergency room. They gave me a bill for $1,500 after he was treated.'' She said, ''I will never pay that bill.''

The people of this country are responsible. They want to work. They want most desperately to raise their children to be productive citizens. This bill, more than anything we will do in this Congress, gives those American families and those parents and those children the ability to do what they desperately want to do. Two years from now, $1,800 more than they are able to earn today will make their lives better, and allow them to meet their most important and fundamental human responsibility, which is to raise their children to be productive citizens.

Mr. Speaker, Republican or Democrat, conservative, liberal, or moderate, please vote for this bill for the American people.

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

Mr. Speaker, is it not amazing? I hope the American people have been listening to this discussion. We have heard from the other side today that yesterday we had welfare reform that was a bipartisan effort because 98 Democrats supported it, but the last speaker did not support it. Then on this side we had 93 who supported minimum wage, but that is a Democrat program. Is that not amazing?

What I want to remind the American people is that for 2 years this minority was in the majority, they had the majority in the House, they had the majority in the Senate, and they had the White House. Not one word in committee was ever mentioned about minimum wage, not one word. Oh, but thanks for the conversion: An election year conversion. We are happy to have you converted. It is good to have you with us.

But nevertheless, we realized from day one, as the President said, because he is the only one who mentioned minimum wage during the 2 years when they had this big majority, and what did the President say? ''Hiking the minimum wage is the wrong way to raise the incomes of low-wage workers.'' That is what the President said, the only thing mentioned about minimum wage.

We knew on our side that we had to do more than just raise the minimum wage if we were going to help American workers, if we were going to help those most in need. We knew that just raising the minimum wage could be devastating if we did not do the other things that are now in this package, which makes it a good package.

We knew that changes would be necessary in the tax program. We knew that including spousal IRA's was important. We knew educational tax assistance to workers was important. So when we got the whole package together, we then had this wonderful election year conversation.

Mr. Speaker, I yield the balance of my time to the gentleman from Ohio [Mr. KASICH].

The SPEAKER pro tempore. The gentleman from Ohio [Mr. KASICH] is recognized for one and three-quarters minutes.

Mr. KASICH. I just wanted to rise and make the point, Mr. Speaker, that was raised by the delegate, the gentleman from Puerto Rico [Mr ROMERO-BARCELO], regarding the 936 program that currently exists, where we try to create incentives for companies to create jobs. We believe that that whole 936 had a very big element of corporate welfare, where companies were able to get signficant tax reductions without providing the kind of jobs and income levels that we had anticipated.

A lot of folks in Puerto Rico and a lot of economists would argue that we

should be very careful as we work our way through the wage credit, where we more approximately give a tax incentive based on what you have actually done for an individual in Puerto Rico to get a job. I understand that over the course of the next 10 years we are going to phase this out.

I have to tell the Members, I have been thrilled with the work of the chairman of the committee, the gentleman from Texas [Mr. ARCHER], to close loopholes in the Tax Code that have been given to folks that do not represent strong economic incentives to create growth. What I would say, through, as we move through this period in the next few years, we should take our time to make sure that that wage credit is viewed carefully. There may be a way to reform that program where we in fact can help people in Puerto Rico and provide economic growth, but yet not have tax loopholes that represent giveaways to large corporations.

Mr. Speaker, I appreciate the chairman of the committee yielding to me. I think he made an outstanding statement on this bill.

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

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

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise to support the Democratic-led fight to raise the minimum wage.

Mr. Speaker, I rise today to voice my reluctant support for the conference report on H.R. 3448, the Small Business Job Protection Act and minimum wage increase.

It was my hope that we would not turn the issue of raising the minimum wage into a political football. The weight of public opinion is squarely on the side of raising the minimum wage, but the Republican leadership of both Houses of Congress could not provide a clear victory for the working poor of this country.

This conference report would eliminate the existing provision which requires employers of tipped employees to pay at least 50 percent of the statutory minimum wage in case, and replaces it with a provision which locks the cash wage at the current standard of $2.13 an hour. It would also deny any automatic future increases in the minimum wage to those who work and earn tips as a part of their income.

To further add insult to hard working Americans, this conference report delays the initial start of the 45 cents an hour increase to the minimum wage from July of this year until October 1.

The conference report also eliminates the existing provision exempting certain computer professionals from requirements that they receive overtime pay. This would mean that no additional computer professionals will be protected by the Fair Labor Standards Act's time and one-half overtime requirements.

In my Houston, TX district that would mean a real income drop for computer professionals who would no longer be subject to this protection.

This conference report would make permanent a failed experiment contained in the 1989 Amendment to the Fair Labor Standards Act that expired in 1993. Where employers were allowed on a temporary basis to pay a rate lower than the minimum wage. This change if widely used would create an incentive to displace older workers.

Paying this lower wage to workers under age 20 for 90 days presumes that it must cost them less to live than you or me. This subminimum wage workers will not get a corresponding break in the cost of living. They will still have to care for their children and families just as they are required to do today. This change in the Fair Labor Standards Act would restrict these worker's freedom to seek other employment opportunities that may be presented to them for fear of taking lower pay for a quarter of their first year of employment.

Some would argue that a raise in the minimum wage would result in high unemployment so the idea to limit the number of workers who would qualify for the increase is a good idea. If the proposal was more than a mere 90 cents divided between 2 years their might be some merit to that position. The real discussion should be about supporting those poor families that choose work over welfare.

The first step to moving people from poverty to self sustainment is to raise the minimum wage for all workers with malice toward none. I will support this bill to raise the minimum wage because this is consistent with the longstanding fight we have waged to help hardworking Americans, of which some 69 percent are women with children, get a fair wage for a days work.

This is long overdue.

Mrs. MINK of Hawaii. Mr. Speaker, today is a great day for American workers and their families—not only because we are raising the minimum wage, but because the voice of the American people was heard by the Congress of the United States.

This bill is a true example of how government and this Congress can work together for the people of this Nation. Despite opposition to raising the minimum wage from the major party, the workers and families all across the country rose up and made their voices heard in support for an increase in the minimum wage. And today we are finally responding to their cry for a decent wage for an honest day's work.

The people of this Nation know they are working harder today for less, struggling to make ends meet, and barely getting by even in a strong economy. Over the last decade they have watched as the salaries of CEOs and their corporate bosses skyrocket, as the value of the minimum wage decreased—falling 50 cents since the last increase in 1991.

Mr. Speaker, this increase is even more critical today because of the passage of the welfare reform bill which will soon become law. The new welfare bill will force many women into the work force. It is fine to emphasize work, but we must assure that work pays a living wage.

Many women currently on welfare work at minimum wage jobs. One of the biggest misconceptions about welfare is that welfare mothers stay at home and collect welfare check. In most cases this is simply not true. Forty percent of women on welfare combine their income from work and welfare in order to care for their children. A minimum wage income is not enough to support the basic needs of a family, so women must continue to receive welfare assistance while they work in order to care for their families.

This bill moves us in the right direction for many women in the work force. Ninety cents an hour, $36 a week, $144 a month. It's not much, but it could mean the ability to buy a desperately needed pair of children's shoes or to pay the extra cost of heating in the winter. Raising the minimum wage means women—those on welfare and many who are not—will now be able to better care and provide for their families. Women make up 64 percent of the minimum wage work force. It is for the women of this country that we must pass this bill today.

In addition, Mr. Speaker, I would like to note the small business tax relief provisions and the assistance we are providing to this important sector of our economy. Also, I want to express my support for the provision which allows women who work at home—home makers to invest in IRAs. This is an important step for the economic self-sufficiency and economic security of women in this Nation.

Mr. Speaker, I urge my colleagues to support this conference report.

Mr. POSHARD. Mr. Speaker, today this body can be proud to be passing legislation that will directly impact the lives of millions of American workers. I wholeheartedly support this legislation, and while we have met our goal of providing a more livable wage for those hard-working, citizens who desperately need it, this bill also provides tax incentives to help our small businesses as well. Provisions such as the Work Opportunity Tax Credit will allow our small business owners to claim substantial tax relief at the same time they are giving vital opportunities to new workers.

This measure also rewards the invaluable efforts of housewives across the Nation by allowing nonworking spouses to contribute $2,000 annually tax free to an IRA, finally according the raising of children and other home-related activities the respect they deserve in regard to the tax code. Many more pension reform provisions are included which will help empower the American people to save for their own retirements, which in time will help to take the load off of Federal entitlement programs. At the same time, we have taken strides toward curbing corporate welfare, and have provided incentives in the tax code for the adoption of children.

Perhaps it has taken too long to reach this goal, but we have truly given hope to legions of citizens with this bill. This legislation is all about rewarding work, and it, combined with the welfare reform legislation of earlier this week, goes a long way toward giving incentives to individuals and families to gain economic independence and self-sufficiency through viable work opportunities and wage rates. I urge all of my colleagues to vote in favor of the conference report.

Mrs. COLLINS of Illinois. Mr. Speaker, I would like to say that I am pleased that the Democrats and the Republicans have come to an agreement on raising the minimum wage. It should have been simple: No one can support a family working in a job that pays the current minimum wage. But because the Democrats stayed on task and on track, we were able to convince the Congress that this was the right thing to do for the American economy and for the American family.

For the minimum wage worker, a 90 cents an hour increase means a lot. It could mean

the difference between having a roof over your head or living in substandard housing. It could mean the difference between providing a healthy, balanced diet for your family or waiting in line at a soup kitchen so your children can have a square meal. It could mean the difference between having a telephone or being isolated. It could mean the difference between a car or relying on expensive public transportation to get to your job, the doctors, or the grocery. With the increase in the minimum wage, after the 2-year phase in, the American worker will have about $36 a week extra.

In Illinois, nearly 11 percent of the wage earners are paid the minimum wage, currently only $4.25 an hour. There are over 12 million Americans currently working in jobs that pay the minimum wage, and with that, the average wage and salary paid per hour for employee compensation in the private, nonfarm labor sector in 1995 was $12.25 per hour.

According to the Bureau of the Census, women make up 46 percent of the work force, and 40 percent of those women are working mothers. A single mother cannot work at a minimum wage job if she has to pay for nonfamily child care because she can't afford it. When President Clinton declared a ''National Pay Inequity Awareness Day'' his statement provided the information that last year American women earned only 75 cents for every $1 a man brought home, with African-American women and Hispanic women collecting just 66 cents and 57 cents, respectively, when compared to the male wage earner. Raising the minimum wage will help women achieve a better payday.

Students are a large proportion of minimum wage earners. Students who are supplementing their family's income by working are not a thing of the past; they are the foundation of many communities. In 1980, the minimum wage was raised from $2.90 to a whooping $3.10, and since then it has only gone up to $4.25 where it has stayed since 1991. Since 1980, the cost of college has gone up 260 percent, but the minimum wage for earners trying to pay their way through school only went up by about 30 percent.

Raising the minimum wage will not fill anybody's wallet or bank account, but it will help change lives.

I urge my colleagues to support this conference report and put a little more in the pockets of the American worker by raising the minimum wage.

I yield back the balance of my time.

Mr. STOKES. Mr. Speaker, I rise in strong support of the conference report to H.R. 3448, the Small Business Job Protection/Minimum Wage Increase Act. After months of staunch opposition from our Republican leadership, I am pleased that my colleagues on the other side are finally able to join in support of a minimum wage increase.

At a time when wage inequality has widened dramatically in the United States, this piece of legislation would give over 21 million hard-working Americans a well-deserved wage increase. In addition, a higher minimum wage will serve to benefit families with the least income, those families which have been the target of many of this Republican led Congress' pernicious legislative efforts—low-income and lower middle class families.

Mr. Speaker, research has demonstrated that at least 10 million Americans working at minimum wage would take home an additional $1,800 a year when this legislation becomes law. There can be no doubt that this modest increase in the minimum wage will make a substantial difference for thousands of minimum wage earners in my district in addition to millions of other workers across the Nation who, despite working hard every day, still find themselves in the midst of poverty.

According to the Department of Health and Human Services, with this 90 cent wage increase, as many as 300,000 families could be lifted above the poverty line, including more than 100,000 children.

Mr. Speaker, in my congressional district, 22 percent of my constituents live below the poverty line. There is no doubt in my mind that our Government must do all that it can to provide wage equity for the thousands of working families who work hard but most still live in poverty.

It's been 5 long years since America's minimum wage workers got a raise. The proposed minimum wage is a logical step in our efforts to enable families to be productive and self-supporting.

Mr. Speaker, H.R. 3448 is an historic effort toward economic justice. I urge my colleagues to support this vital legislation.

Mr. BENTSEN. Mr. Speaker, I rise in support of H.R. 3448, the Small Business Job Protection Act of 1996, and in strong support for America's working families who are finally getting the raise they deserve.

Increasing the minimum wage will help ensure that holding a job pays more than being on welfare and it will help lower-income families struggling to make ends meet, it puts our values of work, family, and responsibility ahead of partisan gain or bottom line accounting. This increase will restore not just the purchasing power that has eroded to nearly a 40 year low, but the self-esteem and pride that can't be scored by the CBO or OMB.

Mr. Speaker, families living on the minimum wage do exist and a living wage is integral for workers to provide for themselves and their families in dignity. These are not families seeking a handout, or special provision in a nonrelated tax bill, or line item in an appropriation bill. What they are seeking is the opportunity to provide for themselves and this Congress should not frustrate their determination to pursue this better, dignified life.

Mr. Speaker, we may disagree on a number of social economic theories. However, this disagreement cannot overshadow the pressing concern that families of goodwill are entitled to pursue a living wage.

I also support the provisions in this legislation to help small businesses provide retirement security for their workers and their families. While there are a number of measures not included in this legislation that should have been, I strongly support the SIMPLE plan and the increase in the contribution to an Individual Retirement account for nonworking spouses. These provisions will allow more families to save for their retirement and not penalize parents who choose to stay home and raise their children.

However, I am disappointed that we didn't do more to help families provide for their retirement. This conference agreement should have further expanded IRA eligibility and allowed penalty-free withdrawals from an IRA for a first home purchase, tuition, major medical expenses, or during long-term unemployment, but doesn't. That being said, I do support this conference report and pledge to pursue these changes in future legislation.

Mr. FRANKS of New Jersey. Mr. Speaker, I rise today in strong support of the conference report for H.R. 3448, the Small Business Job Protection Act.

Mr. Chairman, I voted against the original House bill which increased the minimum wage by 90 cents because I firmly believe that losing one American's job is not worth 90 cents. Statistics prove that eight of the last nine increases in the minimum wage have resulted in either a loss of jobs or an increase in the inflation rate. In fact, President Clinton said that raising the minimum wage is not the way to improve the economic well-being of the lower class. I believed that we must include tax reforms for small business. Unfortunately, the House chose not to combine the minimum wage bill and the small business tax reforms. The Senate bill did combine the two initiatives.

Had the Senate bill been considered in the House, I would have unequivocally voted in favor of the bill. The wage increase and the small business tax reforms will prevent the loss of jobs and the raising of product prices.

Mr. Chairman, I proudly rise in support of the conference report Small Business Job Protection Act.

Mr. SABO. Mr. Speaker, today is a great day for American workers who will get a pay raise on October 1 because the Republican majority finally allowed a vote to increase the minimum wage. While $.90 an hour is not a total solution to the growing income gap that plagues our society, it will make a big difference to the 12 million workers who will receive this boost in pay.

American working families have been forced to sit on the sideline while congressional leaders went through legislative maneuvers, made empty promises, and generally used dilatory tactics. By refusing to take action on the minimum wage sooner, Republicans have cost American workers $5.6 billion in lost wages. Had the increase taken place when it was first proposed in this Congress, it would have paid for 3½ months of groceries, 6 months of health care, or 2 months of housing. Today, however, the majority realized they could no longer stall and the minimum wage will increase from a level that left it at a 40-year low in purchasing power.

For many years, I have been speaking about the growing income gap in America. Several months ago, due in large part to the Republican Presidential race, this issue finally catapulted to the forefront of the Nation's consciousness. In fact, it has been hard to open a newspaper op-ed page or turn on a television news program without hearing something about declining worker wages, increased layoffs, and increasing corporate profits and CEO pay.

Thanks in part to the deficit reduction measures we passed in 1993, the American economy today is in good shape. We enjoy strong growth combined with low unemployment and low inflation. The stock market has reached record highs, as have profits of many American companies. This should have all seemed like good news for the average American family; for, in the past, Americans at all income levels shared in our Nation's prosperity. However, in recent years while we have seen stock prices and corporate profits rise, the incomes of most middle-class American families have stagnated or dropped.

If stagnating wages were the only problem that working Americans had to face, things might not be so bad. But, in recent years our Nation has also seen unprecedented worker layoffs in corporate America. Of course, it is understandable that such upheavals may occur as our economy becomes more technology-based and integrated into global markets. What is difficult to understand, however, are the tremendous bonuses and pay increases enjoyed by the very CEO's who lay off thousands of workers.

The United States has prided itself on being a nation of the middle class—one in which if you work hard and follow the rules, you can expect to do well enough to support yourself and your family. Alarmingly, this is no longer true for an increasing number of Americans.

In the decades following World War II, all American workers shared in the Nation's prosperity. Over the past 20 years, however, only high-income Americans have moved ahead economically. Between 1977 and 1990, for instance, the average after-tax income of the wealthiest 1 percent of our population increased by 67 percent, after adjusting for inflation. During this same period, the average after-tax income of the bottom fifth decreased by nearly 27 percent.

This is not a problem that affects only the poor. Every year, thousands of Americans are laid off from well-paying middle-class jobs, to be left with a choice between a new job that pays less or the unemployment line. Clearly, this trend cannot continue.

America's level of income inequality is already higher than that of any industrialized nation. Our middle class is evaporating, and we are well on the road to becoming a Nation divided between a few very rich and many who simply struggle to get by. None of us, in the works of Labor Secretary Robert Reich, will ''want to live in a society sharply divided between winners and losers.''

The widening income gap lays before us the question of what kind of country we want to be: One sharply divided between the rich and poor, or one in which all citizens can benefit from a strong economy. I believe that our choice is clear. America has always been the land of opportunity. We should work together for policies that do not favor any income group, but enable all Americans to share in our Nation's strength and prosperity.

Today we take a small step in the right direction for those at the very bottom of the income ladder by passing this increase to our Nation's minimum wage. The bill increases the Federal minimum wage from its current $4.25 an hour to $5.15 per hour. I applaud this action and the victory for American workers.

The American people should feel good today because they forced NEWT GINGRICH and the Republican leadership to sit up, listen, and act. The public said that America needs a raise, and on October 1, millions of working Americans will get that raise and find it just a little easier to provide for their families.

Mr. BLUMENAUER. Mr. Speaker, providing for their families is a daily struggle for the working poor. Basics like food, shelter and healthcare are out of reach for too many full-time employees and their children.

Congress, so far, has not chosen to improve upon this sad situation. What we have seen is welfare reform which threatens the little assistance available for those with low-paying jobs. I fear, Mr. Speaker, that poverty may continue to be the reward many receive for their work.

There are solutions to these problems—the proposed minimum wage increase being the most obvious. This simple act will do more to create self-sufficiency than any government program or bureaucracy. I am pleased to be a part of this long overdue adjustment.

Mr. FAZIO of California. Mr. Speaker, I am very pleased to rise in support of H.R. 3448, a bill to increase the minimum wage and provide various tax incentives.

After a long, hard battle, we can be proud of passing a bill that will produce real results for 12 million working Americans.

This increase will pay for an extra 3½ months of groceries, 6 months of health care, 4½ months of utility bills, or 2 months of housing. America's working families are finally getting the raise that they deserve.

This bill, like the health insurance reform bill that was passed yesterday, isn't an ''inside the Beltway'' issue like some in the Republican leadership have claimed. It's common-sense, pro-family legislation that many of us in Congress have been championing from the beginning.

In addition to the minimum wage increase, this bill also contains some important tax provisions for Americans and small businesses.

The conference agreement includes a pension provision to allow spouses who do not work outside the home to contribute $2,000 annually to an IRA. Now couples living on one income can save the same amount as two-income couples. Not only does this provision encourage saving for thousands of households across the country, it reinforces a feeling that we have started to lose: staying at home to raise a family is one of the most important jobs in America. It is a full-time job which should be rewarded with the opportunity to save for the future.

Along the same family-strengthening lines, H.R. 3448 includes a tax credit up to $5,000 for parents who adopt children. Also included is a $6,000 credit for parents who adopt children with special needs. This provision is a powerful one. It encourages the union of couples who long to be parents with children who might not otherwise belong to a loving family.

Finally, while reinforcing our nation's family structure, H.R. 3448 also strengthens our Nation's economic structure by extending the research and development [R&D] tax credit. Federal support for R&D is the quintessential investment in our Nation's future. R&D is responsible for approximately one-half of the productivity in the Nation's economy and is the single most important source of long-term economic growth.

In my home State of California, R&D has been particularly important to the growth of the State's economy. California received about $722 million in energy R&D funding in 1995. We are heavily involved in programs like energy conservation research and research on fusion energy development. These programs would have suffered severe setbacks under the original bill the house passed in May. Fortunately, an extension of the R&D tax credit is included in the bill before us today.

All of these measures will strengthen the economic foundations of our families and will allow them to invest in themselves and their futures. I urge my colleagues to support the conference agreement for H.R. 3448.

Mr. COSTELLO. Mr. Speaker, I rise in strong support of an increase in the minimum wage. The 90-cent increase that is being considered today by the House of Representatives will begin to address the erosion in American workers' purchasing power. If the minimum wage is not increased, it will fall to its lowest level in 40 years.

Mr. Speaker, this is essential legislation that directly impacts millions of American workers. Over 500,000 of these workers are in Illinois. Because the majority of American workers who are paid the minimum wage are over 20 years old, the increase will aid these workers in supporting themselves and their families. As we encourage people to find jobs instead of relying on public welfare, we must work to ensure that the minimum wage is a living wage. Receiving a living wage makes workers more productive for society and more willing to work. As a result of the reduction in turnover, the employer's costs of recruiting and retraining are lower.

Raising the minimum wage is expected to immediately lift it 300,000 families out of poverty. My colleagues who charge that a 90-cent increase is nominal and unnecessary probably are not aware that a 90-cent increase in the minimum wage could pay for seven months of groceries, rent or mortgage payments for 4 months, or a full year of health costs. These are real expenses that working people have and that can be addressed by a minimum wage increase.

Many of my colleagues also charge that the minimum wage increase will result in lost jobs. However, many economists dispute this claim. In addition, according to the Bureau of Labor Statistics, 10 million jobs have been created since the last increase in the minimum wage.

These are among the reasons why I strongly support a 90-cent increase in the minimum wage and urge my colleagues to join me in voting for the increase.

Mrs. MORELLA. Mr. Speaker, I rise in strong support of the conference report on H.R. 3448, the Small Business Job Protection Act. I commend the members of the Conference Committee for their diligence in sending to the House floor a bill that will provide tax relief for small businesses, equal individual retirement account [IRA] treatment for spouses who work at home, and will raise the minimum wage for our Nation's workers.

I have long supported a so-called Homemaker IRA, which is part of the Women's Economic Equity Act (H.R. 3857) which I introduced last month in my role as co-chair of the Congressional Caucus for Women's Issues. Current law penalizes one-income families by limiting the tax deduction that spouses who work at home can take for money put aside for retirement. Presently, spouses who stay at home to raise children or to take care of an elderly parent can only save $250 above the $2,000 allowed for the spouse who works outside of the home.

Women face a number of barriers when it comes to saving for their retirement. They live longer, earn less than their male counterparts, and receive less from Social Security. The spousal IRA, included in this bill, will go a long way toward helping American women during their retirement years.

This conference report also extends, until June 30 of this year, the tax exclusion for graduate level education assistance provided by an employer. I have supported, since coming to Congress, legislation that would restore and make permanent the exclusion from gross income of employer-provided education assistance. This partnership between employer and

employee has enabled millions of Americans to upgrade their work skills in order to improve their productivity and better support themselves and their families.

I am also pleased that the adoption tax credit is part of this package. The provision is similar to the tax credit approved in the Adoption Promotion and Stability Act, which passed the House in May, and which I strongly support. The conference report allows individuals with adjusted gross incomes below a certain level to deduct, over 5 years, up to $5,000 per eligible child—$6,000 for the adoption of hard-to-place children—from their income tax liability. This adoption tax credit will help ease the expenses of adoption, allowing more families to adopt.

Recently, I introduced a resolution regarding tuition prepayment plans by States to allow families to save for their children's college education at a fixed rate. I am very pleased that this conference report includes an amendment which would prohibit the Internal Revenue Service from taxing State-sponsored prepaid college tuition plans until the funds are distributed. These State-sponsored plans have allowed more than 500,000 American families to save years in advance for their children's college tuition. The provision regarding prepaid tuition plans will make it possible for more States to adopt similar programs, affording more families the opportunity to save for their children's education.

From raising the minimum wage to providing tax relief for small businesses, this conference report is an example of bipartisan cooperation for the benefit of all Americans. Again, I commend the conferees, and I urge my colleagues to support this fine legislative effort to promote economic prosperity.

Mr. CAMP. Mr. Speaker, I rise to strongly support H.R. 3448, the Small Business Job Protection Act and congratulate and thank the chairman of the Ways and Means Committee, Mr. ARCHER, for his leadership and success in this matter.

I am very pleased that the bill includes the Tax Fairness for Agriculture Act which I sponsored with bipartisan support from many of our colleagues. The Tax Fairness for Agriculture Act will help State and county farm bureaus across the country continue to serve the farm families which are their members.

I am particularly pleased that the conferees agreed with the Senate to make this proposal effective for taxable years beginning after December 31, 1986, and to provide transitional relief for organizations that had a reasonable basis for not treating amounts received prior to January 1, 1987, as unrelated business income. This is consistent with, and an improvement upon, my original bill.

For these purposes, as I have said many times, reasonable basis includes the longstanding recognized practice by agricultural and horticultural organizations of relying upon the 1983 IRS position that associate member dues are not taxable.

With the passage of my legislation, these unfortunate controversies should be put to an end once and for all. Accordingly, I thank the many Members of this and the other body who have supported me in this important effort.

Mr. CRANE. Mr. Speaker, today I regret that I must speak in opposition to H.R. 3448, the Small Business Job Protection Act. Despite the fact that as one of the conferees on this bill I worked to incorporate, and support, many of the tax provisions contained in the legislation, and despite the fact that as chairman of the Trade Subcommittee I support a key trade provision contained in the bill, I must oppose this bill because of the minimum-wage increase it contains.

Increasing the minimum wage will not protect jobs as the title of this legislation implies, but will do just the opposite—it will destroy jobs. Although I do not intend to dwell entirely on this issue in my statement, as I do not intend to dwell entirely on this issue in my statement, as I do want to discuss the tax and trade portion of the bill as well, I do want to include in the RECORD following my statement, the testimony from someone who certainly knows something about the impact of the minimum wage on a business. Herman Cain, president of Godfather's Pizza testified before the Joint Economic Committee on the subject of a minimum-wage increase, and I must say that his inciteful comments are indicative of conversations I have had over the years on this subject with economists and employers. I would urge my colleagues to review his testimony because he makes clear that this feel good legislation is for people with blinders or rose colored glasses who do not care to acknowledge the real economic consequences or raising the minimum wage.

Supporters of the minimum wage, while they might be well intentioned and might receive an award from the media establishment for being politically correct, are hurting the very people they purport to help—the young, poor, unskilled individual who wants to work. Raising the minimum wage raises the costs for businesses that operate on a thin margin—such as those in the food industry—and leaves them with the choice of marginally raising prices in a highly competitive sector of our economy or cutting costs—i.e. jobs. All too many companies must choose the later, and estimates I have seen indicate that this minimum-wage increase will cost Americans 200,000 jobs. So how does increasing the minimum wage help the young, poor unskilled worker? Good question.

While I oppose the minimum-wage increase, as vice chairman of the Ways and Means Committee and as one of five House conferees on the tax portion of this bill, I would be remiss if I did not comment on the tax provision of H.R. 3448. The tax provisions of the bill, for the most part, will make a positive economic contribution and will hopefully blunt, to some degree, the negative impact of the minimum wage. While this is by no means an all inclusive list, some of the highlights of the bill include the expansion of the expensing provisions for small businesses, the package of S corporation reforms, pension simplification items including critical spousal IRA provisions, the employer provided educational assistance exclusion, the extension of the research and experimentation credit, the clarification of worker classification language relating to independent contractors, and the 6-month delay of the IRS' electric payment system. Also included in the bill was an adoption credit which had passed the House of Representatives by a substantial margin earlier. As I indicated, there are many other positive tax proposals contained in this legislation too numerous to mention here. If signed into law, these provisions will help blunt to some degree the negative fallout from the minimum-wage increase.

Although the overwhelming number of tax provisions in the bill are positive, I must also express my concern, as I did when the bill first passed the House, with regard to that portion of this bill which would phase to section 936 of the Tax Code over a 10-year period. Section 936 of the Tax Code provides tax incentives to companies that locate production facilities in Puerto Rico. I must say that it is most likely that the vast majority of members in this House do not fully appreciate the negative impact that eliminating section 936 will have with regard to the economic vitality of Puerto Rico and what the decline in that regard will mean to our Federal budget in the long run.

Having served on the committee with jurisdiction over this issue for the past 20 years, the Ways and Means Committee, I can unequivocally state that section 936 has been one of the most successful provisions in our entire Tax Code. Section 936 has spurred economic development in Puerto Rico which has in turn created thousands of jobs—American jobs—dramatically reducing the unemployment rate in Puerto Rico. Sadly, all too many people view Puerto Rico as a foreign country rather than as the American territory that it is. Jobs created in Puerto Rico are U.S. jobs. Moreover contrary to what many critics contend, the majority of jobs created in Puerto Rico through section 936 would not have been created on the mainland absent section 936. The production facilities in Puerto Rico would likely have been located in a foreign country if not in Puerto Rico. In short, don't expect a wave of new production facilities opening on the mainland United States because section 936 is being phased out.

By removing this incentive for companies to locate in Puerto Rico, an economic vacuum will be created which I do not see being filled any time soon. This void will bring on increased unemployment, and hope and opportunity, which has been on the rise over the last 20 years in Puerto Rico, will decline steadily. As the economy declines there will be an increased dependency—dependency on Uncle Sam to help those that no longer have jobs. Just what form this dependency will take, whether it be statehood or some other arrangement, remains to be seen, but mark my words, it will mean greater expenditures by the U.S. Treasury. So I would say to those that think they are saving taxpayers dollars when they vote to eliminate this socalled corporate welfare in the Tax Code, that you can either pay now by encouraging economic growth and opportunity, or you can pay later by increasing Federal outlays for welfare and creating a dependency which I don't think the American citizens—either on the mainland or in Puerto Rico—will appreciate. It is my urgent hope that the Ways and Means Committee will revisit this issue at a later date—and sooner rather than later.

Having discussed the minimum-wage provisions and the tax provisions, I must finally comment on the lone trade provision contained in H.R. 3448. As chairman of the Trade Subcommittee, I am very pleased to report that this conference report extends the Generalized System of Preferences [GSP] Program through May 31, 1997. The extension of GSP is critical to our free trade efforts, and I have included a more detailed and separate statement on this subject later in the RECORD.

Mr. Chairman, again I would say that I am disappointed with the minimum-wage portion of this bill. And while I am extremely pleased with the extension of GSP and the long overdue tax provisions contained therein, I must still oppose this bill because of the loss of jobs that will result from the minimum wage provision.

[From the American Enterprise, July/Aug. 1996]

BAD SOLUTION FOR THE WRONG PROBLEM—HOW FORCING UP THE MINIMUM WAGE HURTS THOSE WHO NEED HELP MOST

My name is Herman Cain. I am President of Godfather's Pizza, Inc., a 525-unit pizza restaurant chain headquartered in Omaha, Nebraska. I am also President of the National Restaurant Association.

There are nearly 740,000 food service units in this country, including everything from fast-food chains to fine-dining restaurants. We are an industry dominated by small businesses, and we employ a diverse workforce of over nine million people. Our employees are white, African-American, Hispanic-American, Asian-American, and more. We expect to employ 12.5 million by the year 2005, with the fastest growth coming in the category of food service managers. More than 30 percent of Americans under age 35 had their first job in the restaurant industry. Restaurants offer an important boost into the job market for millions, as well as a clearly defined career path for those willing to work hard and stay in the business.

There are numerous reasons why I firmly believe a minimum-wage increase is attacking the wrong problem. Allow me to list the three reasons I believe to be most important.

First, mandated wage increases reduce entry-level job opportunities.

A few weeks ago, a colleague in Oregon told me about a homeless 17-year-old he hired in the mid-1980s. He gave the teenager a job chopping lettuce, deveining shrimp, and sweeping floors. That 17-year-old has worked his way up: He's now the executive chef at the restaurant. But the job that brought him into the business no longer exists. When Oregon raised its minimum wage a few years ago and the restaurant owner looked for ways to cut costs, this job was one of the first to go. Now, my colleague buys lettuce already chopped from a nearby automated facility.

It's a good example of the split personality of the minimum wage. When you make it more expensive to hire people who lack basic work skills and experience, you risk shutting them out of the workforce.

My second point: A minimum-wage increase jeopardizes existing jobs by threatening businesses that may be marginally profitable. In my case, for example, Godfather's Pizza, Inc., has nearly 150 company owned and operated units, and a few of them are either marginally profitable or not profitable at all. If you raise costs for the many thousands of enterprises like these, you risk shutting their doors permanently.

When you're running a restaurant that's on the edge, you're scrutinizing every penny. Can ninety cents an hour put me under? It could. Maybe not by itself—but when labor accounts for about 30 percent of my expenses, second only to my food costs, a mandated wage increase is one more factor tipping the balance. A mandated wage increase triggers wage inflation by rippling up through the entire wage spectrum and by causing increases in payroll-related expenses like FICA taxes.

Some people would say ''Just raise your prices.'' It doesn't work that way. In a competitive market, that's the fastest way to drive away customers with limited discretionary income. That can close a business fast.

My third point: A minimum-wage increase is an ineffective way to raise someone out of poverty. Most minimum-wage earners are part-time workers under age 25—mostly first-time workers, students, people holding down second jobs or supplementing the income of their household's primary earner. In my restaurants, for example, nine out of ten of my hourly employees choose to work less than 35 hours a week—even though fulltime work is available. These are not the poor people policymakers most want to help. By shooting wide and hoping to hit the right target, you're taking a gamble with harmful side effects.

The best way to lift a family out of poverty is to get people into the job market and give them a chance to acquire skills. I think of my father, who worked three jobs until he was skilled enough to cut back to two jobs, and who kept going until his skills were good enough that he could support us on one hourly job.

There are other dangers with a minimum-wage increase. Like the fact that a federal mandate prescribes the same wage for a mom-and-pop restaurant in rural Nebraska as it does for a restaurant located in a high-cost-of-living metro area. It's not a good idea to try to overrule the laws of supply and demand that do a pretty good job of setting local wages according to the specific conditions of specific markets.

Congress has recently been playing close attention to the state and local officials—Democrats and Republicans alike—who say ''enough is enough'' when it comes to picking up the tab for unfunded federal mandates. Please give businesses the same hearing: An increase in the minimum wage is also an unfunded federal mandate. Someone has to pay—and it's usually the entry-level employee.

I urge you to look deeper for solutions. Some people lack the skills to make them competitive for entry-level employment. This is why we have tax credits to encourage businesses to hire employees who typically have a hard time gaining a foothold in the job market. This is why politicians are setting up empowerment zones to help businesses hire in impoverished areas. These programs rightly recognize that some workers may be overlooked if it gets too expensive for a business to hire them. Congress should be looking for ways to encourage people to work, and businesses to hire, instead of making it more expensive for employers to give the low-skilled a job.

You're getting a good dose of information lately on the theories behind successful welfare reform. In businesses like ours, real life crowds out theory. While our main expertise is in getting out good meals at good prices, as entry-level employers we've also become fairly expert at finding ways to help millions of troubled teens and troubled adults get beyond some daunting barriers to employment. We see that real entry-level jobs provide training in the fundamentals—reliability and teamwork, to name just two—and thereby field long-term social payoffs that don't come in any other way.

Right now we have more than four million people earning the minimum wage in this country, 7½ million unemployed persons, and nine million adults receiving welfare payments. Tackle the right problems first. Focus on creating more jobs, not on raising the cost of entry-level employment and eliminating existing jobs. A minimum-wage increase doesn't attack the right problem. I urge you to reject it.

FACT AND FICTION ON THE MINIMUM WAGE

Minimum-wage workers are the most vulnerable Americans, right? Actually, more adults who earn the minimum wage live in families with over $30,000 in annual income than live in families making under $10,000. Over all, 22 percent of minimum wage earners are poor. The majority of poor Americans don't work at all, at any wage.

Minimum-wage work is undignified. Fifty-five percent of minimum-wage workers are youths age 16–24. Many of these live with their parents. Only 2 percent of workers age 25 or older are paid the minimum wage.

You can't raise a family on the minimum wage. Few have to: 89 percent of all workers now making less than the proposed minimum have no spouse or child depending on them as sole breadwinner. Of these, 44 percent are single individuals living with their parents or other family member, 22 percent are single individuals living alone, and 23 percent have a spouse with a paying job.

Minimum-wage jobs are a dead end. Sixty-three percent of minimum-wage workers earn higher wages within 12 months. Seventy percent of the restaurant managers at McDonald's, plus a majority of the firm's middle and senior management, began in hourly positions. (This includes CEO Ed Rensi, who started at 85 cents an hour in 1965.)

Sources: U.S. Bureau of Labor Statistics: Employment Policy Foundation; Wall Street Journal; Industrial Relations and Labor Review.

Mr. CRANE. Mr. Speaker, as chairman of the Trade Subcommittee, I want to highlight that the conference report on H.R. 3448, the Small Business Jobs Protection Act, contains provisions that extend the Generalized System of Preferences [GSP] Program, through May 31, 1997.

The GSP Program promotes three broad policy goals: First, to help maintain U.S. international competitiveness by lowering costs for U.S. businesses, as well as lowering prices for American consumers; second, to foster economic development in developing countries and economies in transition through increased trade, rather than foreign aid; and third, to promote U.S. Trade interests by encouraging beneficiaries to open their markets and comply more fully with international trading rules.

This important legislation will help American businesses across the country, both small and large, by eliminating unnecessary tariffs on certain imported products. Extension of GSP will expand trade and prevent job losses in a wide variety of U.S. industries currently suffering increased tariff costs as a result of the expiration of GSP.

Reauthorization of GSP, in this difficult budget environment, should be viewed by our trading partners as indicative of our continued commitment to the expansion of international trade and economic opportunity. H.R. 3448 is important trade legislation, which, I believe,

will be followed next year by an extension of fast-track trade negotiating authority, and legislation to expand trade with Caribbean Basin region.

H.R., 3448 makes modest reforms and technical changes to title V of the Trade Act of 1974, which are intended to simplify and improve the administration of the GSP Program. For example, the bill recodifies a 3-year rule whereby specific products may only be considered for addition to the GSP Program every third year. The bill would exclude high-income countries from GSP, and would have the effect of reducing the per capita gross-national-product [GNP] limit from $11,800 to $8,600, a number which would be indexed. Beneficiary countries that exceed the per capita GNP limit will be removed form the GSP Program.

The bill would reduce the competitive need limit [CNL] in the expired law from about $108 million to $75 million, to be increased by $5 million annually, but would retain the competitive need waiver authority. Also, a beneficiary country that exceeds the CNL on a particular product would lose GSP on that product. Under certain circumstances, however, the President could waive the CNL and restore the product to GSP status for that country.

The bill also contains new authority, which was requested by the Administration, to designate any article from a least developed developing country [LDDC], if the President determines that the article is not import-sensitive in the context of imports from LDDC's.

Designed to promote economic development through increased trade, rather than foreign aid, GSP is a valuable program, both for beneficiary countries, and for U.S. businesses and consumers. I urge my colleagues to support its inclusion in H.R. 3448.

Mr. RAMSTAD. Mr. Speaker, I rise in strong support of the Small Business Job Protection Act and to discuss a related issue regarding the tax treatment of independent contractors.

The Ways and Means Oversight Subcommittee, on which I serve, has been aggressively working to rationalize the tax laws governing independent contractors. As we learned from the White House Conference on Small Business and through testimony before the subcommittee, sound rules covering employee classification are sorely needed. I commend Chairman ARCHER for the improvements in the bill before us, as they are an important first step in achieving this goal.

I do, however, want to speak to one improvement that is needed to ensure the proper balance between consumer protection and appropriate application of employee classification laws.

I was pleased to see that in the recently issued IRS Worker Classification Training Manual, the Service acknowledged the importance of balancing competing regulatory demands—those designed for consumer protection purposes and those driven by tax considerations. The training manual made significant progress by stating that rules imposed by a business on its workers in order to comply with Governmental agency requirements should be given little weight in determining a worker's status.

Unfortunately, the manual goes on to state that if the business develops more stringent guidelines for a worker in addition to those imposed by a third party, more weight should be given to these instructions in determining whether the business has retained a right to control the worker. As you know, the amount of control exercised over a worker is indicative of that employee's status with respect to classifying workers as independent contractors. It is this second portion of the rule that could unintentionally compromise consumer protection.

For example, in the securities industry, the Securities and Exchange Commission [SEC], the National Association of Securities Dealers [NASD] and State regulatory agencies' regulations are broad in scope and require securities dealers to exercise significant discretion in their implementation. I am concerned that this ambiguity may force businesses to comply with only the most minimal standards in order to avoid potential conflict with the tax laws. It makes no sense to place companies that exercise higher standards of due care in meeting their regulatory obligations at a greater tax risk than more lax competitors. I do not believe this was the intention of Congress.

I urge the IRS to revise its guidelines so that no weight is given to any business policies or procedures that are reasonably designed to achieve compliance with applicable laws and regulations of Government or self-regulatory organizations, including the supervision of activities of workers and associated person to ensure compliance thereto.

I would like to thank both Chairman ARCHER and Subcommittee Chairwoman JOHNSON for their leadership in this area. I look forward to working with them to develop rational employee classification tax rules in general, and also to ensure that our Nation's complex regulatory laws are not undermined by the Tax Code.

Mr. MARTINI. Mr. Speaker, I rise today in support of the American worker and in strong support of raising the minimum wage. To me, this has never been an issue of politics, but rather a simple issue of fairness. Too often Americans are working long hours and even taking second jobs, yet they feel like they are running in place. If we really want people to move from welfare to work, we have to make work worthwhile. Americans deserve a fair wage for a hard day's work.

Raising the minimum wage will reward those able bodied individuals who chose work over welfare by improving their quality of life. Ultimately, that's what this is all about. Mr. Speaker, people want to support their families without Government help, but we have to make work worthwhile. I believe one way to do that is to raise the minimum wage. It just comes down to basic fairness.

Congress has not raised the minimum wage in over 7 years. In comparison to other wages, the minimum wage is now at a 40-year low. I don't think that is fair. I believe people deserve a fair return on a hard day's labor. My record reflects a strong commitment to working people's issues and that is why I joined JACK QUINN and 21 other Republicans to introduce legislation to increase the minimum wage back in April.

It's time to help people earn more and keep more of what they earn. Raising the minimum wage is just one aspect of the kind of economic growth and opportunity package this country desperately needs. In 1 week this historic Congress has done more to advance the agenda of working Americans than any legislative session in recent memory.

We have successfully passed comprehensive welfare reform, the most significant health insurance reform legislation in a generation, and today we will finally give low wage earners a much needed raise. Mr. Speaker, the verdict's out. The 104th Congress has been a champion for working Americans. This Congress has stood up for fairness.

Mr. Speaker, I believe in raising the minimum wage, but I also believe that we have an obligation to our small businesses and mom and pop shops to ease the Federal tax and regulatory burden placed on them. True small businesses are often the most vulnerable and have extremely high rates of failure. Today we are increasing the minimum wage and providing necessary tax relief to our small businesses.

Mr. Speaker, I am proud to have helped introduce a minimum wage increase bill and I am also proud to have cast my vote for the successful tax relief, welfare reform, and immigration reform bills. We need a responsible and fair government for a change, and this Congress is on the right course.

This legislation is a victory for low wage earners, a victory for small business, and a victory for the American people. I strongly urge my colleagues to support the conference report on H.R. 3448.

Mr. ROTH. Mr. Speaker, I rise in strong opposition to this conference report.

While this legislation has some strong points—increased expensing and pension simplification for small businesses—it would also impose a massive unfunded mandate on American businesses, and it would destroy Puerto Rico's enterprise zone status.

Both are grave mistakes with real consequences for real people.

The minimum wage increase will kill 600,000 jobs for low-skilled workers. These are the people who can least afford to lose their jobs. Without work, what will they do?

Phasing out section 936 and immediately repealing QPSII would have a devastating impact on the economy and people of Puerto Rico.

Today, section 936 businesses employ one-third of Puerto Rico's entire work force. They produce 40 percent of Puerto Rico's annual economic output. They are responsible for 200,000 mainland jobs.

Section 936/QPSII has also attracted $15 billion in additional capital to the island—capital that would otherwise have gone elsewhere.

As a result, more entrepreneurs can start new businesses, more consumers can buy household appliances, and more families can purchase homes.

Mr. Speaker, let's not abandon the people of Puerto Rico. Let's not cripple our Nation's job creators with needless unfunded mandates.

Vote for opportunity. Defeat this conference report.

Ms. VELÁZQUEZ. Mr. Speaker, I rise today in support of the conference report.

Legislation to increase the minimum wage is long over due. For months, Democrats have been calling for a raise for the American people, but that wasn't enough. Even when 85 percent of the American people voiced their support for an increase, that wasn't enough. I'm glad to see that the Republican majority is finally starting to get it.

The increase in the minimum wage will help to lift millions of Americans out of poverty. For years, single mothers have been struggling to feed their families on a poverty wage. This

takes on even more importance, now that this Congress has shredded the safety net of welfare. We must make work pay, and make the pay a living wage.

Although I support this conference report, I also want to express my great anger over the price that some will have to pay for the adoption of this legislation. In classic Republican style, they give a helping hand to the needy while using the other hand to stab someone in the back. By removing the 936 tax credit, Republicans are taking the lifeforce that keeps Puerto Rico alive.

I urge my colleagues to support the conference report. But keep in mind the 300,000 U.S. citizens that live in Puerto Rico, who will not gain but lose under this legislation.

Mrs. THURMAN. Mr. Speaker, I rise today to support the conference report on H.R. 3448 I am particularly happy about a provision that protects the tax exempt status of State-sponsored prepaid tuition programs, which mirrors, H.R. 3842, legislation that I introduced. This provision is of great importance to working parents and their children across this Nation.

For years, parents have been looking for a financially sound way to fund their children's education. In this era of continually rising costs and reduced Federal aid, that desire appears even more unattainable. In response, 16 States, including my home State Florida, have formed innovative partnerships known as prepaid college tuition programs. In fact, Representative ROS-LEHTINEN and I worked on this issue in the Florida State Senate.

Prepaid tuition programs allow individuals to purchase contracts that provide for the cost of college tuition in the future, locking in today's tuition rates. As a result, more than 500,000 mostly middle-class families are taking part nationwide in these programs.

Earlier this year, the IRS announced its intention to tax these programs. This makes no sense because the contributors of this fund have no access to it. As a result, I introduced H.R. 3842, which would clarify that prepaid tuition programs are tax exempt. I was happy then to get 60 bipartisan cosponsor of this bill. But I am even happier today that the conferees included this valuable and meritorious provision in this bill.

Mr. Chairman, the conference report on H.R. 3448 is good policy because it guarantees American workers a higher wage and a better standard of living. But it is even better policy because it guarantees that a good number of our children, our future workers, would be educated and not have to struggle with the notion of a minimum wage. I urge my colleagues to support the report.

Mr. NEAL of Massachusetts. Mr. Speaker, today we are voting on a piece of legislation that is long overdue. We are increasing the minimum wage by 90 cents over 2 years. The value of the minimum wage has dropped to a 40-year low.

Today, by increasing the minimum wage we are doing something tangible for the American worker.

Two days ago on this floor we passed a tough welfare bill. The major goal of this bill is to move individuals off of welfare and to work. Increasing the minimum wage goes hand in hand with welfare reform. To encourage individuals to work we have to make work more attractive. Increasing the minimum wage is a step in making work a better alternative.

By earning more there will be less of a need for Federal assistance such as food stamps. We are helping workers become more self-sufficient.

The Small Business Job Protection Act includes many tax provisions that many of us have been working on the past few years. Many of these provisions have been long awaited.

The tax provisions do not include everything I would have liked, but I believe it's a good package that will go along with helping small businesses.

This bill includes a provision which would assist the fishermen of New Bedford, MA. I cannot think of a better example of a small business.

I am a strong supporter of IRA's and believe we should provide tax incentives to encourage savings. This legislation includes a provision which increases the availability for spousal IRA's. The provisions permit deductible IRA contributions of up to $2,000 to be made for each spouse, including those who do not work outside the home. This will help women to increase savings for their retirement. It corrects an inequity that existed in our Tax Code.

This legislation extends the exclusion for employer provided educational assistance. This provision allows for exclusion from income up to $5,250 for tuition paid for by an employer. As a former professor, I have seen how helpful this provision can be. Unfortunately, the exclusion only applies to graduate-level education until June 30, 1996. I plan on continuing to work on including graduate education. Education is important to increasing our competitiveness in this global economy. We are creating more high wage jobs and we need education workers. The exclusion for education workers helps more than lawyers and doctors.

This legislation provides an extension of the R&D credit. The credit is reinstated for July 1, 1996 to May 31, 1997. This is the first time the credit has not been extended retroactively. I am pleased the credit has been extended and I will continue toward making the R&D credit permanent. We need to assist corporations with research and development. R&D is necessary for global competitiveness. The R&D credit will help keep high wage jobs in the United States.

This legislation contains a package of S corporation reform provisions. The package includes a provision I have worked on the last couple of years. This package will help small businesses that are organized as Subchapter S corporations.

The legislation includes pension simplification provisions. The purpose of this package is to strengthen and simplify the pension provisions of the Tax Code. The package includes provisions which make it easier for small businesses to offer pension plans. Church pension simplification provisions were also included in this package.

This pension package takes a step toward making retirements more secure. These provisions will help increase the access to retirement savings for many American workers. We have to continue to work to make it easier for more American workers to have pensions.

Today is a good day for the American worker and small businesses. The bill is a good compromise and it should make a difference.

Mr. MONTGOMERY. Mr. Speaker, I want to commend the conferees on this measures for including changes to the Tax Code which ensure that employers who reemploy veterans after military service are not penalized for restoring their pension benefits. Two years ago, the Congress enacted the Uniformed Services Employment and Reemployment Rights Act of 1994 [USERRA], Public Law 103–353. This law was a restatement and clarification of the existing veterans reemployment rights law, and like that law, it guarantees that reservists and other persons who go on active military duty will be restored to their civilian jobs without any loss of seniority.

This law originated in 1940 and has been the subject of a number of Supreme Court decisions. The Supreme Court has held that one of the most important benefits of seniority, the high to a pension, is a protected benefit to which a veteran is entitled.

In discussions with various pension experts over the past several years, it was pointed out that technical amendments to the Internal Revenue Code were needed. The Tax Code limits employer and employee contributions to tax-favored pension plans and thus benefits payable to reemployed veterans. Other limits on deductible contributions, and qualified plan non-discrimination, coverage, minimum participation, and top-heavy rules do not take into account the veteran returning from active duty and his right to have his pension rights restored as if he had never left.

Last year, I introduced legislation, H.R. 1469, to allow employers who reemploy veterans to comply with both USERRA and the Internal Revenue Code when they endeavor to restore veterans' pension benefits as required by USERRA. The bill would provide assurance to employers that such contributions would not in any way disqualify a tax-favored plan. I am pleased that the bill before the House today includes the text of H.R. 1469 with minor technical changes.

It is very important to note that the legislation before the House today would allow employers and pension plans to make contributions for any veteran, World War II, Korea, Vietnam, as well as Persian Gulf. In essence, this provision corrects an oversight contained in the 1974 ERISA legislation which failed to take into consideration the rights of reemployed veterans, and is a good measure for employers as well as veterans. Again, I thank the conferees for including this provision in the conference report.

Mr. FAZIO. Mr. Speaker, I am very pleased to rise in support of an increase in the minimum wage.

After a long, hard battle, we can be proud of passing a bill that will produce real results for 12 million working Americans.

This increase will pay for an extra 3½ months of groceries, 6 months of health care, 4½ months of utility bills, or 2 months of housing.

America's working families are finally getting the raise that they deserve.

This bill, like the health insurance reform bill that was passed yesterday, isn't an inside the Beltway issue like some in the Republican leadership have claimed.

It's common sense, pro-family legislation that many of us in Congress have been championing from the beginning.

In addition to the minimum wage increase, this bill also contains some important tax provisions for America's small businesses.

The bill includes an important provision that increases the amount that a small business can deduct from the costs of business-related equipment.

This will allow our Nation's small businesses to expand and contribute even more than they already do to our national economy.

It will also allow homemakers to invest up to $2,000 a year in an individual retirement account, and provides a tax credit of up to $5,000 for parents who adopt.

These measures will strengthen the economic foundations of our families and will allow them to invest in themselves and their futures.

This is a good bill that will help America's workers and small businesses. I urge my colleagues to support the conference agreement.

Mr. BALLENGER. Mr. Speaker, I am opposed to the conference agreement on H.R. 3448, the Small Business Job Protection Act because of my concern that the increase in the minimum wage or starting wage will make it much harder for those with few skills and training or a limited education to get a first job. Minimum wage jobs are often the first rung on the ladder of upward mobility and this increase will likely move that rung beyond reach for many workers. By raising the wage rate, we end up denying job opportunities to thousands of workers.

The conference agreement raises the Federal minimum wage from $4.25 to $5.15, in two increments. The first increase becomes effective on October 1, 1996 and will raise the wage rate to $4.75. The second increase would take effect on September 1, 1997, raising the minimum wage rate to $5.15. It is well known by economists and lawmakers that higher minimum wages lead to job losses. Dozens of studies show that raising the minimum wage costs entry-level job opportunities, and does little to help the working poor. Job loss estimates for this increase range from 100,000 to over 600,000 jobs. In my home State of North Carolina, an estimated 19,100 jobs will be lost. A 90-cent increase is meaningless for the individual who no longer has a job.

Just recently, the Washington Post featured a story on the Kiddie Junction Learning Center in Zachary, LA. The owner of the day care center indicated that an increase in the minimum wage would be bad for her business, her employees, and her customers—and that it will likely force her to let go one employee and increase prices. This is just one more example of how a minimum wage increase does more harm than good by costing some low-wage workers their jobs and raising costs for others. A copy of the article follows.

While I am voting ''no'' on the conference agreement to signal my concern about the effect wage increases have on job creation, I do support the final agreement to bring tax relief for small businesses and their workers and as well as the provisions bringing long overdue reform to our pension system. These changes will do much to help ease the middle class crunch and help many people make more and save more.

[From the Washington Post, July 30, 1996]

(By Gary Younge)

ZACHARY, LA.—Jeannette Boggs started her working life making $1.25 an hour as a service representative for a utilities company in Baton Rouge in 1965. Since then, she says, she has ''bettered myself in dollars and cents'' to get where she is today—the proud owner of Kiddie Junction Learning Center, a day-care center 12 miles away in Zachary.

Zachary is a rural town of about 10,000 where churches outnumber banks by about three to one. Like many in the area, Boggs describes herself as religious and conservative. She believes that in America, if you work hard you will be rewarded, and she says her six employees work very hard indeed.

''It's a tough job. It's wiping noses, cleaning butts and tying shoes all day long,'' she said. None of her staff earns more than $6.50 an hour. Two are paid at or around the current minimum wage of $4.25. Many of the parents who use Kiddie Junction also are minimum-wage, or slightly better, earners.

When it comes to increasing the minimum wage, many low-paid people here are understandably eager to see it happen but recognize that, like a boomerang, that very increase may well come back and hit them in the form of higher costs. Many cannot decide whether tit will spark a vicious circle that will fuel inflation or a virtuous one that will help alleviate poverty.

But Boggs has definitely made up her mind. She argues that an increase will be bad for her business, her employees and her customers. If, as appears likely to happen as early as this week, Congress passes a 90-cent increase in the minimum wage, pushing it up to $5.15 an hour, Boggs contends it will force her to let go one staff member and increase her prices.

''When people talk about the minimum wage, all they think about are kids working in the fast-food chains. If people work hard, they should get paid well, and that's why we have labor laws to protect them,'' Boggs said. ''But I have lots of hidden costs as well as payroll taxes and workers' compensation. All these things cost money, and if you add them up them the minimum wage is not so minimum any more. It's going to add about 12.75 percent to my cost, and I'm going to have to pass some of that on.''

That would be bad news for Annette Ponthier. She started her working life at minimum wage six years ago as a driver for a medical transportation company. A few years later, she gave birth to her son, Alex, and soon after that, Alex's father left. At first Ponthier's mother looked after Alex, but she has a heart problem so Annette took Alex to Kiddie Junction, where she pays $62 a week. She now makes $5.50 an hour selling swimming pools and pool chemicals.

At age 23, she still lives with her parents in Zachary because, she said she cannot afford her own place. A minimum wage increase would be good, she said, although ''you still couldn't live on it.'' But if the price of Kiddie Junction went up even by a few dollars a week, she said, she could not really afford it, and ''with no child care, there's no job.''

There are 4.2 million people earning the $4.25 an hour minimum, and 7 million earning $5.15 or less. With 19.9 percent of its workers earning between $4.25 and $5.15, Louisiana has the highest proportion of working people who will be affected in the country, according to figures compiled in 1994 by the Economic Policy Institute.

During the debate that has raged in Washington over increasing the minimum, both supporters and opponents said they were arguing in the name of the poor and low-skilled.

Opponents said the raise would break small businesses like Boggs's and would price low-skilled workers out of their jobs. Supporters protested that the minimum wage level had been eroded by inflation and that an increase would help alleviate the kind of poverty that is prevalent in Louisiana. The measure passed by the House on a 288 to 144 vote would raise the minimum wage from $4.25 to $4.75 an hour on July 1 and to $5.25 a year later. The Senate also has passed it, and minor differences in the two bills are being worked out in conference.

But Zachary is a long way from Capitol Hill. ''It's just a little town on the go,'' said Norabeth Alexander, who has earned $5.25 an hour as a cook and teacher at Kiddie Junction for the past year and a half. With a large influx of new families eager to take advantage of the local schools, which have a good reputation, Zachary is suffering some growing pains. The community is far less tightknit than it used to be, and urban evils are beginning to arrive from the metropolis. ''Drugs and crime are working their way out from Baton Rouge,'' Alexander said.

The days when doors could be left unlocked are gone here, said Boggs, 48. Last year, Kiddie Junction was broken into twice in one month. ''Parents just aren't spending enough time with their children anymore. There's too much divorce and no morals and very little discipline in the family. Kids just won't say ''Yes, ma'am' or ''Yes, sir'' anymore like they used to.''

Kellie Valloton is an exception, Boggs said. Valloton is 17, still in high school, and works at Kiddie Junction as part of a work experience program for $4.50 an hour. ''Kellie is mature,'' Boggs said. She wants to be a teacher, but her only experience working with children before she came to Kiddie Junction was baby-sitting for friends. Valloton says there is no way she could live on her own on her wage. ''Sure, it would be nice to have a raise. But it would be hard for some of the adults with more experience because if I got an increase, I suppose they would want one, too. I'm just here really to learn some responsibility and hopefully have something to show for it,'' she said.

Boggs is certain there will be a chain reaction as high-paid workers demand that a differential be maintained between them and their minimum-wage colleagues. Brenda Dugas, co-director of Kiddie Junction, thinks that is unlikely, Dugas says that when she was raising her two children, she earned no more than minimum wage, and sometimes less. Now she makes $6.50 an hour, on which she helps support a son working his way through college. Her daughter makes the minimum at a local Lowe's Lumber store. ''Of course it's hard on the young people, but it teaches them responsibility and survival skills,'' Dugas said.

But Dugas is in the apparent minority here in thinking it is possible to live on the minimum wage. ''I think it would be very difficult for the head of the household to live on that,'' Boggs said. ''I do think it is morally wrong for employers to just exploit people.''

She prides herself on the benefits Kiddie Junction gives its workers—a week's vacation and two annual sick days after one year; two weeks' vacation and four sick days after three years. ''I used to work in personnel, I know that the best way to keep staff is to invest in people,'' she said.

But, federal and state law imposes tight—and often costly—restrictions on day-care centers. Boggs can have no more than 16 4-year-olds, 14 3-year-olds or 12 2-year-olds for every staff member. There must be 35 square feet inside and 75 square feet outside for each child. She must pay for fingerprinting (to help detect convicted child molesters), a physical and tuberculosis test for each new staff member, and CPR classes and an additional training day for each worker annually.

Boggs charges $62 a week for children age 1 to 3, $56 for those 3 or older and $30 for school-age children who are there before or after school. With 39 children on its books and a waiting list of 11, Kiddie Junction has made a profit for the last eight years.

Boggs's husband, Louis, who build Kiddie Junction in spare time away from his job as an instrument technician for Georgia Pacific Corp., is proud of its success. Louis Boggs is a fan of conservative talk show host Rush Limbaugh and has few good words to say

about President Clinton. ''Every time I turn around, he's got his hand in my pockets and trying to take my money away in taxes,'' he said.

It is senseless to talk about poverty in Louisiana, Louis Boggs said, let alone to try to fix it with federal help. ''For people at the low end of the wage scale in a state like this, a minimum wage increase is just a vicious circle. People keep talking about poverty. What's poverty? There's no such thing as poverty. There's just workers without skills.''

Mr. BEREUTER. Mr. Speaker, this Member rises to express his strong support for the conference report providing an increased minimum wage. This Member supported the bill when it was originally considered by the House and believes the time is right to increase the wage of working Americans. This Member is also pleased to see that the conferees included many important reforms which are designed to offset any potential costs associated with the increased cost in wages.

The minimum wage was last increased on April 1, 1991, from $3.80 to $4.25 per hour. Inflation has increased 15.90 percent since April 1, 1991. At that rate, to have the same purchasing power as the minimum wage did when it was last increased, the minimum wage level today would have to be set at $4.93 per hour. With the buying power of the minimum wage at a 40-year low, this Member has advocated a modest 45-cent-per-hour increase, which would have appropriately returned the minimum wage close to its strength following the latest increase in 1991. Although the measure goes beyond his preferred position, this Member simply could not in good conscience vote against raising the minimum wage up to the level it should be after the effect of inflation. The September 1, 1997, figure of $5.15 per hour will only be 22 cents more than it should be to adjust to the inflation level of July 1, 1996, so the prospective increases put in place are not out of line.

This Member is very pleased that a $5,000 tax credit for adoptions is included in this conference report. As you know, the House passed this provision several times in the past 2 years; however, each time the overall bill was vetoed by the President. It is time that this family-friendly tax credit becomes law.

Additionally, this Member is extraordinarily pleased to see that conferees agreed to include the so-called Homemakers IRA. This Member joined 34 of his colleagues in sending a letter to the conferees requesting that they include the provision in the conference report. This Member would like to thank the gentleman from Texas [Mr. ARCHER], for his prompt response to the letter and thank the conferees for including this provision. The Homemakers IRA will allow America's middle-class families to prepare for their future by raising the tax-deductible amount nonworking spouses may contribute to individual retirement accounts. For a family which contributes the new maximum of $2,000 for a nonworking spouse, assuming they begin when they are 30 years old and retire at 65, they would have contributed an additional $63,000 to their retirement. This figure is strictly their contributions and does not take into account earnings on their savings.

Mr. Speaker, this Member believes the conference report should be approved and urges his colleagues to vote aye.

The SPEAKER pro tempore (Mr. LATOURETTE). All time has expired.

Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to House Resolution 440, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 354, nays 72, not voting 7, as follows:

[Roll No. 398]

YEAS—354

Abercrombie	Dreier	Johnson (SD)
Ackerman	Duncan	Johnson, E. B.
Andrews	Dunn	Johnston
Bachus	Durbin	Kanjorski
Baesler	Edwards	Kaptur
Baker (LA)	Ehlers	Kasich
Baldacci	Engel	Kelly
Barcia	English	Kennedy (MA)
Barrett (NE)	Ensign	Kennedy (RI)
Barrett (WI)	Eshoo	Kennelly
Bass	Evans	Kildee
Bateman	Everett	Kim
Becerra	Ewing	King
Beilenson	Farr	Kleczka
Bentsen	Fattah	Klink
Bereuter	Fawell	Klug
Berman	Fazio	Knollenberg
Bevill	Fields (LA)	Kolbe
Bilbray	Filner	LaFalce
Bilirakis	Flake	LaHood
Bliley	Flanagan	Lantos
Blumenauer	Foglietta	Latham
Blute	Foley	LaTourette
Boehlert	Forbes	Lazio
Bonior	Fowler	Leach
Bono	Fox	Levin
Borski	Frank (MA)	Lewis (CA)
Boucher	Franks (CT)	Lewis (GA)
Brewster	Franks (NJ)	Lewis (KY)
Browder	Frelinghuysen	Lightfoot
Brown (CA)	Frisa	Linder
Brown (FL)	Frost	Lipinski
Brown (OH)	Furse	Livingston
Bryant (TN)	Gallegly	LoBiondo
Bryant (TX)	Ganske	Lofgren
Bunn	Gejdenson	Longley
Bunning	Gekas	Lowey
Buyer	Gephardt	Luther
Calvert	Gibbons	Maloney
Camp	Gilchrest	Manton
Canady	Gillmor	Markey
Cardin	Gilman	Martinez
Castle	Gonzalez	Martini
Chambliss	Goodlatte	Mascara
Chapman	Goodling	Matsui
Christensen	Gordon	McCarthy
Chrysler	Goss	McCrery
Clay	Graham	McDermott
Clayton	Green (TX)	McHale
Clement	Greene (UT)	McHugh
Clinger	Greenwood	McInnis
Clyburn	Gunderson	McKeon
Coble	Gutierrez	McKinney
Coburn	Gutknecht	McNulty
Coleman	Hall (OH)	Meehan
Collins (GA)	Hamilton	Meek
Collins (IL)	Harman	Menendez
Collins (MI)	Hastert	Metcalf
Condit	Hastings (FL)	Meyers
Conyers	Hayes	Millender-McDonald
Costello	Hayworth	Miller (CA)
Coyne	Hefner	Minge
Cramer	Heineman	Mink
Cremeans	Hilleary	Moakley
Cummings	Hilliard	Molinari
Cunningham	Hinchey	Mollohan
Danner	Hobson	Montgomery
Davis	Hoekstra	Moorhead
de la Garza	Hoke	Moran
Deal	Holden	Morella
DeFazio	Horn	Murtha
DeLauro	Houghton	Nadler
Dellums	Hoyer	Neal
Deutsch	Hunter	Neumann
Diaz-Balart	Hutchinson	Ney
Dicks	Hyde	Norwood
Dingell	Jackson (IL)	Nussle
Dixon	Jackson-Lee (TX)	Oberstar
Doggett	Jacobs	Obey
Dooley	Jefferson	Olver
Dornan	Johnson (CT)	Ortiz
Doyle	Johnson, E. B.	Orton
Dreier	Johnston	Owens
Duncan	Kanjorski	Oxley
Dunn	Kaptur	Pallone
Durbin	Kasich	Parker
Edwards	Kelly	Pastor
Ehlers	Kennedy (MA)	Paxon
Engel	Kennedy (RI)	Payne (NJ)
English	Kennelly	Payne (VA)
Ensign	Kildee	Pelosi
Eshoo	Kim	Peterson (FL)
Evans	King	Peterson (MN)
Everett	Kleczka	Petri
Ewing	Klink	Pickett
Farr	Klug	Pomeroy
Fattah	Knollenberg	Porter
Fawell	Kolbe	Portman
Fazio	LaFalce	Poshard
Fields (LA)	LaHood	Pryce
Filner	Lantos	Quillen
Flake	Latham	Quinn
Flanagan	LaTourette	Rahall
Foglietta	Lazio	Ramstad
Foley	Leach	Rangel
Forbes	Levin	Reed
Fowler	Lewis (CA)	Regula
Fox	Lewis (GA)	Richardson
Frank (MA)	Lewis (KY)	Riggs
Franks (CT)	Lightfoot	Rivers
Franks (NJ)	Linder	Roberts
Frelinghuysen	Lipinski	Roemer
Frisa	Livingston	Rogers
Frost	LoBiondo	Ros-Lehtinen
Furse	Lofgren	Rose
Gallegly	Longley	Roukema
Ganske	Lowey	Roybal-Allard
Gejdenson	Luther	Rush
Gekas	Maloney	Sabo
Gephardt	Manton	Sanders
Gibbons	Markey	Sawyer
Gilchrest	Martinez	Saxton
Gillmor	Martini	Schiff
Gilman	Mascara	Schroeder
Gonzalez	Matsui	Schumer
Goodlatte	McCarthy	Scott
Goodling	McCrery	Seastrand
Gordon	McDermott	Serrano
Goss	McHale	Shaw
Graham	McHugh	Shays
Green (TX)	McInnis	Shuster
Greene (UT)	McKeon	Sisisky
Greenwood	McKinney	Skaggs
Gunderson	McNulty	Skeen
Gutierrez	Meehan	Skelton
Gutknecht	Meek	Slaughter
Hall (OH)	Menendez	Smith (MI)
Hamilton	Metcalf	Smith (NJ)
Harman	Meyers	Smith (TX)
Hastert	Millender-McDonald	Smith (WA)
Hastings (FL)	Miller (CA)	Solomon
Hayes	Minge	Spence
Hayworth	Mink	Spratt
Hefner	Moakley	Stark
Heineman	Molinari	Stenholm
Hilleary	Mollohan	Stockman
Hilliard	Montgomery	Stokes
Hinchey	Moorhead	Studds
Hobson	Moran	Stupak
Hoekstra	Morella	Tanner
Hoke	Murtha	Tate
Holden	Nadler	Tauzin
Horn	Neal	Taylor (MS)
Houghton	Neumann	Tejeda
Hoyer	Ney	Thomas
Hunter	Norwood	Thompson
Hutchinson	Nussle	Thornton
Hyde	Oberstar	Thurman
Jackson (IL)	Obey	Torkildsen
Jackson-Lee (TX)	Olver	Torres
Jacobs	Ortiz	Torricelli
Jefferson	Orton	Towns
Johnson (CT)	Owens	Traficant
Johnson, E. B.	Oxley	Upton
Johnston	Pallone	Velazquez
Kanjorski	Parker	Vento
Kaptur	Pastor	Visclosky
Kasich	Paxon	Volkmer
Kelly	Payne (NJ)	Vucanovich
Kennedy (MA)	Payne (VA)	Walker
Kennedy (RI)	Pelosi	Walsh
Kennelly	Peterson (FL)	Ward
Kildee	Peterson (MN)	Waters
Kim	Petri	Watt (NC)
King	Pickett	Waxman
Kleczka	Pomeroy	Weldon (FL)
Klink	Porter	Weldon (PA)
Klug	Portman	Weller
Knollenberg	Poshard	White
Kolbe	Pryce	Whitfield
LaFalce	Quillen	Wicker
LaHood	Quinn	Williams
Lantos	Rahall	Wilson
Latham	Ramstad	Wise
LaTourette	Rangel	Wolf
Lazio	Reed	Woolsey
Leach	Regula	Wynn
Levin	Richardson	Yates
Lewis (CA)	Riggs	Young (AK)
Lewis (GA)	Rivers	Zeliff
Lewis (KY)	Roberts	Zimmer
Lightfoot	Roemer	
Linder	Rogers	
Lipinski	Ros-Lehtinen	
Livingston	Rose	
LoBiondo	Roukema	
Lofgren	Roybal-Allard	
Longley	Rush	
Lowey	Sabo	
Luther	Sanders	
Maloney	Sawyer	
Manton	Saxton	
Markey	Schiff	
Martinez	Schroeder	
Martini	Schumer	
Mascara	Scott	
Matsui	Seastrand	
McCarthy	Serrano	
McCrery	Shaw	
McDermott	Shays	
McHale	Shuster	
McHugh	Sisisky	
McInnis	Skaggs	
McKeon	Skeen	
McKinney	Skelton	
McNulty	Slaughter	
Meehan	Smith (MI)	
Meek	Smith (NJ)	
Menendez	Smith (TX)	
Metcalf	Smith (WA)	
Meyers	Solomon	
Millender-McDonald	Spence	
Miller (CA)	Spratt	
Minge	Stark	
Mink	Stenholm	
Moakley	Stockman	
Molinari	Stokes	
Mollohan	Studds	
Montgomery	Stupak	
Moorhead	Tanner	
Moran	Tate	
Morella	Tauzin	
Murtha	Taylor (MS)	
Nadler	Tejeda	
Neal	Thomas	
Neumann	Thompson	
Ney	Thornton	
Norwood	Thurman	
Nussle	Torkildsen	
Oberstar	Torres	
Obey	Torricelli	
Olver	Towns	
Ortiz	Traficant	
Orton	Upton	
Owens	Velazquez	
Oxley	Vento	
Pallone	Visclosky	
Parker	Volkmer	
Pastor	Vucanovich	
Paxon	Walker	
Payne (NJ)	Walsh	
Payne (VA)	Ward	
Pelosi	Waters	
Peterson (FL)	Watt (NC)	
Peterson (MN)	Waxman	
Petri	Weldon (FL)	
Pickett	Weldon (PA)	
Pomeroy	Weller	
Porter	White	
Portman	Whitfield	
Poshard	Wicker	
Pryce	Williams	
Quillen	Wilson	
Quinn	Wise	
Rahall	Wolf	
Ramstad	Woolsey	
Rangel	Wynn	
Reed	Yates	
Regula	Young (AK)	
Richardson	Zeliff	
Riggs	Zimmer	
Rivers		
Roberts		
Roemer		
Rogers		
Ros-Lehtinen		
Rose		
Roukema		
Roybal-Allard		
Rush		

NAYS—72

Allard	Ehrlich	Myers
Archer	Fields (TX)	Myrick
Armey	Funderburk	Nethercutt
Baker (CA)	Geren	Packard
Ballenger	Hall (TX)	Pombo
Barr	Hancock	Radanovich
Bartlett	Hansen	Rohrabacher
Barton	Hastings (WA)	Roth
Boehner	Hefley	Royce
Bonilla	Herger	Salmon
Burr	Hostettler	Sanford
Burton	Inglis	Scarborough
Callahan	Istook	Schaefer
Campbell	Johnson, Sam	Sensenbrenner
Chabot	Jones	Shadegg
Chenoweth	Kingston	Souder
Combest	Largent	Stearns
Cooley	Laughlin	Stump
Cox	Lucas	Talent
Crane	Manzullo	Taylor (NC)
Crapo	McCollum	Thornberry
Cubin	McIntosh	Tiahrt
DeLay	Mica	Wamp
Doolittle	Miller (FL)	Watts (OK)

NOT VOTING—7

Bishop	Ford	Young (FL)
Brownback	Lincoln	
Dickey	McDade	

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Messrs. MCCOLLUM, JONES, MICA, MYERS of Indiana, and KINGSTON changed their vote from ''yea'' to ''nay.''

Mr. BACHUS changed his 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.

CONFERENCE REPORT ON S. 1316, SAFE DRINKING WATER ACT AMENDMENTS OF 1996

Mr. MCINNIS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 507 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 507

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (S. 1316) to reauthorize and amend title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act''), 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. LATOURETTE). The gentleman from Colorado [Mr. MCINNIS] is recognized for 1 hour.

Mr. MCINNIS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts [Mr. MOAKLEY] pending which I yield myself such time as I may consume. During the consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 507 is a simple resolution. The proposed rule merely provides that it shall be in order to consider the conference report to accompany S. 1316, a bill to reauthorize and amend the Safe Drinking Water Act. Additionally, this rule waives all points of order against the conference report and against its consideration.

Mr. Speaker, with the passage of the conference report on S. 1316 we can look the American people in the eye and say, we have come up with a good program that is going to protect the water supply for America. This is a good day's work.

The American people have called for a smaller, less costly, less intrusive government, and we have heard their calls. However, we are continuing our responsibilities of protecting the air we breathe and the water we drink. This measure, The Safe Drinking Water Act, provides this protection.

Mr. Speaker, House Resolution 507 is straightforward, and it was reported by the Committee on Rules by unanimous voice vote. I urge my colleagues to support House Resolution 507 as well as the underlying conference report.

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

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume, and I thank my dear friend and colleague, the gentleman from Colorado [Mr. MCINNIS], for yielding me the customary half-hour.

Mr. Speaker, I support this rule and I essentially support this bill.

Today's Safe Drinking Water Act is a sound improvement to our national drinking water laws. Those laws were enacted many years ago to help make our drinking water supply safe.

Although you wouldn't know it, Mr. Speaker, given what's coming out of the faucets in Washington, DC, these days, the safe drinking water regulations are a very important part of everyday life in this country.

This bill requires water systems to notify their customers annually of the contaminants found in their tap water. It helps small public water systems comply with national standards.

On the whole it's a good bill and we should pass it.

Unfortunately, the process by which this bill has come to the floor has been one more example of how my Republican colleagues are having trouble running Congress in an efficient and bipartisan way.

For example, Mr. Speaker, the authority to spend the money needed for this bill ran out 2 days ago.

That means that $725 million that could have gone toward making drinking water systems safe all across the country is lost.

Even though the bill passed the House on June 25, the Republican leadership waited 22 days before appointing conferees.

That's right Mr. Speaker, the water systems for American cities and towns will be $725 million poorer because my Republican colleagues didn't finish their work on time.

For example, because of Republican carelessness, my home State of Massachusetts has lost over $7.9 million in funds to rehabilitate aging and dangerous drinking water systems.

And the 3½ million residents of my colleague's home State of Colorado have lost almost $9.3 million.

Mr. Speaker, this is a disgrace.

And, to add insult to injury, the grant program in this bill is loaded down with 24 earmarked pork projects.

Those extravagant pork projects will take much needed money away from the State revolving fund.

It's going to take $8 billion to do all we need to do to fix our Nation's drinking water problems. We ought to get our priorities straight.

I urge my Republican colleagues to get their work done sooner because it's 1996 and American citizens should have no doubts whatsoever about how safe and clean their water is.

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

Mr. MCGINNIS. Mr. Speaker, I yield myself such time as I may consume, and I remind all my colleagues that this bill came out of the committee unanimous. It has the support of the gentleman from Massacuhsetts [Mr. MOAKLEY].

This is what our debate is about here on the rule, and this is one of those few times where I think everybody in the Chamber is in agreement on the rule, so I see no further need to have speakers.

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

Mr. MOAKLEY. Mr. Speaker, I yield back the balance of my time.

Mr. MCINNIS. Mr. Speaker, I yield back the balance of my time and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. BLILEY. Mr. Speaker, pursuant to the House Resolution 507, I call up the conference report on the bill (S. 1316) waiving points of order against the conference report to accompany the bill (S. 1316) to reauthorize and amend title XIV of the Public Health Service Act, commonly known as the Safe Drinking Water Act, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 507, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of August 1, 1996, at page H9679).

The SPEAKER pro tempore. The gentleman from Virginia [Mr. BLILEY] and the gentleman from Michigan [Mr. DINGELL] will each be recognized for 30 minutes.

The Chair recognizes the gentleman from Virginia [Mr. BLILEY].

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

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

Mr. BLILEY. Mr. Speaker, 1 week ago today I convened the first meeting of the conference committee on this proposal, the Safe Drinking Water Act Amendments of 1996.

I noted at that time that we had a big job to do and just a short time to do it. We had two bills that, while similar in significant respects, also contained serious differences. As we all know, we had just a small amount of time in which to accomplish our task.

I also noted that, on that occasion, the tremendous principles of both the House and the Senate in developing this legislation. First and foremost, this measure assures each of us, and our children, cleaner, safer, purer drinking water. It represents commonsense environmentalism rather than the rigid, inflexible mandates of prior law.

This measure, instead, promotes flexibility. It empowers States and local water authorities to focus their resources on those contaminants that pose the greatest risks. For the first time ever, it gives those same States and local water authorities the flexibility they need to get the job done.

I was privileged earlier in my life to serve as mayor of the city of Richmond. I have spoken with mayors about this measure and also to the Governors and to local water officials.

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They tell me this bill is a godsend. According to the Congressional Budget Office, this conference agreement will ''change the Federal drinking water program in ways that would lower the costs to public water systems of complying with existing and future requirements.''

We authorize $7.6 billion to the States to help public water systems comply with the Safe Drinking Water Act and for helping local water authorities solve the problem of source water pollution. That is on top of $100

million for States to administer their own safe drinking water programs and $80 million for new studies that tell us more about the health effects of arsenic, radon and cryptosporidium, and how best we can treat them.

Here in the District of Columbia we have seen in the last few weeks why this legislation is so important. Here, in the Capital of the richest, the strongest, the most technologically advanced Nation in the history of the world, people cannot trust the water that they drink. The water mains, hundreds of miles of them, are literally rotting away underneath us. This legislation helps fix the problem, not just here in the District of Columbia, but in cities and small towns from coast to coast.

But that still is not all this measure does. That is because, once this measure is signed into law, Americans will know more about the water that they drink than ever before. We provide for 24-hour notifications of violation. Today they have up to 2 weeks. We provide for community right-to-know, a detailed summary provided to every household telling them what is in the water that they drink.

Yes, this is fine legislation, legislation that reflects the kind of bipartisan spirit of compromise that me have always tried to foster on the Committee on Commerce. I said so at the conference, as others did, but I said something else too. I noted then that this measure has passed the Senate by a vote of 99 to nothing. I noted that it cleared the House unanimously as well, passed by voice vote, and I predicted that none of us, Democrat or Republican, House or Senate, would easily explain to the folks back home why such a good measure, a measure that cleared both houses unanimously, should be sacrificed because we could not resolve the details. The past week we have endeavored to do just that, to put our difference aside and reach common ground, and in the week just past we did just that.

I am proud to have stood shoulder to shoulder with my Committee on Commerce colleagues, Democrat and Republican alike, to defend the integrity of the Committee on Commerce bill. We succeeded. The measure before us reflects in virtually every respect that provisions that were approved unanimously in the Committee on Commerce.

In virtually every respect, this measure echoes the provisions that were developed in large measure because of the contributions of my good friend, the gentleman from Michigan [Mr. DINGELL], and my good friend, the gentleman from California [Mr. WAXMAN]. That is why I regret that they have chosen not to sign the conference report.

Nonetheless, I submit that they will agree with me that even those minor changes that have been adopted in conference actually have improved the bill. Their argument does not focus on the core of the bill, which they themselves worked on. Their argument is with the provisions not within our jurisdiction, provisions incidentally that were approved by this House by unanimous vote. I submit to my friends on the other side respectfully that they should not let perfection be the enemy of the good.

This legislation, my colleagues, is very, very good for the American people. Together with the food safety measure now on the President's desk, it will give this Congress two major pieces of environmental legislation of which we can be proud. Indeed, it will give Bill Clinton the first environmental accomplishments of his presidency.

Let us put the interest of the American people ahead of our own differences. This measure is long overdue. Let us pass it today.

I am very pleased also to congratulate the other body, Senator CHAFEE, Senator KEMPTHORNE and, in particular, my own colleague, the senior Senator from Virginia, JOHN WARNER, whose help was very instrumental in bringing us where we are today.

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

Mr. DINGELL. Mr. Speaker, I yield myself 6 minutes.

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

Mr. DINGELL. Mr. Speaker, this conference cane up a day late and $725 million short. The old saying is, ''A day late and a penny short.'' We are $725 million short and 2 days late. However, the $725 million that should have gone for paying for safe drinking water for this Nation's community water systems somehow got misplaced on the way to the floor with this bill.

That is $725 million that should have been there to help the States pay for what are now unfunded mandates created by this bill. It should have gone for community water systems to pay for filtration and disinfection plants. It should have funded a part of the grant to the District of Columbia to restore the decrepit and unsafe water system of this Nation's Capital.

What happened? That is the interesting story.

Well, it is a tale of speed, and it is a tale of greed. The speed, or should I say the lack of it, and both occurred at unfortunate times, with which the House leadership appointed the conferees made it virtually impossible for the conference to complete its work in time to secure the $725 million that was set aside to make the drinking water of this Nation safe.

Let me explain further. The House has known since April that the 1996 appropriation for EPA included $725 million, which would be immediately available for a new safe drinking water revolving loan fund, if the act was authorized by July 31.

Under the leadership of my distinguished friend, and I want to pay tribute to him, the gentleman from Virginia, the chairman of the Committee on Commerce, the House passed without a dissenting vote a strong, bipartisan safe drinking water bill on June 25. That left us a total of 35 days to reconcile a Senate measure that passed that body, noted for its slow movement last year.

The Committee on Transportation and Infrastructure added to the House bill at the last minute some noteworthy porcine provisions, with the blessing of the leadership. Then, whether due to inattention or the intervention of the Speaker, the conferees on this bill were not appointed until the week the bill passed, the next week or even the next week. In fact, it took 22 days to appoint conferees. Worse, when the conferees were appointed, the leadership added layers of complexity by appointing from three committees. The Committee on Science latched on to a variety of provisions, but their success pales in comparison to their brethren at the Committee on Transportation and Infrastructure.

The Committee on Transportation and Infrastructure desperately wanted their no-priority, high-waste, who-cares-about-State-needs, election-year, bringing-home-the-bacon, name-the-project-after-me, no shame pork fund.

Their insatiable appetite did face one hurdle. The bill included firewall provisions that provided they could not have their luau unless and until the state drinking water revolving fund was capitalized at 75 percent of its appropriation, or $750 million.

Now, because I have dealt with the appetites of the Committee on Transportation and Infrastructure before, as have most of my colleagues, we made a motion to instruct to make sure that the House conferees would not forget this explicit commitment in the House-passed bill. That passed unanimously through this body.

But guess what? In the closing days of the conference, with the deadline staring us in the face, the conferees from the Committee on Transportation and Infrastructure announced that they would not allow the conference report to be filed unless and until the firewall was removed.

In fact, at many points, the Senate offered to recede to the House on these provisions, but the conferees on the part of the House; namely, the Committee on Transportation and Infrastructure, constantly and consistently refused. The Committee on Transportation and Infrastructure would not accept their own provisions unless and until the firewall was removed.

So yesterday, the Speaker gave in to their raid on the Treasury, and the 75 percent trigger was removed to create a $175 million fund. Not surprisingly, and in complete disregard for the numerous claims made by the Committee on Transportation and Infrastructure porkmeisters during the debate on my motion to instruct, the statement of

managers quite without shame earmarks the money for 24 projects, many of which are in freshman and marginal Republican districts. Since there is only one pot of money available for safe drinking water, the gain of my pork-loving colleagues comes at the expense of the safe drinking water revolving fund.

I would like my colleagues to know that this raid and this wonderful pork is going to cost everybody except those Members who have been able to dip their hands into this fund to come up with a wonderful little helping of pork for their district, and it is going to come up without any regard to the need of the public or to the questions of public health and safety. It is simply going to be a short-stopping of funds, a plundering of a fund which is inadequate to meet the total needs and a fund which is absolutely necessary to assure the safety of the people from unsafe, unhealthy and dangerous drinking water.

That is what is at issue. This is why it will be impossible for me to support what had been a sound and fair piece of legislation, which is now converted into pure pork for the benefit of a few people who are happily situated.

Now, I want to make it plain that I think that taking care of districts is a good thing. I think that getting necessary projects to better the country is good. But I do not think that this kind of raid falls even within that category. It lies simply in the area of seeking special presents at the expense of all, and we will be submitting to my colleagues a list of how your State, my colleagues, will be adversely impacted by the events that have transpired previous to the bringing of this bill to the House floor.

Mr. Speaker, I include that list for the RECORD.

DRINKING WATER STATE REVOLVING FUND CAPITALIZATION GRANTS LOST BECAUSE OF REPUBLICAN LEADERSHIP'S DELAY ON S. 1316

State	Grant amount	Percent of available dollars
CA	$41,827,400	6.03
TX	38,771,900	5.59
MI	32,984,000	4.75
NY	32,700,300	4.71
PA	29,441,200	4.24
NC	25,486,100	3.67
FL	24,943,600	3.59
OH	23,805,300	3.43
MN	23,259,900	3.35
WI	22,961,600	3.31
IL	21,279,400	3.07
WA	17,213,700	2.48
VA	16,272,200	2.34
NJ	15,445,900	2.23
AK	14,943,900	2.15
GA	14,245,400	2.05
IN	14,210,600	2.05
MO	12,080,400	1.74
CT	11,832,000	1.70
LA	11,286,000	1.63
OR	10,457,200	1.51
MD	9,749,900	1.40
OK	9,706,300	1.40
AZ	9,361,700	1.35
IA	9,316,900	1.34
CO	9,276,500	1.34
MS	9,105,200	1.31
MT	8,194,400	1.18
SC	8,191,900	1.18
MA	7,928,200	1.14
ID	7,825,000	1.13
KS	7,790,300	1.12
NH	7,602,300	1.10

DRINKING WATER STATE REVOLVING FUND CAPITALIZATION GRANTS LOST BECAUSE OF REPUBLICAN LEADERSHIP'S DELAY ON S. 1316—Continued

State	Grant amount	Percent of available dollars
NE	7,087,800	1.02
TN	7,061,400	1.02
NM	7,052,400	1.02
ME	6,993,500	1.01
RI	6,941,300	1.00
VT	6,941,300	1.00
PR	6,941,300	1.00
DC	6,941,300	1.00
DE	6,941,300	1.00
WV	6,941,300	1.00
AL	6,941,300	1.00
AR	6,941,300	1.00
ND	6,941,300	1.00
SD	6,941,300	1.00
UT	6,941,300	1.00
WY	6,941,300	1.00
HI	6,941,300	1.00
NV	6,941,300	1.00
KY	6,941,300	1.00

Mr. BLILEY. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. SHUSTER], the very able chairman of the Committee on Transportation and Infrastructure.

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

Mr. Speaker, I certainly want to strongly support this legislation, congratulate my colleagues on both sides of the aisle, particularly the gentleman from Virginia [Mr. BLILEY], chairman of the committee, the gentleman from Minnesota [Mr. OBERSTAR], the gentleman from New York [Mr. BOEHLERT], the gentleman from Pennsylvania [Mr. BORSKI], as well as the gentleman from Massachusetts [Mr. BLUTE], the gentleman from Tennessee [Mr. WAMP], and the gentleman from New Jersey [Mr. MENENDEZ], who were all very positive forces to help bring about the passage of this very important legislation.

Mr. Speaker, this legislation improves source water quality. Our interest in the Committee on Transportation and Infrastructure is essentially title 5, which deals with infrastructure.

I know the gentleman from Michigan [Mr. DINGELL], my dear friend, in years past when he was chairman of the committee, had an extraordinary ability to find elasticity in the jurisdiction of his committee. I guess that is still happening today. However, it is very clear title 5 is under the jurisdiction of the Committee on Transportation and Infrastructure. Indeed, those were the conferees, exclusive conferees.

Mr. Speaker, I am also quite surprised to hear the gentleman taking umbrage at what we in our committee did, those of us who had jurisdiction on both sides of the aisle, over this legislation. I am particularly surprised to see him put pictures of porkers up there and talk about specific projects, when indeed the Rouge River in his district has had over $320 million earmarked in the past for projects, and indeed in the current appropriation bill there is $20 million of unauthorized appropriation. I guess we should be vigorously objecting to $20 million that is earmarked in an appropriation bill for the gentleman's congressional district when it is not even authorized.

So it seems to me fair is fair here, and I guess we better focus a little more intently on some of these unauthorized projects. The good news about this bill is that it provides a billion dollars a year in a State revolving loan fund to finance State drinking water facilities; $350 million a year for a national program for drinking water infrastructure; a program for grants to Alaska and to the States along the United States-Mexican border; a program for grants to the New York City watershed, which is of extraordinary importance.

So, Mr. Speaker, we are very pleased that we have been able to support this. It is a national bill. It is a bill that really makes the American public a real winner because we now have an excellent new drinking water law that provides assistance, not only to specific regions, but to the Nation as a whole.

Mr. Speaker, I strongly urge my colleagues on both sides of the aisle to support this very powerful environmental legislation.

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Mr. DINGELL. Mr. Speaker, I yield myself 15 seconds.

I just want to note that because the Republican leadership delayed the consideration of this bill past the Wednesday deadline to accommodate the gentleman from Pennsylvania's taste for pork, his State lost $26.4 million which would have been used to improve the safety of the drinking water for its 12 million citizens.

Mr. Speaker, I yield 6 minutes and 30 seconds to the distinguished gentleman from California [Mr. WAXMAN].

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

Mr. WAXMAN. Mr. Speaker, before I focus on my substantive concerns with S. 1316, I want to recognize some of the Members and staff who have made invaluable contributions to this legislation: Congressmen JIM SAXTON, SHERWOOD BOEHLERT, and FRANK PALLONE deserve our thanks for their efforts on the right-to-know provision and NITA LOWEY, BART STUPAK, and SHERROD BROWN must be commended for their committed advocacy for the bill's estrogenic screening program. I also want to thank the House Democratic staff, Dick Frandsen and Bill Tyndall, Greg Dotson and Phil Schiliro for their work on this legislation.

In many respects, this is a good bill and one we should be proud to support. We worked hard on a bipartisan basis to resolve difficult issues. It was clear to me that both houses and both parties were committed to passing strong and balanced legislation. But I cannot support the conference report that is before us today. I will vote no for two reasons:

First, the State revolving fund, which is one of the most important provisions in this legislation, has just lost over $700 million in guaranteed

funding because Congress missed the July 31 deadline. This is only half a bill without the SRF, and half a bill will not solve our drinking water problems.

There is absolutely no reason why the guaranteed money had to be lost.

The second reason I will not support this legislation is that pork projects took priority over protecting the public health and assuring drinking water standards. The reason this bill made sense is that we took the recommendation of President Clinton to have a revolving fund that would provide money to the water systems in this country to use to make the capital expenditures so they could have drinking water that would meet health standards. That was the carrot.

The stick in this legislation was if they did not do the things that were necessary, funds would be withheld from those water systems.

The bill made sense. The revolving fund was supposed to be distributed based on priorities and merit to those systems that needed those funds. That was the legislation that came out of our Committee on Commerce.

The Committee on Transportation and Infrastructure decided that they wanted $50 million for special projects to be earmarked to receive their money, whether they deserved it or not. When the House bill passed, we incorporated a feature saying maybe some of these pork projects are inevitable. But let us be assured that the revolving fund is appropriated, at least 75 percent of it, before we start funding these special pork projects.

That was the House position. We had a unanimous vote of the House to support that position. And we went into meetings with the Senate and the Senate agreed with that position in conference. But then the chairman of the Transportation Committee insisted that he have his projects funded before the revolving fund would be funded. He insisted that his projects be funded in advance of the revolving fund.

Mr. Speaker, the Republican leadership should have taken the opportunity to show some leadership. They should have said if we could not do this before the deadline, let us extend the deadline, as we recommended by the gentleman from Michigan, Congressman DINGELL. The Republican leadership would not assert their role.

The second thing is that the congressional Republican leadership should have said no to the chairman of the Transportation Committee. You cannot get your pork barrel projects funded without the revolving fund being funded first. And the Republican leadership would not say no to pork.

Then the Republican leadership should have said to the Committee on Appropriations, we want to make sure that we are going to safeguard this money for the drinking water fund. And the Republican leadership would not say no.

If we are going to deal with the problems of fiscal responsibility in this country, the leadership of this House must say no to pork. And if we are going to deal with the drinking water problems in this Nation and have a revolving fund, the leadership must say that fund will be available.

So, Mr. Speaker, it is with a great deal of sadness that I have to stand here, after having worked so hard on this bill, and to announce that I will vote against this bill. I will vote against it because the bill does not work if the revolving fund is not appropriated.

I feel that a miscarriage of fairness has taken place. I will yield to the gentleman from Pennsylvania [Mr. SHUSTER]. I want to point out, before I yield to him, that one of the projects that was earmarked for special consideration was in his district and it was mandated that the Corps of Engineers carry out this project, even though the Corps of engineers said to us they did not think it was a good project.

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

Mr. WAXMAN. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Speaker, that is not accurate. There is no mandate that the corps carry out that provision, No. 1.

No. 2, there is nothing in this legislation that says the grants in title V will be funded first. No. 3, your commerce conferees violated the instructions of this House yourselves. You did not uphold the instructions and, most important, you sent us a letter to our committee asking us to earmark $7 million for a Santa Monica project for yourself, for yourself, for your own project.

Mr. WAXMAN. Mr. Speaker, the gentleman does not know what he is talking about.

Mr. SHUSTER. Mr. Speaker, I have a letter right here.

Mr. WAXMAN. Mr. Speaker, the gentleman is absolutely incorrect. Maybe it is better to be on the offensive rather than the defensive, but the gentleman is being offensive when he incorrectly states the circumstances.

The House voted unanimously to insist that his project do not get funded until 75 percent of the revolving fund is appropriated. That was disregarded and it means that we have no revolving fund to make the drinking water law work. I regret it and I think that we should unfortunately vote against this bill.

Mr. BLILEY. Mr. Speaker, I yield 30 seconds to the gentleman from Pennsylvania [Mr. SHUSTER].

Mr. SHUSTER. Mr. Speaker, we have right here the proposed Committee on Commerce offer which was that you backed away from the 75-percent trigger with regard to New York City and Alaska. So you violated the instructions of the House, No. 1.

No. 2, I have a letter from my good friend from California, dated March 29 of this year, asking for us to earmark $7.5 million for a project in his district.

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

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

Mr. WAXMAN. Is it not true that the Senate receded to the House to provide for the 75-percent funding and then the gentleman from Pennsylvania objected?

Mr. SHUSTER. Reclaiming my time, they did not yield on that simple point. They threw other provisions in as well which we could not accept.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). The Chair would ask the gentleman from Michigan [Mr. DINGELL] if he could remove the item from the table.

Mr. DINGELL. Mr. Speaker, I would be happy to remove it, if the Chair can tell me what is objectionable here?

The SPEAKER pro tempore. The Chair believes it is a breach of decorum of the House.

Mr. DINGELL. Mr. Speaker, what is the breach? I am delighted to comply with the wishes of the Chair, but I am trying to understand what is it, where is the breach?

The SPEAKER pro tempore. The Chair believes that displaying the pig in front of the honored ranking member of the Committee on Commerce is a breach of decorum of the House and would ask that it be removed.

Mr. DINGELL. You mean this little pig, Mr. Speaker, is a breach of decorum of the House?

Mr. SHUSTER. Mr. Speaker, I have no objection, if the gentleman wants to be identified with a pig in front of him. That is perfectly all right to me.

Mr. DINGELL. Mr. Speaker, I would like to comply with the wishes of the Chair. I just want to know what it is that the Chair is finding inconsistent with the rules of the House. I would observe that this pig would probably be more suitably displayed on the Republican committee table, but if the Chair desires that this pig be removed, I will, of course, remove it.

The SPEAKER pro tempore. The Chair appreciates the gentleman's removal of it.

The gentleman from Michigan [Mr. DINGELL] is recognized.

Mr. DINGELL. I have no desire to speak at this time, Mr. Speaker.

The SPEAKER pro tempore. Does the gentleman wish to yield time?

Mr. DINGELL. Mr. Speaker, am I instructed by the Chair to remove this pig or to keep it?

The SPEAKER pro tempore. Yes, the gentleman should remove it. Does the gentleman wish to yield time?

Mr. DINGELL. Not at this time, Mr. Speaker.

Mr. BLILEY. Mr. Speaker, I yield 3 minutes and 30 seconds to the distinguished gentleman from Florida [Mr. BILIRAKIS], distinguished chairman of the Subcommittee on Health and Environment of the Committee on Commerce.

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

Mr. BILIRAKIS. Mr. Speaker, let us get to the bottom line here. The conference has done its work and has produced a bill which will meet all of our objectives, every single one. First we have reformed and reauthorized one of our Nation's key environmental statutes. We have fundamentally changed the way the statute works and the way that the Safe Drinking Water Act allocates responsibilities between the Federal Government and the States.

Second, as opposed to previous mandates emanating from the ivory tower that is Washington—we are actually paying for new regulations up front. The conference agreement provides authorization for a $7.6 billion State revolving loan fund to meet both past deficiencies and new requirements.

I think this bill makes it clear that we are no longer doing business as usual in Washington. Instead, we are producing legislation which advances the public health while making our laws and regulations more flexible, more sensible, and more responsive to local conditions.

The old Safe Drinking Water Act simply did not work well enough. Evidence of that fact is no more than a few steps away at any drinking water tap in the U.S. Capitol. The smell of extra chlorine lets you know we have a problem.

I believe we have a large part of the solution in this bill and expect that appropriations will be made available, starting in October, to provide money to the State Revolving Loan Fund. In addition, the conference report authorizes new studies on the health effects of drinking water contaminants, the biomedical effects of contaminants in the human body and on the occurrence of waterborne disease.

These efforts should help reassure all Americans that we are taking problems, such as those experienced by the District of Columbia this year and Milwaukee in 1993 very seriously. The final legislation will enhance both our knowledge and our ability to take corrective measures.

But these efforts are only part of the solution that this conference report offers. Under the legislation, EPA will have to ''right size'' its regulations—identifying affordable technology which can be used by public water systems as small as 25 customers. In addition, public water systems are offered relief from requirements which only increase their costs without a resulting benefit.

We also are promoting the establishment of State programs to train public water system operators and to help ensure that both new and existing systems have the technical, financial, and managerial capacity to meet drinking water standards. Altogether, we are telling the States to develop individual solutions to their local problems and are rejecting the notion that each and every regulation must come from EPA headquarters.

But more than that—I believe this legislation will help to reassure people that the water which flows from their faucets will not cause them harm. In this legislation, we have accelerated public notice of drinking water violations and incorporated a new consumer confidence report to keep people informed, on an annual basis, of the quality of their water.

All of these things are accomplished in a bill which literally pays for itself. According to the Congressional Budget Office, and I quote, ''the bill would change the Federal drinking water program in ways that would lower the costs to public water systems of complying with existing and future requirements. On balance, CBO estimates that the bill would likely result in significant net savings to State and local governments.''

Mr. Speaker, this legislation passed my subcommittee on a unanimous vote of 24 to 0. It then passed our full committee by a vote of 42–0 and was approved by the full House without dissent. This conference report represents a further refinement and improvement of the underlying statute. I urge its immediate adoption.

□ 1230

Mr. DINGELL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Michigan [Mr. STUPAK].

Mr. STUPAK. Mr. Speaker, it should be pointed out that because of delay of the Republican leadership and consideration of this bill past the Wednesday deadline, the gentleman from Florida, his State lost $25 million to improve the safe drinking water for its 13½ million citizens.

I was a member of the conferees on this report and my colleagues know I was very proud of the bill we have. It is a great public policy bill. But to meet our needs we need $8.6 million to provide for all the Safe Drinking Water Act projects in this Nation. But instead, we found out that pigs do fly and there is such a thing as a pig in a poke because we have lost money because of delays, and we have also lost money because of the earmarking that went onto this bill, something we strongly objected to.

For the past 4 years some of us have tried to come to this Congress to knock off the pork-like projects. Let my colleagues' projects stand on the merit of their project and not on who sits on a committee. That is the way it should be. But no, we cannot have that.

As my colleagues know, we made a historic move this week. We did welfare reform, we did minimum wage earlier today, and we did some health care, but we just cannot seem to get away from those old bad habits we just cannot resist.

Later today we are going to do a motion to recommit. The motion to recommit is going to say let us knock off the pork projects, let us let the legislation, let our colleagues' water projects stand on the merits, project against project. I am proud to put up my district against any district here on the projects.

Let us not do this earmarking. It is wrong. It is contrary to why we came here. I hope each and every Member will look closely at our motion to recommit and knock off the earmarks. Let us break the bad habits that lead us to deficits that we struggled to get under control.

We can do it if we would work together, but to take the needs of this country and for certain Members to carve out their own exception so they can have something to go back home and campaign on is wrong.

Mr. BLILEY. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. BOEHLERT], a member of the Committee on Transportation and Infrastructure.

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

Mr. BOEHLERT. Mr. Speaker, it is interesting to watch some of the people who are complaining so vociferously against the enlightened action of the Committee on Transportation and Infrastructure. The same people, one after another, come before me as chairman of the Subcommittee on Water Resources and the Environment and asked for this project and this project and this project.

As for my distinguished colleague from Michigan, he is the graddaddy of them all. Do my colleagues know that little pig he had on this desk? That piggy is named River Rouge. Do my colleagues want to know why? Because he got $325 million over 6 years earmarked for River Rouge. He is so found of that that he needs that little piggy, River Rouge. Glad to see the gentleman bring it here; good to see it once again.

Let me tell my colleagues, today we are taking a historic step toward improving the quality of the water we drink and the environment on which we all depend. The Safe Drinking Water Act Amendments of 1996 is the most significant environmental legislation since President George Bush signed the Clean Air Act Amendments of 1990 on December 11, 1990.

That historic legislation that President Bush signed, the gentleman from California [Mr. WAXMAN] and I were teamed up and we worked very hard to have an acid rain provision in that bill.

I am sorry we do not completely come eye-to-eye on this bill today but, quite frankly, my colleagues know what the drill is. It is a matter of jurisdiction, and the gentleman from Michigan, Mr. DINGELL, does not like the fact that the gentleman from Pennsylvania, Mr. SHUSTER, came up with a good idea in the Committee on Transportation and Infrastructure, and Mr. SHUSTER has designed a program that we are warmly embracing.

Now my colleagues have got to accept the fact that other people have ideas and other committees other than the Committee on Commerce have some jurisdiction. It is a reality of life that we have to accept. I have, and I think most of our conferees have.

The conference report before us today embodies most environmental aspects of the drinking water bills produced by the House and Senate, and I am proud to identify with them. The drinking water provisions before us are pro-environment, pro-State and local government and pro-business.

Every major environmental group in the Nation, the Sierra Club, the Audubon Society, the Natural Resources Defense Council, and the list goes on and on, strongly supports the Safe Drinking Water Act amendments of 1996, and do my colleagues want to know why? It is because we provide $7.6 billion through the year 2003 for improvements to our Nation's crumbling drinking water infrastructure. We provide up to $50 million annually in grants to assist America's poorest communities in providing safe, dependable drinking water. We provide critical new information to consumers on drinking water quality through community right-to-know provisions.

This is a good bill.

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

Mr. BLILEY. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. My friend, the gentleman from Michigan [Mr. STUPAK], who is railing against earmarks, has a request before our committee to earmark $4 million for the Grand Maris Harbor for himself.

Mr. BOEHLERT. The gentleman from Pennsylvania proved my point.

Mr. Speaker, I tell my colleague this: If you are for a cleaner, healthier, safer environment, and I think you all are, support this important legislation.

Mr. DINGELL. Mr. Speaker, I yield 15 seconds to the distinguished gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Speaker, I only want to correct the record. The environmental groups that had supported this legislation have withdrawn their support because they know this law will not work unless we have an appropriation for that revolving fund.

Mr. DINGELL. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Speaker, I do not have a dog in this fight and I certainly do not have a pig in this bill, but I did come to this floor to hopefully argue the merits of this bill and to support this bill, and I will argue that there are three good reasons to support this bill.

However, there are two good reasons not to support this bill, and after coming along so quickly with welfare reform and health care reform it is a travesty. We have not only hit a speed bump here but we have gone down into a ravine, with $725 million being lost because this bill was not done in a bipartisan way, and with the pork that is in here with such things as studies and multimedia programs.

I will recommend to most of my colleagues, Mr. Speaker, that we support this bill with those two big flaws in it.

First of all, this gives the EPA better flexibility and our small municipalities better flexibility for alternative and affordable water systems; second, we use risk and cost-benefit analysis, something that I have been a strong advocate for on the Committee on Science for several years. Third, we give better right-to-know for our customers. When there are contaminants in the tap water, every year the water systems must report on those problems.

Now I was a conferee on this conference, Mr. Speaker, and I am very saddened by the fact that we have lost $725 million and the pigs have been added into this bill. I will reluctantly encourage a ''yes'' vote.

Mr. BLILEY. Mr. Speaker, I yield 2 minutes to the gentleman from Idaho [Mr. CRAPO], a member of the committee.

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

Mr. CRAPO. Mr. Speaker, I am glad to come here and support this bipartisan bill. It has been crafted with strong support from both parties throughout the process. I am a little saddened to see the tenure of the debate today because of the issues that have been raised, but let me talk about why this bill is so important for us to move forward.

Many of my colleagues know I come from a rural State and, like many of the environmental mandates imposed on our States, the original Safe Drinking Water Act was crafted without the careful consideration of the ramifications that cookie-cutter solutions imposed by Washington will have on the States, the counties and cities across our country.

Idaho is home to about a million people, and of the 2,700 water systems in my State, all but 12 have less than 10,000 users. Again and again and again across our State people have asked me to let us use the kinds of scientifically based solutions that will make our drinking water clean without forcing us to spend so much money on the cookie-cutter solutions that do not work. This bill does that.

This bill makes it so that no longer will the EPA be forced to regulate from Washington in a way that does not make sense. We will not have to continue to look for contaminants that do not exist on our water, and we can focus on the things that will work.

The EPA has estimated that the cost of cleaning up the clean water and the systems in our country will be about $8 billion, and this bill provides a revolving State loan fund that will give us the ability to bring those resources to bear to clean the water across our country.

It provides technical assistance for rural water systems like those found in my State, Idaho.

It provides for risk assessment and cost-benefit analysis, and it assures that the public will get clear and accurate information about the effects of contaminations in their population and subgroups and the health risks that they may face.

This is the kind of bill that we ought to be linking arms to move forward to pass, and I encourage Members from both sides of the aisle to put aside our differences. Let us again step forward in this Congress and make some significant progress for the clean drinking water of America.

Mr. DINGELL. Mr. Speaker, I yield 1½ minutes to the distinguished gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Speaker, Members of this Congress are hired to do a job. We are not hired to get reelected. When one is in the majority, one of the jobs they have to do is, they have to get bills to the floor on time.

Now there are few things more important to Americans than the quality of the water they drink. In my hometown, Portland, OR has worked very hard to get safe drinking water, but the job of the Congress is to take care of the details. It is to see that our work gets down on time, an the devil is in the details.

Unfortunately, the Republican leadership took so long to get this bill to the floor that we have lost, we have lost $275 million for projects. Why? Why was there this delay? Well, I would think it is politics. Oregon, my home State, has lost as a real consequence $10.5 million.

I would say let us not worry about pork projects for people who maybe need to get reelected. Let us rather worry about clean drinking water for the people who live in this country, our American citizens.

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

Mr. DINGELL. I yield to the gentleman from Michigan.

Mr. STUPAK. Mr. Speaker, I would like to address the gentleman from Pennsylvania [Mr. SHUSTER]. He indicated that I had a Grand Maris project in this bill. Nothing could be further from the truth. He should have been honest with the American people.

Now this is a Safe Drinking Water Act. What the gentleman talked about is a break wall. Now I do not know last night if, in expending their definition of pork under Safe Drinking Water Act, they are now adding break walls.

Mr. SHUSTER. Mr. Speaker, if the gentleman would yield, I never said it was in this bill. It is in another bill the gentleman has before our committee.

Mr. STUPAK. Would the gentleman like us to take down his words so he can remember what he said?

Mr. SHUSTER. Mr. Speaker, I did not say it was in this bill.

Mr. BLILEY. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. BILBRAY], a member of the committee.

Mr. BILBRAY. Mr. Speaker, I am very impressed with my colleagues who are concerned about the effective and efficient use of taxpayers' funds. I think all of America will be very impressed with the fact that Congress is finally very, very sensitive on that issue. But let me remind my colleagues, if we defeat this bill here

today we will lose over $500 million that can be used for safeguarding our drinking water.

Mr. Speaker, what we are talking about here today is having a new Safe Drinking Water Act that fulfills the promises of the old act. One example is that there are many assumptions that the voters and the citizens of America make about their drinking water.

One of them was the fact that when one bought a bottle of water, that the Federal Government assured that it was as clean as what was coming out of the tap. Under the old act that assurance was not a reality. Under the new act that assurance will be in reality.

Now, our bottled water in America has been very good, but I think the assurance that it is, and will remain good is what the new act is all about. We are fulfilling the promises of the old act with the new act.

□ 1415

Mr. Speaker, I am privileged to live in the community of San Diego, which, according to every major environmental group that has investigated it, has some of the safest drinking water in the entire United States. It is too bad, though, that when I fly across the country every week and come to work in Washington, I cannot be assured that in Washington, here in the Nation's Capital, where the Federal Government has its greatest responsibility, our drinking water is not as safe as it is on the Pacific coast.

I would ask that my colleagues find reasons to improve on the old, to be able to move forward in a progressive way. This bill is the progressive bill, the bill that fulfills the promises of the old that never were fulfilled. Today it is time to move forward. Let us not find excuses to walk away from our responsibilities. Let us do what is right and approve this new, progressive Safe Drinking Water Act.

I rise in strong support of this progressive and bipartisan bill, which will have an enormously beneficial effect on the health and environment of the American people. As a conferee on this landmark legislation, I can tell you that this conference report on the Safe Drinking Water Act [SDWA] marks a major shift away from the regulatory status quo of placing undue value and emphasis on the regulation itself, toward what the practical effect of the regulation actually is on the public health and our natural resources. This is as it should be.

It is this kind of outcome-driven and science-based environmental policy-setting that I have been proud to be a part of in this Congress. This is the kind of process in which I was used to operating during my time in local government, and the results of this cooperative and effective policy-making which we see here today will allow us to better serve the public health needs of the American people.

It has been a privilege for me to have been able to play a close role in strengthening and improving such an important statute as the SDWA. These amendments will provide for sensible and much-needed reforms in how the SDWA is implemented.

H.R. 3604 will help to refocus EPA's priorities and resources toward those contaminants which present the greatest and most immediate threat to public health, provide EPA and local water authorities with greater flexibility in implementing the improved SDWA law, and place new emphasis on ensuring that public water systems have the necessary technical, managerial, and financial resources available to comply with the SDWA.

Mr. Speaker, this also marks a significant achievement in our ability to recognize and address flaws or gaps in our existing environmental or public health strategies. Laws such as the SDWA were clearly well-meant at the time of their inception—in this case, the 1972-era SDWA has not been reauthorized since 1986.

However, the passage of time invariably exposes weaknesses or shortcomings in the strongest of our statutes, and we need to recognize and respond to this. In the past, it has often been easier to confront problems by simply blaming a law, instead of working together to determine whether the law in question is being properly implemented, or whether it is still effective in serving its intended purpose. These laws need to be as dynamic and flexible as the rapidly changing environments we intend for them to protect, and the people who live in them.

This means that occasionally such laws must be reexamined and renewed, in order to ensure that their original goals are still being achieved.

I have always believed that we ought not to cling to the conventional wisdom that our public health and environment laws are ''set in stone'', and incapable of being improved with the application of new knowledge. In order to maintain their effectiveness, we have the responsibility to see to it that when modern science and technology can be applied to improve these laws, we take the appropriate action to do so.

Many of our ''crown jewel'' environmental laws were written over 20 years ago, and it is incumbent upon us in to make these needed improvements when necessary. With this comprehensive reauthorization, this Congress accomplished a challenging but long-unachievable task on behalf of all of our constituents nationwide. I want to commend my chairmen, Mr. BLILEY and Mr. BILIRAKIS, and my other colleagues who worked hard together, in a bipartisan manner, to help make this happen.

In addition to the sound science-based foundation of this bill, I am particularly proud of section 305 of the bill, which addresses health standards for bottled water. Section 305 is a refinement of legislation, H.R. 2601, which I introduced earlier in this Congress. My language will simply require that any EPA regulation which sets a maximum contaminant level for tap water, and any FDA regulation setting a standard of quality for bottled water for the same contaminant, take effect at the same time. If the FDA does not promulgate a regulation within a realistic time frame as established by section 305, the regulation established by the EPA for that element in tap water will be considered the applicable regulation for the same element in bottled water. This will provide consumers with the health assurances that the water they can purchase off the shelf meets at least the same standards as their tap water. I have a letter from the International Bottled Water Association which elaborates on the benefits of this provision, which I would like entered in the RECORD.

Mr. Speaker, I'd like to conclude with an observation. In my hometown of San Diego, my family and my constituents are very fortunate to already enjoy an extremely high standard of quality in our drinking water, in fact a recent study by a national environmental group found that water systems in the San Diego region reported zero health advisories over the last three years.

By comparison, the same study found that an alarmingly high percentage of water systems in some regions of the country—including Washington, DC—had reported health advisories or compliance failures during the same time period. The Safe Drinking Water Act amendments we will pass today, and which will soon be signed into law, will strengthen and improve the weak links in the existing statute, and in so doing will help bring these high levels of health and environmental quality which we appreciate in San Diego to other communities nationwide.

Again, and I can't emphasize it enough, this is a progressive step forward, away from a 1970's-era process which places higher value on process and regulation itself, towards a more responsible and outcome-based approach which focuses on the product that is generated.

This will help us reinforce our common goals of better serving the public health needs of the American people, and providing us with a cleaner and safer overall environment, which is something we ought to be ever mindful of, and never take for granted.

INTERNATIONAL BOTTLED
WATER ASSOCIATION,
Alexandria, VA, June 25, 1996.

HON. BRIAN BILBRAY,
Longworth House Office Building, House of Representatives, Washington, DC.

DEAR REP. BILBRAY: The International Bottled Water Association, which represents over 85 percent of all bottled water sold in the United States, would like to thank you for your help in drafting the bottled water provision of the Safe Drinking Water Act legislation. We are also grateful to the committee staff who developed this improved version of the Senate bottled water provision in cooperation with your legislative director, Dave Schroeder.

Our industry strongly supports the principal objective of this provision, i.e., to require that any EPA regulation setting a maximum contaminant level for tap water and any FDA regulation setting a standard of quality for bottled water for the same contaminant take effect at the same time.

One in six households relies on bottled water as their source of drinking water. There are 430 companies producing bottled water in the United States with annual sales estimated at $3.4 billion, making bottled water one of the fastest growing segments of the beverage industry.

Bottled water is regulated by the FDA, the states and through IBWA's own model code. The bottled water provision will ensure that a FDA standard for a contaminant in bottled water is set in a timely manner and is no less protective of the public health than the EPA regulation for the same contaminant in tap water.

We look forward to seeing the Safe Drinking Water Act legislation signed into law this year. Thank you.

Sincerely,

SYLVIA E. SWANSON,
Executive Vice President.

Mr. DINGELL. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from California [Ms. ESHOO].

Ms. ESHOO. Mr. Speaker, I thank the ranking member of our committee for yielding time to me.

Mr. Speaker, I would like to remind our colleague, the gentleman from California [Mr. BILBRAY], that because the Republican leadership delayed consideration of this bill past the Wednesday deadline, that our great State of California, the greatest State in the Union, has lost almost $42 million to improve the safety of the drinking water for our 31 million citizens.

Mr. Speaker, there are many that begin their remarks with, and I remember a famous politician that said, ''There you go again.'' There goes the Congress again. We had a darned good bill that was a bipartisan bill, worked up and worked out over a period of time by the members of the Committee on Commerce. I was proud that the Committee on Commerce rose above what I thought were election year politics to craft a workable solution to a very, very important problem in our country. That was then, and this is now.

Here is a list. Here is a list of the pork. We are mixing pork with water. Here is the list. These are some of the most vulnerable Republican freshmen in the House of Representatives. Now there is a rush to mix pork with water. It is being taken out of the revolving fund, the capitalization grants for States, $725 million, and we have mixed the pork in with it. Where are the reformers in the Congress to rush to this floor? Where are the reformers in the Congress coming to the floor and saying, ''This does not belong in this bill''? It is placing at risk one of the most important issues in our Nation.

Every American should be able to travel anyplace in this country and rely on safe drinking water. Instead, this has been bollixed up with pork. So this is not a safe drinking water bill. Now because of the Speaker and the Republican leadership, they have turned it into a safe reelection bill. I urge my colleagues to vote against it. This is not what the bill should be.

Mr. BLILEY. Mr. Speaker, I yield 2 minutes and 30 seconds to the gentleman from Minnesota [Mr. OBERSTAR], a member of the Committee on Transportation and Infrastructure.

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

When all else fails, Mr. Speaker, read the bill. The findings section of the Safe Drinking Water Act says:

> The Congress finds that the Federal Government commits to maintaining and improving its partnership with the States in the administration and implementation of the Safe Drinking Water Act. States play a central role in the implementation of safe drinking water programs and need increased financial resources and appropriate flexibility to ensure the prompt and effective implementation of safe drinking water programs.

Under the rubric of States come cities. Cities are entities of the States. What we are doing here is helping cities deal with the problems of providing clean and safe drinking water for their people.

Mr. Speaker, I do not have a little friend to bring with me down here to the podium, but I do have an example. Just about 4 years ago, the people in the city of Milwaukee were frightened out of their wits by an attack that hospitalized thousands and affected 400,000 people with abdominal pain, diarrhea, dysentery, and caused 131 deaths when an attack of cryptosporidium found in the drinking water was unable to be cleansed by the drinking water treatment system of the city of Milwaukee.

If ever there were a red flag on the horizon for America to wake up and deal effectively with both the standards and the infrastructure for providing safe drinking water for our people, that was the wake-up call. This legislation originated in the 103d Congress, moved out of our Committee on Public Works and Transportation, did not make it through the Congress; but what we have today is an adaptation of that legislation.

I simply want to emphasize that, while there is a great deal of talk about specific designation of projects, that is in the report language. It is not in the bill. We do this regularly in numerous pieces of legislation. Statements of managers in conference reports make specific references. This is not law, this is an exhortation of examples of the kinds of projects that need to be done and communities that need to be helped. We have rendered that judgment. I urge my colleagues, this is a fine bipartisan piece of legislation. Support the bill.

Mr. DINGELL. Mr. Speaker, I yield 1½ minutes to the distinguished gentlewoman from Illinois [Mrs. COLLINS].

(Mrs. COLLINS of Illinois asked and was given permission to revise and extend her remarks.)

Mrs. COLLINS of Illinois. Mr. Speaker, there was a bipartisan agreement on giving EPA the authority it needs to ensure the safety of the drinking water. It would have guaranteed the public the right to know if their drinking water was safe. It would have required EPA to issue regulations to prevent deadly microbial contamination of public drinking water supplies. It would have prohibited the use of lead pipes, solder, and flux in the installation and repair of any public water system, as well as repair of any facility connected to that public water system.

Unfortunately, these are not the things my Republican colleagues care most about. Instead, at the very last minute, and despite the strong opposition of Democratic Members and the administration, they have turned the safe drinking water conference into the biggest pork barrel this House has seen in years.

In clear violation of the House's instructions to the conferees, the Republican conferees have in fact earmarked $175 million for low-priority pork projects. The conference report forces the EPA to fund 25, 25 earmarked projects, most of which are in the districts of Republican freshmen and other Republicans in marginal districts. What does this tell the American people about the Republican majority in this House and the environment? It tells them that the only way Republicans can support environmental legislation is if it is laden with pork that will help their politically vulnerable Members return to their seats in Congress and keep pork chops on their own tables.

They don't care whether EPA has the authority to combat deadly microbial organisms like cryptosporidium in the drinking water supplies. Last year, Republican Members voted for legislation to prohibit EPA from even working on, much less issuing a rule to keep deadly microbes, like cryptosporidium, out of drinking water.

It was on February 24, 1995, my Democratic colleagues and I offered a motion to recommit the regulatory moratorium bill. The only thing the motion to recommit would have done was to exempt the microbial prevention rule from the moratorium.

The motion was defeated by my Republican colleagues. The vote was 172 yeas and 250 nays. Two hundred and twenty-six Republican Members voted ''no,'' while only one, I repeat, only one Republican Member voted ''yes.''

This is how Republicans vote when the question is simply whether or not we work for safe drinking water. They oppose it, almost unanimously.

Mr. Speaker, in 1993 an outbreak of the deadly microbe cryptosporidium poisoned the water supply of Milwaukee, WI, making 400,000 people in that city sick and killing over 100 other people. Surveys also showed that cryptosporidium was a problem in municipal water supplies all over the country, not just in Milwaukee.

In addition, last year, water here in Washington had such high levels of bacteria, including E coli, that the public had to boil their water. This year, children and the elderly were advised to refrain from drinking it.

The public is rightfully mad. They are demanding better protection from their Government—protection of their health and safety, not protection of the political careers of freshmen Republican Members.

It is time for us all to do what is right for the people we serve, simply because it is the right thing to do and not because we want some project to talk about at election time.

It is time for this Congress to get on with doing the things that matter: keeping deadly microbes out of our drinking water; keeping bacteria and pesticides out of the meat, poultry and food we eat; and keeping cancer-causing chemicals out of the air and water.

The sooner my Republican colleagues devote their attentions to these fundamental public needs, rather than election year pork, the safer and healthier all Americans will be.

Mr. DINGELL. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Pennsylvania [Mr. BORSKI] to discuss the subject of pork.

Mr. BORSKI. Mr. Speaker, I think I want to thank the distinguished gentleman for yielding me this time.

Mr. Speaker, on behalf of the Committee on Transportation and Infrastructure Democrats, I want to urge

support for this bill. Our committee had sole jurisdiction over title IV, which provides grants for needy communities all over this country to meet their drinking water needs. Money for projects under this title is available for every area of the country. It is funding for drinking water projects for communities that badly need these funds.

As a conferee on this title, Mr. Speaker, I want to compliment the gentleman from Pennsylvania, Chairman SHUSTER, and the gentleman from New York, Chairman BOEHLERT, who negotiated with the Senate and carefully crafted this compromise on this section of the bill. I want to urge support for the bill and opposition to the motion to recommit.

Mr. BLILEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee [Mr. WAMP].

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

Mr. WAMP. Mr. Speaker, I rise in strong support of the safe drinking water conference report.

Mr. Speaker, as vice chairman of the Water Resources and Environment Subcommittee of the House Transportation and Infrastructure Committee, I know that among the most important items we have considered in this 104th Congress is the Safe Drinking Water Act reauthorization. This has already been an active week, and we have seen just how productive our majority can be when we work with our colleagues across the aisle to do the Nation's business, the people's business, on behalf of all those who sent us here. If we are to see progress in our environmental laws to give us cleaner, safer, healthier water, we must work in a timely and bipartisan manner. That is what we have done, with the help of some dedicated staff from both our committees and the other body.

I have been especially interested in the area of providing safe drinking water supplies to communities in need. While we have debated some important national policy items this year in both Chambers, and I'm sure we will again in the remaining days of the 104th Congress, nothing we do is more important to the individuals residing in districts across this country than ensuring their ability to drink clean, pure, safe water. As I hear from the people in my district so often, this is ''where the rubber meets the road'' on our national water policy.

One last note about meeting our most pressing local needs: in communities where there is no reliable supply of water—either due to contamination of their wells from natural causes or human activity or because of other circumstances beyond local residents' control—our constituents don't think that getting help hooking up to a nearby public water system is anything more than fulfilling our responsibility to provide for their health and safety. Every community with needs like that should have a chance to look for help from this bill, and priority should be given to those in the most urgent state of need.

Finally, Mr. Speaker, Chairman SHUSTER and Chairman BLILEY, and my other fellow conferees, I appreciate being given the opportunity to work with you and everyone on this conference committee to lend a hand to shaping this legislation. East Tennessee—and particularly Chattanooga—has a reputation for being pro-active in finding solutions to our environmental problems and working together as a community to promote sound, scientific research in many areas, but especially in the area of water. I've pledged to the people I represent to make water quality a top priority while I'm in Congress, and participating in this conference has been a great help to me in understanding these complex issues even better.

Mr. BLILEY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Speaker, I wish to make four points. This is inside baseball.

Point No. 1, in response to the gentlewoman from California, the conference was not delayed by inaction on the part of any Republican. As has been accurately reported in National Journal's Congress Daily, the conference was delayed because two Members, the gentleman from Michigan [Mr. DINGELL] and the gentleman from California [Mr. WAXMAN], objected and refused to sign the conference agreement.

Point No. 2, this is very important, the dollars that are claimed to have been lost I am convinced will not be lost, because every Member of this body and the other body wants to make certain that that 24-hour delay does not in any way jeopardize the funding that we need for safe drinking water.

Point No. 3, the total amount in dispute is one-quarter of 1 percent of the total amount of money funded in this bill.

Point No. 4, the grants program we are talking about is to help needy communities who are striving to provide a cleaner, healthier, safer environment for their constituents by improving their water system. That is what this program is all about.

Mr. Speaker, I urge my colleagues to give this bill the support it deserves.

Mr. DINGELL. Mr. Speaker, I yield 30 seconds to the gentleman from Minnesota [Mr. MINGE].

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

Mr. MINGE. Mr. Speaker, manipulation of the conference committee process and deadlines to take moneys from general funds from all States to finance specifically named projects for a select few for their political advantage is wrong. It is reprehensible.

The Pork Busters Coalition cannot object strongly enough. Leadership may change, the abuse of the process goes on.

Mr. BLILEY. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. BILIRAKIS].

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

Mr. Speaker, I just want to make two points here, and in a way I suppose at least one has already been made.

First, we are not losing money today here, as people on the other side are saying. It is unfortunate, we have all worked so well together on this piece of legislation, and all of a sudden we are throwing stones at each other. It is just a terrible thing to see.

We are not losing money today, because the States could not possibly have been prepared to use the money effective yesterday, which is when this thing was supposed to go into effect. We are not talking about the States sitting there basically just waiting for this money to start putting it into effect right off the bat. It is impossible.

What we are doing today, of course, is granting the legal authority to spend the $7.6 billion on safe drinking water. Actually providing this money, as we all know, but nobody seems to be saying it, is the job of the Committee on Appropriations, as it always is. Can we guess what the Committee on Appropriations is going to do in forthcoming years? I think not.

Second, my colleagues complained rather loudly about so-called pork. They do not talk about the 99.75 percent of the bill that they agree with. Let the record show that the funding under attack here represents less than one-quarter of 1 percent of all funds authorized.

Mr. DINGELL. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Pennsylvania [Mr. KLINK].

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

I have grave concerns, Mr. Speaker, about the fact that it does appear, from everything I have said, and I am just talking to counsel, now, that we have indeed lost $725 million that could have been used to clean up the drinking water of this Nation.

When we take a look at the amounts of moneys different States have lost, California, almost $42 million; Texas, almost $39 million; my own State of Pennsylvania, $28.5 million. We could use that money to clean this up. I think what they are saying on the other side is, ''Trust us, we will figure out a way to fix it.''

The fact of the matter is that the Speaker did not appoint the conferees in time to get this bill done. There is a pattern of this which really is very bothersome to me.

Earlier this week we brought out the fact, and I hope Members on both sides of the aisle will note, that Members are not having their bills paid in their offices. Take a look. For the first time in the history of this institution, in June, your rent payments were not made. That costs us credibility, it costs us money, it costs every Member in this office. Now we are not appointing conferees in time, so the States of this country do not in fact have tens of millions of dollars that they normally would have in order to clean up this water.

When we were doing the contract on America we were marching through, the trains were running on time. Now all of a sudden it comes time for Congress to either pay its bills, pass legislation on time, or lose three-quarters

of a billion dollars, and we cannot do it on time.

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How can you run this country when you cannot run this Congress? That is the question that needs to be asked today.

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

Mr. DINGELL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Speaker, 2 years ago the House freshmen came to Washington to carry out a revolution. They promised to balanced the budget, to slash wasteful spending, to end pork-barrel spending. Now, 2 years later, two unsuccessful Government shutdowns later, the freshmen are running scared.

The voters have said no to Medicare cuts, no to education cuts, no to mean and extreme programs dealing with the environment, no to the Gingrich revolution. So what do the freshmen do now in their desperate attempt to save their own political hides? They attach $350 million for pork-barrel projects for themselves in a clean drinking water bill while more important programs, of course, are going to suffer in the 50 States where the money should have been spent.

So here is what we have:

One little piggy goes to Iowa; one little piggy program stays home in Ohio; one little piggy program gets money for Washington State, and other more important programs get none; and 13 vulnerable House Republicans go wee, wee all the way home with their pork.

Mr. Speaker, if this is a revolution, if this is the most important thing that we can be doing in this country for the next generation, it would be like fighting the French Revolution and not attacking the Bastille for the Republicans to have all this pork in this safe drinking water bill, and for all of them to unanimously be saying vote for it.

What a transformation for the freshman class, so proud that they are now able to stick port in for their own district while knowing that it violates the instructions of this very House, of the recession of the Senate to our position that there should be no pork, and at the same time delaying so long in figuring out how to put in the pork that an extra $725 million are lost across this country for safe drinking water projects in every State in the Union.

Mr. BLILEY. Mr. Speaker, I yield 1½ minutes to the gentleman from Michigan [Mr. BARCIA].

Mr. BARCIA. Mr. Speaker, This bill will enhance the tools that our Government has to assure a safe drinking water supply. The bill will also protect the taxpayer, providing more flexibility to local officials by maintaining standards, but easing excessive requirements. The public has a right to clean water and has a right to know when, and by what, their water supply is at risk. For that reason, the agreement also makes the public right to know part of the law of the land.

With flexibility and protection, we still have billions of dollars in unmet water infrastructure needs. This legislation incorporates provisions of the Water Supply Infrastructure Assistance Act of 1995, which provide for a new State revolving loan fund, which will provide loans and technical assistance to communities with drinking water quality problems.

In discussing this historic compromise, I feel compelled by misleading comments made by a few of our colleagues to discuss a provision in the bill which provides specific assistance for several communities in our Nation. One of those communities is Bad Axe in my Fifth District of Michigan. I have been working with officials in that town for years to find a solution to their problems with arsenic, barium, and visible iron. No resources have been available to address their lack of resources. Their efforts to fix the existing system have cost money, raising citizens' monthly bills. To complicate matters, the water has so much foreign matter that it necessitates the early replacement of pipes, water heaters and other home and municipal water equipment, placing another financial burden on the town and its citizens.

Yet, Mr. Speaker, the solution lies just 17 miles away in three different directions. But, because Federal and State resources are not available, and taxpayers already bear too large a tax burden for a rural farm economy to support, the attempt to connect to one of three plants in adjacent towns has not been possible. Instead, good money is thrown after bad, wasted on stop gap measures to provide enough water which may be appropriate for non-drinking uses like washing clothes. These few dollars are the only way for Bad Axe to solve its drinking water crisis. So, Mr. Speaker, when someone tells the people of Bad Axe that they are the recipients of pork, Federal Government largess, let us remember that we are talking about citizens in need; citizens in a small town which is over-extended which lies in a State which receives one of the lowest national returns on its Federal tax dollar. If this is pork, Mr. Speaker, pass the platter.

Mr. DINGELL. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, in June we had a very good bipartisan bill passed out of the Committee on Commerce, but unfortunately the Republican leadership could not leave well enough alone. They had to take it into their back rooms and load it up with political pork. This is the same Republican leadership that claims to be for reform and for cutting unnecessary spending.

The House passed the bill on June 25, yet once again the Republican leadership still could not get it right. They delayed and they delayed. It took an astounding 3 weeks for the leadership to appoint conferees.

Now, it is August 2 and we have lost $725 million in fiscal year 1996 funds. In my own State alone we have lost nearly $15.5 million in grants funds. On top of that the Republican leadership has earmarked for their vulnerable Members on a political basis $175 million of what is left.

Mr. Speaker, this is simply an outrage. They have taken legislation that was supported by the industry and environmentalists, by Democrats and Republicans, by the right and the left, and they have basically made it almost unsupportable at this point. It is a real shame. It is a tragedy. This could have been a bill that everyone would have supported and that we could have used as an example of good legislation that this House could pass this session, and instead we have this bill, loaded up with pork that is practically unsupportable at this time.

Mr. DINGELL. Mr. Speaker, I yield 30 seconds to the distinguished gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Speaker, I want to set the record straight about the delay on this conference report. The deadline for approving the fund was July 31. We did not get the conference report papers until August 1. The gentleman from New York indicated that the gentleman from Michigan [Mr. DINGELL] and I might have been responsible for that. It was the mangers of this legislation.

The last point I want to make is the House voted unanimously for one position. That was to keep these pork projects out of that revolving fund and let them stand in line later if they can claim on the merits that they should be funded, and that position was rejected.

Mr. DINGELL. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I would begin by expressing great respect and affection for my dear friend from Virginia. He worked well with me in the consideration of this legislation. He is a fine and valued Member of this Congress.

I also want to express great respect and affection for the distinguished gentleman from Pennsylvania [Mr. SHUSTER]. That may come as a surprise to the gentleman, but I do feel that way.

I want to talk a little bit about what has happened here and why we are in this mess.

The leadership, the Speaker, took about 3 weeks in which to appoint the conferees. The deadline for money being available under the appropriations law was the last day of July. That deadline passed. It passed in good part because the Public Works Committee and my good friend from Pennsylvania, Mr. SHUSTER, did not accept the concession of the Senate in which the Senate agreed they would recede and concur with regard to the handling of the moneys within the bill.

One of the important things to note is that what is at issue here is not just

pork. I have always voted, almost without exception, with the Public Works Committee and at one time I was a member of that committee and I understand the art of pork and the art of taking care of Members of this Congress. But the point that needs to be made is that we have here a fund which is too small. It is about $725 million. That is all that is available to address the problems of clean water in all the districts in this country. The Committee on Public Works has short-stopped half of that money, $350 million worth of it. That means that they will allocate—not on the basis of merit but on the basis of pure, raw, unadulterated politics—money which should be allocated on the basis of real need. There is not enough money. Need should be the basis on which the money is going to be allocated, but that mechanism will not be used. Rather, this money will be short-stopped.

The consequence of this is that in district after district, all around the country, in every State in the union, major projects which need to be addressed on the basis of safety and the public health will not be addressed because money has been allocated on a political basis, not on the basis of need and not on the basis of public health. That is why this is a bad action, and it should be clear in the record as we go forward in our business.

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

This has been an interesting debate. I would like first to clear up what I consider to be a few inaccuracies. First, this bill is $7.6 billion in total. All of this fuss is over $25 million.

I would also like to point out in this, for all of the Members, those present and those who may be watching, this is very, very important. This motion to recommit that will be offered, I understand, if it is offered, is not debatable.

What it means is that the bill would then go back to conference. It is not something that would come back immediately to the floor, which means you would go home and you would not have passed this vital piece of legislation and we would lose additional millions of dollars of money for these vitally needed projects. That is absolutely important.

Mr. Speaker, we need to pass this bill, this conference report, send it over to the other body, and have them pass it, so that we can ensure the quality of the drinking water of the communities and the citizens of this Nation.

Mr. Speaker, I urge adoption of the conference report.

Mr. BLILEY. Mr. Speaker, I would like to praise the work of the staff: My chief of staff, J.E. Derderian; Bob Meyers; Nandan Kenkeremath; Chris Wolf; and our general counsel, Charles Ingebretson.

Mr. FRANKS of New Jersey. Mr. Speaker, I rise today in support of H.R. 3592, the Water Resources Development Act of 1996. I commend Chairman BUD SHUSTER and Chairman SHERWOOD BOEHLERT for their diligent work in drafting this important legislation.

The Water Resources Development Act of 1996 contains several provisions drawn from legislation that I introduced earlier this year to help our Nation's ports. For centuries, our ports have been the arteries that have kept our economy thriving. More than 95 percent of our Nation's commerce relies on our ports to send or receive goods and raw materials. Our ports not only provide an economical and energy-efficient means of transportation for thousands of businesses, they are also a major source of jobs. Some 15 million people work in port-related jobs across the country. In my region alone, the Port of New York and New Jersey provides jobs for 180,000 workers.

But today, the economic viability of our ports is being threatened by Government regulations that have severely curtailed the centuries-old practice of dredging berths and channels. Ports throughout the Nation, from Oakland to Duluth, Houston to Newark, are facing serious economic consequences because of their inability to dredge.

For decades, the Army Corps of Engineers and private contractors have dredged our Nation's channels and disposed of most of the dredge sediments in the ocean. But as stringent new procedures have been put in place to prohibit the dumping of contaminated materials in the ocean, an increasing amount of dredged material is no longer eligible for ocean disposal. This has led to a national debate over how to safely and economically dispose of the mud. In my State, the Port of New York and New Jersey is already losing business because of the inability to dispose of contaminated sediment.

The lack of dredging is having consequences that reach far beyond the loading and offloading of container ships. Everyone who lives or works in my State benefits from the port. For consumers, it means lower prices for the products they buy. For businesses, the port provides a convenient and inexpensive way to send or receive final products or raw materials. And for workers, the port is a source of thousands of jobs both at the port and at the thousands of businesses that rely on the port itself to transport their goods.

In 1994 alone, 409,000 automobiles passed through our port. In all, some 4,000 ships arrive at the Port of New York and New Jersey every year.

Until recently, 95 percent of the dredged sediment in the Port of New York and New Jersey passed ocean dumping standards. But now, with better testing criteria in place, nearly two-thirds of the sediment lying at the bottom of the Port of New York and New Jersey is so contaminated that under regulations promulgated by the Environmental Protection Agency, it is considered category III and cannot be disposed of in the ocean. With no other viable dredging disposal option yet in place, dredging in the port has literally ground to a halt.

For several years, I have been working with the Port Authority of New York and New Jersey and the two States to help find workable solutions for this dredging crisis. This past March I introduced H.R. 3170, the Port Revitalization Act of 1996. Since then, this legislation has drawn the support of Republicans and Democrats from both New York and New Jersey, businesses, labor groups, and the environmental community.

H.R. 3170 addresses the root cause of the problem now facing the Port of New York and New Jersey and others in the United States, which is to develop a safe and economical means of disposing of contaminated dredged materials. The Water Resources and Environment Subcommittee held hearings on this legislation and the issue of dredging, and much of my bill is incorporated as part of H.R. 3592.

Specifically, my legislation authorized the construction of a long-term confined disposal facility for dredged sediments from the Port of New York and New Jersey. Such a facility could meet the port's dredging disposal needs well into the next century. Like the successful disposal facilities in Baltimore and Norfolk, a contained facility will provide an environmentally safe way of disposing of dredged materials that are unfit for ocean disposal.

There are a variety of types of confined disposal facilities that could be constructed under this bill, including containment islands, subaqueous pits, near-shore facilities, or upland disposal. Moving forward with a long-term disposal facility for the port is essential to assure the shipping community that this port won't be reliving this dredging nightmare every 2 or 3 years. We simply must develop a long-term facility if we are to keep the current shipping business at the port.

This section of the bill complemented New Jersey State legislation that would dedicate substantial State funds to begin dredging and the construction of short- and long-term confined disposal facilities. In fact, this November New Jerseyans will vote on a $300 million bond issue to help with the dredging of our harbor. Together, the Federal Government and the States of New Jersey and New York can provide a permanent and long-term disposal solution to preserve the vitality of this port.

Next, H.R. 3170 opens up the Harbor Maintenance Trust Fund to allow this fund to help finance the construction of a long-term disposal facility and the search for a short-term, interim solution to our region's crisis. This fund, which is supported by a tax on shippers, established in 1986 to make sure channels are dredged regularly so they are safe and navigable. But under current law, the Harbor Maintenance Trust Fund cannot be used to help pay for the construction of new disposal facilities.

At a time when ports across the country cannot be dredged because there is no safe place to dispose of the dredged materials, it makes no sense to keep such tight restrictions on the use of this fund. The Harbor Maintenance Trust Fund has a huge $600 million surplus, a surplus which is expected to grow by $100 million annually. My bill makes this trust fund a significant new funding source for a variety of containment facilities and disposal options being considered for our port.

Another provision of the bill would enable the Federal Government, through the Army Corps of Engineers, to assume 65 percent of the cost of building new confined disposal facilities for dredged sediments, regardless of

where they are located. Under current law, the Federal Government is authorized to pay out of general revenue for 65 percent of the cost for only ocean disposal of dredged sediment. The Port of New York and New Jersey, and many others, can no longer rely exclusively on ocean disposal for dredged sediment, and need to find upland or other confined facilities to deposit contaminated mud. Through this provision, my bill ensures that the Federal Government remains a major financing partner in the construction of modern dredged disposal facilities.

Finally, H.R. 3170 reauthorizes the decontamination technology pilot study now underway by the Environmental Protection Agency and raises its authorization level to $10 million annually. Congress must continue to invest in dredged sediment decontamination technology to make the dredged material environmentally safe and eligible for either beneficial upland use or ocean disposal.

I am pleased that each of these provisions in H.R. 3170 is included in the Water Resources Development Act of 1996. Mr. Speaker, each of these provisions will make a significant impact on the status of dredging projects in the ports of the United States.

In addition to these provisions, there are two additional authorizations in this legislation which directly affect the Port of New York and New Jersey.

First, H.R. 3592 provides additional funding for the deepening of the Kill Van Kull shipping channel to 45 feet. The Kill Van Kull is a channel in the Port of New York and New Jersey with a current maintained depth of 35 feet. Having the channels deepened to 45 feet will enable the largest oceangoing vessels to reach the berths of the port without fear of scraping bottom.

The Water Resources Development Act of 1986 authorized this deepening project at the level of $325 million. However, after the completion of the first phase of this deepening project down to 40 feet, this authorization level had been exceeded and the dredging was put on hold. H.R. 3592 raises the authorization for this deepening project to $750 million, allowing the Army Corps to continue with the second phase of the deepening project down to 45 feet.

Second, this legislation increases the authorization for a similar deepening project in the Arthur Kill, a channel between Staten Island, NY, and New Jersey. The new authorization level is $82 million, which will cover the increased costs of deepening this section of channel. Both of these projects will provide invaluable assurance to the shipping companies that depend on the depth of the channels to safely bring their goods to port.

In closing, let me once again thank the chairman of the Transportation and Infrastructure Committee and the chairman of the Water Resources and Environment Subcommittee for their work in drafting this bipartisan, noncontroversial legislation. I urge my colleagues to join me is supporting this bill.

Mr. POSHARD. Mr. Speaker, I appreciate this opportunity to comment on the Water Resources Development Act [WRDA]. This is an important, bipartisan piece of legislation that will provide the country with the resources to meet many pending infrastructure needs. I am particularly concerned with flood-control provisions in this legislation. As we continue to see on a daily basis, investing in sufficient flood-control measures protects our families and property from the devastation in floods. I am concerned that the cost-share formula for these projects is becoming prohibitive for our rural communities. This bill calls for a future formula of 65 percent Federal, 35 percent local, and this will have a significant impact on smaller localities, where this help is needed most.

We must continue to be farsighted in our approach to these problems, including cost share, and I would like to thank the chairman of the Transportation and Infrastructure Committee, Mr. SHUSTER, and the ranking minority member, Mr. OBERSTAR, as well as the chairman of the Subcommittee on Water Resources and Environment, Mr. BOEHLERT, and the ranking minority member, Mr. BORSKI, for their leadership in this regard. The committee staffs worked tirelessly in the spirit of cooperation while crafting this measure, and that attitude has clearly followed this legislation to the floor, as we are considering it as a suspension bill. I hope the rest of the legislative process in regard to WRDA moves this swiftly.

Mr. MINGE. Mr. Speaker, as a cochair of the Congressional Porkbusters Coalition and a Member interested in improving the integrity of Congress, I am strongly opposed to the method by which earmarked water projects were included in the Safe Drinking Water Act. Most, if not all, of these projects circumvented established congressional procedures and were inserted into the bill by the Committee on Transportation and Infrastructure. Congressional districts benefiting because a Representative holds a position of influence on a committee or has made a special arrangements with a member of the committee is simply wrong.

The American people are fed up with the backroom dealing and horse trading that has characterized congressional politics to this day. The time has come to bring fairness and objectivity to the authorization and appropriation processes. If a Member of Congress believes that a project should be funded in their district, then let us hold open, public hearings on that project. We can hear about the merits of the project and why American taxpayers should shell out their hard-earned dollars to pay for it. Let us apply objective criteria to the numerous projects that seek funding in order to create a prioritized list. We then can match our priorities against our limited Federal resources and make fair, impartial decisions as to which projects should be funded.

Mr. Speaker, I share your concern for eliminating the deficit and balancing the budget. To do both, many difficult decisions must be made. One of the easiest decisions, however, should be to eliminate earmarked projects that have not passed the scrutiny of established Congressional procedures and competitive selection processes. Let us begin by opposing these earmarked water projects in the Safe Drinking Water Act.

Mr. FRANKS of New Jersey. Mr. Speaker, I rise today to express my support for the conference report to S. 1316 the Safe Drinking Water Act Amendments. The Safe Drinking Water Act was first passed in 1974 to protect drinking water supplied by public water systems from harmful contaminants. The conference report before us today is commonsense legislation that will continue to assure the safety of our drinking water.

Under this conference report State and local authorities can enhance the purity of drinking water, and focus resources on those contaminants that pose the greatest risk to human health. Local water systems will no longer have to test for contaminants that have never been detected in their water supply.

Also, under this legislation, consumers will be given more information about their drinking water than ever before. Under provisions in the conference report, water systems will be required to mail an annual report to every consumer concerning the levels of regulated contaminants.

This conference report also authorizes $80 million for new studies. These studies will examine the health effects of such substances as arsenic and sulfate.

Finally, this conference report will provide State and local water authorities with the resources they will need to get the job done. H.R. 3604 creates a $7.6 billion State revolving fund. This fund will provide direct grants and loans for compliance activities, enhancement of water system capacities, operator training, and development of solutions to source water pollution.

Mr. Speaker, the public deserves to feel confident that the water they drink is safe. The conference report to S. 1316 accomplishes this. It is commonsense legislation that improves the current drinking water standards, while at the same time lowering costs to water authorities. I would encourage my colleagues to support passage of the conference report so that we may enact meaningful reform of our safe drinking water laws. Thank you, and I yield back the balance of my time.

Mr. WALKER. Mr. Speaker, I rise today in support of the conference report on S. 1316, the Safe Drinking Water Act Amendments. The Science Committee was given conferees on the drinking water research provision in the House and Senate bills. I would like to thank the Science Committee conferees, Congressman ROHRABACHER, and Congressman ROEMER, for their help and support during conference.

The bill as agreed to in conference includes numerous important research provisions. The bill authorizes $26.6 million for safe drinking water research each year for fiscal year 1997 through fiscal year 2003. This authorization is intended to enable the Environmental Protection Agency's [EPA] Office of Research and Development [ORD] to continue its Drinking Water Research Program.

The conference report further authorizes an additional $10 million a year from the new drinking water State revolving loan fund [SRLF] for health effects research on contaminants in drinking water such as cryptosporidium, disinfection byproducts, and for the implementation of a plan for research on subpopulations at greater risk. This $10 million is new money derived from the SRLF and should boost ORD's ability to conduct priority research on drinking water contaminants.

The conference report also includes $2.5 million per year for fiscal year 1997 through fiscal year 2000 for research on arsenic. Finally, the report contains $12.5 million a year for 7 years to develop a research plan and conduct research on harmful substances in drinking water.

Along with these important research authorizations, the conference report includes an important new research review requirement which should help ensure that the drinking water research conducted by EPA is of the

highest quality. Section 202, Scientific Research Review, requires the Administrator of EPA to develop a strategic plan for drinking water research. It also requires the Administrator to review all drinking water research conducted by the Agency to ensure it is not duplicative and of the highest quality. This provision is similar to the research review requirement passed by the House earlier this year as part of H.R. 3322, the Omnibus Civilian Science Authorization Act of 1996.

Mr. Speaker, I support the conference report accompanying S. 1316, and I encourage my colleagues to vote for its passage.

Mrs. LINCOLN. Mr. Speaker, I rise in strong support of this bipartisan and bicameral agreement to modify and strengthen the Safe Drinking Water Act. I applaud the conferees for working together on such a short timeframe and delivering a good compromise bill.

Getting a final agreement on this issue has taken nearly 3 years. I remember working with my colleagues last Congress on issues that continued to be the sticking points again this Congress. I'm so relieved that we have reached consensus on these major issues of contention.

My main interest throughout this debate has been to create a more flexible regulatory approach that protects our Nation's drinking water without wasting valuable financial and human resources. I come from an extremely rural area where most people obtain their drinking water from private wells or small water systems. Most of these small water systems operate on a tight budget with only one employee operating the system. If these small systems are forced to monitor for contaminants that do not exist in their watershed or are compelled to comply with other regulations primarily aimed at protecting drinking water from large systems, they must divert valuable dollars that could be better used in addressing problems unique to the specific system. This bill recognizes that small systems are inherently different from larger systems and often have different needs in maintaining compliance with the drinking water standards.

In particular, S. 1316 relieves onerous and excessive monitoring requirements, establishes the development of small system technologies, provides money for the rural water technical assistance and circuit rider program, creates a State revolving fund to provide needed capital to upgrade and build systems and realigns standard setting criteria to take into consideration sound science and cost/benefit analysis. However, this bill does not only ease burdensome Federal requirements, but it also requires the implementation of new obligations. For example, S. 1316 mandates the establishment of State capacity development and State operator certification programs. While these programs will ensure that our water systems are well operated and in compliance with the act, it does compel States and systems to go that extra mile in evaluating the health of their drinking water.

S. 1316 is widely supported—from the environmentalists to the Governors—and I want to urge my colleagues to support this commonsense bill.

Mr. WHITE. Mr. Speaker, all of us want to make sure that the food we eat and the water we drink is clean and safe. That's why I am proud to support a safe drinking water bill that will help make sure we are doing the best job possible to keep our drinking water supplies clean.

Today, as we vote on the Safe Drinking Water Act of 1996, we are showing the American people all the good that can result when Congress works together to get something done.

But this bill is about more than just getting something done. Rather, it is a perfect example of how updating our environmental laws and reducing regulatory hurdles can result in better environmental protection. I believe this bill represents what this Congress is all about—making Government work better by giving local governments more flexibility to make their own decisions.

I truly believe that given the opportunity, local governments, not Federal bureaucrats, are better able to determine the needs and priorities of their own communities. The SDWA gives States more flexibility and does away with the one-size-fits-all approach that is prohibiting some local governments from using new technologies to manage their water supplies.

A perfect example of why we need greater flexibility can be found in the Puget Sound region—which includes a large part of my district.

Most of my constituents get their water supply from the Cedar River Watershed which is run and protected by the city of Seattle. As debate over the SDWA began, I sought input from the city of Seattle and others to determine how we could develop a bill that will result in stronger protection and more flexibility.

The bill we will pass accomplishes both those goals.

Under the current SDWA, which was originally signed into law in 1974 by President Ford, the city of Seattle, and many other larger metropolitan cities, do not have the flexibility to determine what type of water treatment system to use. Seattle is currently required to use the filtration method, even after finding that ozonation can provide a greater degree of protection at a lower cost.

Under this bill, the city of Seattle and many other cities would be able to use alternative treatments to filtration—providing that the alternative is better able to protect the safety of our public water supply and that it receives approval by the Environmental Protection Agency.

The city believes that the ozonation method better meets its water quality objectives. The ozonation treatment is more effective in neutralizing the pathogens especially cryptosporidium and giardia which are commonly found in surface water supplies. For Seattle, the filtration technology would inactivate 99.9 percent of cryptosporidium, but ozonation could be effectively designed to inactive up to 99.999 percent, providing a higher level of public health protection. In addition, it is considerably less expensive than filtration and is believed to be the next up and coming technology for ensuring safe and clean drinking water.

In addition to giving local governments more flexibility, this bill will also accomplish some very important goals: First, focusing on the most serious risks to human health, second, requiring that an annual water quality report be sent to consumers, and third, speeding up the public notification process for violations.

Before closing today, I would like to thank Chairman BLILEY, Chairman BILIRAKAS, Mr. DINGELL, and Mr. WAXMAN for all their work to put together a bipartisan bill that will go a long way in protecting the water we all drink.

Mr. BILBRAY. Mr. Speaker, I rise in strong support of this progressive and bipartisan bill, which will have an enormously beneficial effect on the health and environment of the American people. As a conferee on this landmark legislation, I can tell you that this conference report on the Safe Drinking Water Act (SDWA] marks a major shift away from the regulatory status quo of placing undue value and emphasis on the regulation itself, toward what the practical effect of the regulation actually is on the public health and our natural resources. This is as it should be.

It is this kind of outcome-driven and science-based environmental policy setting that I have been proud to be a part of in this Congress. This is the kind of process in which I was used to operating during my time in local government, and the results of this cooperative and effective policy making which we see here today will allow us to better serve the public health needs of the American people.

It has been a privilege for me to have been able to play a close role in strengthening and improving such an important statute as the SDWA. These amendments will provide for sensible and much-needed reforms in how the SDWA is implemented.

H.R. 3604 will help to refocus EPA's priorities and resources toward those contaminants which present the greatest and most immediate threat to public health, provide EPA and local water authorities with greater flexibility in implementing the improved SDWA law, and place new emphasis on ensuring that public water systems have the necessary technical, managerial, and financial resources available to comply with the SDWA.

Mr. Speaker, this also marks a significant achievement in our ability to recognize and address flaws or gaps in our existing environmental or public health strategies. Laws such as the SDWA were clearly well-meant at the time of their inception in this case, the 1972-era SDWA has not been reauthorized since 1986.

However, the passage of time invariably exposes weaknesses or shortcomings in the strongest of our statutes, and we need to recognize and respond to this. In the past, it has often been easier to confront problems by simply blaming a law, instead of working together to determine whether the law in question is being properly implemented, or whether it is still effective in serving its intended purpose. These laws need to be as dynamic and flexible as the rapidly changing environments we intend for them to protect, and the people who live in them.

This means that occasionally such laws must be reexamined and renewed, in order to ensure that their original goals are still being achieved.

I have always believed that we ought not to cling to the conventional wisdom that our public health and environmental laws are set in stone, and incapable of being improved with the application of new knowledge. In order to maintain their effectiveness, we have the responsibility to see to it that when modern science and technology can be applied to improve these laws, we take the appropriate action to do so.

Many of our crown jewel environmental laws were written over 20 years ago, and it is incumbent upon us to make these needed improvements when necessary. With this comprehensive reauthorization, this Congress accomplishes a challenging but long-

unachievable task on behalf of all of our constituents nationwide. I want to commend my Chairmen, Mr. BILEY and Mr. BILIRAKIS, and my other colleagues who worked hard together, in a bipartisan manner, to help make this happen.

In addition to the sound science-based foundation of this bill, I am particularly proud of section 305 of the bill, which addresses health standards for bottled water. Section 305 is a refinement of legislation (H.R. 2601) which I introduced earlier in this Congress. My language will simply require that any EPA regulation which sets a maximum containment level for tap water, and any FDA regulation setting a standard of quality for bottled water for the same contaminant, take effect at the same time. If the FDA does not promulgate a regulation within a realistic time frame as established by section 305, the regulation established by the EPA for that element in tap water will be considered the applicable regulation for the same element in bottled water. This will provide consumers with the health assurances that the water they can purchase off the shelf meets at least the same standards as their tap water. I have a letter from the International Bottled Water Association which elaborates on the benefits of this provision, which I would like entered in the record.

Mr. Speaker, I'd like to conclude with an observation. In my hometown of San Diego, my family and my constituents are very fortunate to already enjoy an extremely high standard of quality in our drinking water; in fact a recent study by a national environmental group found that water systems in the San Diego region reported zero health advisories over the last 3 years.

By comparison, the same study found that an alarmingly high percentage of water systems in some regions of the country, including Washington DC had reported health advisories or compliance failures during the same time period. The Safe Drinking Water Act amendments we will pass today, and which will soon be signed into law, will strengthen and improve the weak links in the existing statute, and in so doing will help bring these high levels of health and environmental quality which we appreciate in San Diego to other communities nationwide.

Again, and I can't emphasize it enough, this is a progressive step forward, away from a 1970's-era process which places higher value on process and regulation itself, towards a more responsible and outcome-based approach which focuses on the product that is generated.

This will help us reinforce our common goals of better serving the public health needs of the American people, and providing us with a cleaner and safer overall environment, which is something we ought to be ever mindful of, and never not take for granted.

INTERNATIONAL BOTTLED
WATER ASSOCIATION,
Alexandria, VA, June 25, 1996.

Hon. BRIAN BILBRAY,
Longworth House Office Building, U.S. House of Representatives, Washington, DC.

DEAR REP. BILBRAY: The International Bottled Water Association, which represents over 85 percent of all bottled water sold in the United States, would like to thank you for your help in drafting the bottled water provision of the Safe Drinking Water Act legislation. We are also grateful to the committee staff who developed this improved version of the Senate bottled water provision in cooperation with your legislative director, Dave Schroeder.

Our industry strongly supports the principal objective of this provision, i.e., to require that any EPA regulation setting a maximum contaminant level for tap water and any FDA regulation setting a standard of quality for bottled water for the same contaminant take effect at the same time.

One in six households relies on bottled water as their source of drinking water. There are 430 companies producing bottled water in the United States with annual sales estimated at $3.4 billion, making bottled water one of the fastest growing segments of the beverage industry.

Bottled water is regulated by the FDA, the states and through IBWA's own model code. The bottled water provision will ensure that a FDA standard for a contaminant in bottled water is set in a timely manner and is no less protective of the public health than the EPA regulation for the same contaminant in tap water.

We look forward to seeing the Safe Drinking Water Act legislation signed into law this year. Thank you.

Sincerely,

SYLVIA E. SWANSON,
Executive Vice President.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). 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. DINGELL. 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 392, nays 30, not voting 11, as follows:

[Roll No. 399]

YEAS—392

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Coble
Coburn
Collins (GA)
Collins (IL)
Combest
Condit
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Diaz-Balart
Dicks
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Engel
English
Ensign
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Johnston
Jones
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (VA)
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
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
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
Stockman
Stokes
Studds
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise

Wolf	Yates	Zeliff
Woolsey	Young (AK)	Zimmer

NAYS—30

Abercrombie	Eshoo	McKinney
Beilenson	Evans	Meek
Berman	Hastings (FL)	Miller (CA)
Clyburn	Hilliard	Payne (NJ)
Coleman	Jefferson	Pelosi
Collins (MI)	Johnson, E. B.	Stupak
Dellums	Klink	Velazquez
Deutsch	Lewis (GA)	Waters
Dingell	Markey	Waxman
Dixon	McDermott	Wynn

NOT VOTING—11

Bishop	Dickey	McDade
Brownback	Ford	Schumer
Chenoweth	Kaptur	Young (FL)
Conyers	Lincoln	

□ 1332

Mr. LEWIS of Georgia and Mr. PAYNE of New Jersey changed their vote from ''yea'' to ''nay.''

Messrs. FATTAH, MEEHAN, BECERRA, SANFORD, LUTHER, Ms. RIVERS, Mrs. MINK of Hawaii, and Mrs. MALONEY 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.

PERSONAL EXPLANATION

Mrs. CHENOWETH. Mr. Speaker, today, I was unavoidably detained and missed rollcall vote 399. Had I been here, I would have voted ''yea'' on rollcall 399.

GENERAL LEAVE

Mr. BLILEY. 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 S. 1316.

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

There was no objection.

REPORT OF CHAIRMAN OF COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

(Mrs. JOHNSON of Connecticut asked and was given permission to address the House for 1 minute.)

Mrs. JOHNSON of Connecticut. Mr. Speaker, pursuant to rule X of the Rules of the Committee on Standards of Official Conduct, and by agreement of the committee, I am authorized to report that the committee continues to work on the issues before it. I would like to say for myself that the committee has traditionally not come to the floor of the House for instruction, as that would undermine the bipartisan foundation of our decisionmaking process, which protects every Member of this body from partisanship.

PROVIDING FOR CONSIDERATION OF A CERTAIN MOTION TO SUSPEND THE RULES

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 508 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 508

Resolved, That it shall be in order at any time on the calendar day of Friday, August 2, 1996, for the Speaker to entertain a motion offered by the majority leader or his designee that the House suspend the rules and pass a bill or joint resolution relating to the subject of combating terrorism.

The SPEAKER pro tempore. The gentleman from Florida [Mr. GOSS] is recognized for 1 hour.

PARLIAMENTARY INQUIRIES

Mr. HOYER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HOYER. Mr. Speaker, I would just inquire as to the legislation that is being addressed in the rule. Can the Chair inform us as to the bill which is being addressed by the rule?

The SPEAKER pro tempore. The Chair is not fully aware. Under the pending rule it would be up to the majority leader to decide what bill will be called up, and the measure before the House now is House Resolution 508. The gentleman has been recognized for 1 hour for a debate on the rule.

Mr. MOAKLEY. Mr. Speaker, further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MOAKLEY. Mr. Speaker, is this the same matter that was discussed before the Committee on Rules last night or is this a new bill that was just dropped in 5 minutes ago?

The SPEAKER pro tempore. The gentleman from Florida [Mr. GOSS] may be explaining that during his debate.

Mr. MOAKLEY. Mr. Speaker, could the gentleman from Florida inform me?

Mr. GOSS. Mr. Speaker, the gentleman from Florida will be very happy to, but I would prefer that we do this in an orderly way and get on with the customary beginning of the rule debate.

The SPEAKER pro tempore. The gentleman from Florida [Mr. GOSS] is recognized for 1 hour.

Mr. GOSS. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the distinguished gentleman from California [Mr. MOAKLEY], pending which time I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purposes of debate only.

(Mr. GOSS asked and was given permission to revise and extend his remarks and to include extraneous material in the RECORD.)

Mr. GOSS. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from New York [Mr. SOLOMON], chairman of the Committee on Rules.

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

Mr. SOLOMON. Mr. Speaker, I rise in support of the rule and the bill that will follow.

Mr. Speaker, I thank my colleague from the Rules Committee, the gentleman from Florida [Mr. GOSS], for yielding. He deserves our commendation for all the work he has put into the effort to combat terrorism. His background working in the intelligence community and then serving on the Intelligence Committee makes him particularly well qualified in this area.

Terrorism is an on-going problem. It is not just the recent bomb incident in Atlanta, or the possibility that the crash of the TWA flight leaving New York was caused by a bomb.

We have had American citizens killed in the Oklahoma City bombing, the World Trade Center bombing, and the barracks blast in Saudi Arabia, among other places.

It is a problem which is not going to go away. This Congress, representing the need of the American people for security, is going to have to take additional action.

According to the testimony presented to the Rules Committee in the wee hours of this morning, there was an effort in the last few days to put together a package of antiterrorism measures which included representatives of the FBI, the Justice Department, the White House, the Senate and the House of Representatives—both Democrats and Republicans.

Those negotiations bogged down. And so last night the decision was made to proceed with a package of antiterrorism proposals which the great majority of the Members of this House can support.

This rule provides for the consideration of that package under suspension of the rules, which means that it will require a two-thirds vote to pass.

If this package is criticized, it will probably be because it does not include some particular provision that some of our colleagues desire. But many of those more controversial proposals would cause the discussion to drag on for months.

This package is something that is doable now. It is not going to solve the problem of terrorism for all time. But it is a step in the right direction, and it implements changes most of us agree need to be made.

For example, according to the testimony in the Rules Committee last night, it includes a series of aviation security measures, which include things like increased baggage and passenger screening, and explosive detection improvements.

It includes increased measures against international terrorists, such as reporting on cooperation in fighting international terrorists, and action plans to sanction terrorist states.

At the same time is includes privacy act amendments to strengthen protections and to prevent and punish abuses of individual privacy rights.

Mr. Speaker, there are other proposals for action which have been suggested. But some of them involve possible infringements to individual liberties which generate opposition on both sides of the aisle. Those controversial provisions have purposely been left out of the package to be brought before the House today.

It should also be noted that this Congress has been attacking terrorism on other fronts as well.

Yesterday, in the Defense Department authorization conference report there were provisions allocating to communities the resources to deal with chemical, biological, or nuclear threats. That conference report improves the preparedness of firemen, policemen, and local emergency personnel regarding weapons of mass destruction. Border protection is also increased by authorizing money for equipment to detect and stop the movement of weapons of mass destruction into the United States.

Earlier in this Congress, the Antiterrorism and Effective Death Penalty Act was adopted, and there are provisions in the bill to be considered today which will aid in the full implementation of that act.

So, Mr. Speaker, this Congress is attacking terrorism from a number of different directions.

We should join together to pass this rule and then to pass the bill to combat terrorists who may be planning to attack innocent Americans.

Mr. GOSS. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia [Mr. LINDER].

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

[Mr. LINDER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

Mr. GOSS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Texas [Mr. ARMEY], our majority leader.

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

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

Mr. Speaker, we are about to come to the end of what has been, in fact, a very productive week, and a very busy week, and for many, many of us a very difficult week, with long hours of hard work. While we have been working here, we have had new fears and new concerns and new worries that have come to the American people.

Terrorism is an ugly thing. In a Nation like ours that has prided itself in its ability to, while protecting the liberties of its citizens, also secure their physical safety, shocking events, frightening events, heartbreaking events have taken place in our Nation's land.

We have been engaged in serious and extensive discussions, Members of the House, Members of the other body, and members of the administration searching for some instrument that we could bring to the floor on which we could act that could, on one hand, reassure the American people that, yes, this Congress and this administration and this Government has a resolve; we have a resolve, Mr. and Mrs. America, to protect and secure the safety of you and your children.

We have a resolve in this great land to protect our liberties. We will not take such action in a sense of emergency or panic that infringes against the liberties so precious to these American citizens in order to meet these threats that are so insidious in their nature.

We have worked hard and we have worked late into the night, and, yes, the gentleman from Maryland is correct to say and the gentleman from Massachusetts is correct to say the legislation is late in getting here, and I am sure you have concerns and they are legitimate concerns, and we do not want to disregard those concerns.

So, what I would suggest that we must do here and we must do in order to show the people of this great Nation that this great body shares their anxiety, feels their concern, and will maintain and give surveillance to their resolve for safety and security and liberty, that we proceed with this debate on this rule and that as we do so, the Members of the body that have concern about seeing the final detail, the final print, have that available for them for their study. At the beginning of the consideration of the resolution, if we are not satisfied that we have not had ample time to have full and thoughtful awareness of the details, perhaps we can at that time contemplate a short recess period for people to have that opportunity.

We do not want to rush to judgment. We do not want any Member here to feel that they have been left without an opportunity, but we must, I believe, demonstrate this resolve during this time.

I would ask my colleagues, as you look at this, think in terms of this is a serious business. I do not believe this is a time for political statements. I think this is a time to show America that we are a Nation with a government that understands and cares about the threat and understands and cares about our citizens' liberty.

□ 1345

I think this is a time for a serious discussion, certainly, that we may have differences or questions about some of the details, but we must move forward.

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

Mr. ARMEY. I yield to the gentleman from Maryland.

Mr. HOYER. For clarification, I have, Mr. Leader, and I appreciate the statement that the leader just made, a bill, H.R. 3953, printed August 2, 1996, at 1:51 p.m. Is that the legislation that will be offered under the rule?

The reason I ask that, Mr. Leader, as you know, the rule provides that the leader, yourself, can offer any bill that you so choose.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for his inquiry. That is the bill. I do understand and I have, incidentally, designated on my behalf to take up the bill, when we come to the point, the gentleman from California [Mr. COX]. I do understand that he has taken the bill up and made a few modest changes, and he is here on the floor during this discussion and available to discuss it.

There is nothing here that we seek to keep from anybody's eyes or understanding. We will be here and make all answers to all questions available. And if further time is needed at the conclusion of the debate on this rule, we will accommodate that. This business is too serious for anybody to do anything trifling regarding it. That will not happen.

Mr. HOYER. Mr. Speaker, if the gentleman will continue to yield, again, I want to thank him for his serious treatment of this and his concern that, as far as I know, nobody on this side of the aisle has seen the completed bill at this point in time.

I understand Mr. COX, according to what the gentleman says, has made some modifications of this printed bill. If that is the case, we clearly would like to have, Mr. Leader, as soon as possible, the substance so that we will know what we are considering.

Mr. ARMEY. Mr. Speaker, I appreciate that. I will stay on the floor and be available to be helpful in any way I can.

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

What I propose to do, if it meets with approval of the other side, is to make my opening rule statement, then I yield to the gentleman from Massachusetts [Mr. MOAKLEY], and then I would introduce a series on or side that intend to spell out what this is about for those who have not had a chance or have any uncertainty about what exactly we are talking about here.

Mr. Speaker, we find ourselves in an unusual situation. We have been challenged to reexamine our approach to combating terrorism at home and abroad. Working together in a mostly bipartisan spirit of cooperation, we put together a package for short-term measures to reduce the risk of terror attacks without infringing on the rights of our citizens.

All members are familiar with the basic procedure we are using to bring this bill to the floor today, known as suspension of the rules—in which a bill is considered without amendment, by the full House The suspension process expedites the passage of bills and requires a super majority of two-thirds. since the House Calendar only allows the House to consider bills under suspension on Mondays and Tuesdays, this rule is needed so we can consider the bipartisan antiterrorism package under suspension today.

Mr. Speaker, this effort comes in the wake of three horrible tragedies: The bombing of a military installation in Saudi Arabia, the loss of TWA flight 800 out of New York's JFK Airport, and the recent pipe bomb explosion in Atlanta at the Olympics. While we haven't had time to thoroughly assess these tragedies and the effectiveness of the antiterrorism law Congress passed earlier this year, these attacks tell us that our society remains vulnerable to terrorism. Unfortunately, terrorism is a fact of life. In response to recent

events, a series of proposals were offered to solve the problem—some with merit, and some that could cause more problems than they might solve by cutting deeply—and unnecessarily—into the constitutional freedoms of American citizens. I include in that category certain proposals for expanded wiretapping authority for Federal law enforcement. This is a dangerous proposition—and one that would be ceding victory to terrorists, whose goal is to disrupt our society, create anxiety and constrain our freedoms. That's the way terrorism attacks a free open society. Let me be clear, this bill does not—I repeat, does not—expand wiretapping authority. In fact, it goes the other direction, strengthening penalties for misuse of Government's existing authority. That's good news for all Americans—especially the many southwest Floridians who urged us not to succumb to the pressure to diminish our liberties. For this we owe our thanks to our able policy committee chairman, CHRIS COX.

Mr. Speaker, we have a vital need for solid, widespread foreign human intelligence capability as our first and best line of defense against attacks on Americans at home and abroad and including soldiers, civilians, tourists, businessmen, and students. I have been alarmed by recent initiatives to constrain our capabilities in this area—we are literally shutting our own eyes and closing our ears. Certain Clinton administration policies actually have the effect of tying our hands and preventing us from cultivating and maintaining useful human intelligence sources that could give us the insight we need to prevent terrorist acts. These policies are ill-advised and there is strong language in this bill charging a new blue ribbon commission with revisiting them.

I urge my colleagues to support the rule so we can get on with this debate.

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

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume. I thank my colleague and friend, the gentleman from Florida [Mr. GOSS], for yielding me the customary half hour.

Mr. Speaker, some events took place in this very building last night regarding terrorism, and they are not over yet.

A lot of Members probably do not realize it but at midnight last night, under cover of darkness, there were some terrorist-related activities going on in the House of Representatives.

But it was not what you think, Mr. Speaker, it was down in Speaker GINGRICH's office at which a plan was hatched finally to bring up the antiterrorism bill without allowing any Democratic participation whatsoever.

Now there were a few of us who suspected that this type of activity might be going on at the hour when most Members were sleeping. I asked my good friend the chairman of the Rules Committee three times if the antiterrorism bill was going to come up. Twice he assured me the answer was ''no'' and the last time he said ''maybe.''

Now, I am not blaming my chairman because he was not the motivating force on this bill.

And, Mr. Speaker, at midnight, only a handful of Members were still here. Most people had gone home after the last vote at 10:32 p.m. last night—before anyone had an inkling that the terrorism bill would be unleashed.

And this is not a small, unimportant bill.

Every single Member of this House has a sincere interest in finding a solution to the horrible terrorism that is infecting our country and in putting a stop to it once and for all.

So I would say to my colleagues, Mr. Speaker, that dropping the bill on the Rules Committee in the wee hours of the morning is no way to conduct business as important as this.

Today this bill is going to come up and very few Democratic Members have had the chance to see it.

It is not as if Democrats have not taken the lead on this issue already.

Over a year ago President Clinton started the whole process by coming up with an antiterrorism proposal and beginning discussions with Republicans. When negotiations broke down, House Republicans wrote this bill on their own, under cover of night, and they left out one of the most important parts of President Clinton's bill—the provisions granting wiretapping authority.

Because Mr. Speaker, rather than just punishing terrorists, we need to prevent terrorism. And the one thing law enforcement officers have asked for time and again, is wiretapping authority.

But my Republican colleagues refuse to give it to them.

Instead, Mr. Speaker, my Republican colleagues have decided to make even the issue of terrorism political.

I would at least expect my Republican colleagues to allow us to offer amendments to this bill, but apparently they will not.

Mr. Speaker, as today's Washington Post reports, this important antiterrorism legislation has been slowed down because of conservative Republicans' refusal to allow law enforcement officers the wiretapping capability they ask for and President Clinton and the Democrats are trying to give them.

As far as I am concerned, Mr. Speaker, when it comes to combating terrorism, we should give law enforcement officers any and every reasonable tool they need, including wiretapping authority.

And, Mr. Speaker, the process only gets worse.

My Republican colleagues have decided on this rule; in addition to hiding the bill from Democrats until this morning; in addition to keeping Democrats from making amendments to the bill; that they will take away the last right of the minority, a right the chairman of the Rules Committee claims he always protects, the motion to recommit.

Mr. Speaker, this rule makes the Chinese Government look permissive.

As far as I am concerned, too many Americans are worried about terrorism to rush an issue this important through in the middle of the night without the full participation of Members of the Congress and not allow any changes including wiretapping authority.

I urge my colleagues to oppose this horrible rule, the issue of terrorism should never ever be used as a political football and our law enforcement officers need every prevention tool we can give them.

Mr. Speaker, we just found out that even the meeting we had in the Committee on Rules last night, the things that were talked about are superseded by a bill that was just filed about 1 hour ago in this Chamber, 1 hour ago.

I would like, because of the lateness of the filing, I would like to address some questions to my dear friend, the honorable Congressman COX, about what changes have been made between the bill that was heard in the Committee on Rules last night and the bill we have today.

How does this treat the provisions dealing with digital communication technology?

Mr. COX of California. Mr. Speaker, will the gentleman yield?

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

Mr. COX of California. Mr. Speaker, as the gentleman knows, when we discussed this in the Committee on Rules last night I indicated that that would not be in the bill. It is, in fact, not in the bill.

Mr. MOAKLEY. Is there any specific reason for dropping that technology?

Mr. COX of California. Mr. Speaker, if the gentleman will continue to yield, yes, we are taking care of it through the appropriations process. Congressman ROGERS has informed the Congress that that is already taken care of in his bill. It will be a separate vehicle that we will take up through the normal process. It has already passed the House so we should be in conference with the Senate in 2 weeks.

Mr. MOAKLEY. How did you treat the death penalty provision?

Mr. COX of California. There is no death penalty provision. There are obviously death penalty provisions on the books for terrorism but that is not a subject in this bill. As you know, when we were discussing this before the Committee on Rules, we indicated there would not be anything about the death penalty in the bill.

Mr. MOAKLEY. Was there a death penalty provision in the bill that was before the Committee on Rules last night?

Mr. COX of California. No.

Mr. MOAKLEY. I see that there is a blue ribbon commission established.

What are we going to study on the blue ribbon commission?

Mr. COX of California. The purpose of the commission is to review across the board all aspects of U.S. terrorism policy, but in particular to deal with those things that we cannot deal with in legislation of this type on short notice. As the gentleman correctly points out, and I agree wholeheartedly with him, when we are working in this fashion, under suspension of the rules with the requirement for a two-thirds vote, it is very, very important that we have in this bill only those things that Members can digest on short notice, that we have all studied in advance, that we all agree upon.

Therefore, the critical aspects of fighting the war against global terrorism, international terrorism are directed to this commission and this study which will come back to us so that we can legislate in a more thoughtful fashion. I could not agree more with the Washington Post editorial that you cited.

Mr. MOAKLEY. Can the gentleman tell me why this bill was not the vehicle that was brought before the Committee on Rules last night?

Mr. COX of California. In fact it is. I will explain. If the gentleman would permit me, I will explain the reason that we dropped it later in the day than would otherwise have been our desire.

After I left the Committee on Rules at midnight or whenever it was last night, I proceeded immediately to legislative counsel where we put into draft form in the legislative language precisely what it was that we discussed. In consultation this morning, in normal working hours, with the ranking member on the Committee on Transportation and Infrastructure, we learned that the minority side had changes that they wished to make to the aviation security portion of this which, as you know, is the centerpiece of what we are doing.

In order to accommodate the ranking member, who was very supportive of this legislation, as you know, and in order to accommodate both sides, majority and minority, we made those changes.

I am very, very intent on doing so. I told the ranking member that I do not wish to have included in this bill anything that both the majority and minority do not support. Therefore, I think most of the objections that Members will have upon reading this will be about things that they wish were included that are not in it, not what is in that is not acceptable to them.

I apologize for that and I apologize to the gentleman from Minnesota, but I thought that it was worthwhile to try and accommodate those concerns.

Mr. MOAKLEY. Can the gentleman inform me if there are any other major changes between the resolve of last night and what was dropped in an hour ago?

Mr. COX of California. I think that you have covered them.

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

□ 1400

Mr. GOSS. Mr. Speaker, I yield 5½ minutes to the distinguished gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of this antiterrorism legislation. It contains many important provisions to step up the fight against terrorism including aviation security, criminal penalties for terrorist activities, and measures to combat international state terrorism.

This bill, important as it is, is only the first part of a four-part initiative we are undertaking today in the fight against terrorism. This is a comprehensive initiative to provide necessary laws, funding, and action to do what is necessary to mobilize as a country against the lawless criminals—foreign and domestic—who seek to wreak havoc on the innocent men, women, and children of this country.

Here is what the four-part initiative consists of. First, passage of this all-important piece of legislation, put together in less than a week to mount a frontal assault to the tragic events of the last few weeks of TWA Flight 800 and Atlanta's Centennial Park. Second, demanding today that this administration put aside its inaction and immediately spend the money Congress has already provided to exponentially increase its efforts to fight terrorism. Third, we provide the funding in the 1997 appropriations bill which the House passed last week to further expand funding for the FBI and for the Justice Department to increase their resources. Fourth, as chairman of the House Subcommittee on Commerce, Justice, State, and Judiciary of the Committee on Appropriations, I am announcing this minute that I am approving reprogrammings in the Department of Justice directing the administration to use $54 million in surplus funds to add to existing antiterrorism efforts.

This Congress has been extraordinarily responsive in providing tools to this administration for the war against terrorists—tools the administration has failed to utilize.

In response to Oklahoma City and the World Trade Center bombings, the Congress provided $359 million to the Department of Justice in fiscal 1995 and 1996 for counterterrorism, $239 million for the FBI alone. As of July 27, 5 days ago, the FBI had spent 24 percent of that, $58 million out of $239 million.

As a result, the FBI Counter-terrorism Center, designed to anticipate and prevent terrorist incidents that the President so proudly requested and we approved on July 17, 1995, does not exist. It is not functional. The money is laying there.

Critical upgrades to the FBI Command Center for terrorism, meant to coordinate responses during multiple events—which would have been useful for Atlanta and TWA Flight 800—have not been made.

About 400 technicians, engineers, and analysts, desperately needed to support agents and tactical operations and surveillance activities for counterterrorism, have not been hired. The money is there, has been for 2 years.

That is the posture that we have come to expect of this administration: All talk, no action. Calling on the Congress in 1995 to provide resources against terrorism—which we did—and then sitting on the money, not following through, and claiming every bureaucratic reason in the book to explain why the moneys have not been spent.

I hope to God that no terrorism event that has occurred or will occur could have been prevented had this money that we gave been effectively used. We have asked the administration to come up and explain to us why these moneys have not been put to use, and we put the administration on notice that the failure to use existing resources is inexcusable.

And so today, as a third part of our initiative, we are going to go one step further. Today, as chairman of our subcommittee, by letter I am directing the FBI to move forward on 54 million dollars' worth of counterterrorism initiatives. To combat international terrorism, $3.5 million to open four new FBI overseas offices; $4 million to combat Middle Eastern terrorism; to provide the capability to intercept digital communications; $6 million to establish the FBI telecommunications industry liaison unit; and $0 million as the initial funding of the new digital telecommunications fund which we approved as a part of our bill last week.

These steps are in addition to the funding we have already voted out of this House for antiterrorism funding in fiscal 1997.

PARLIAMENTARY INQUIRY

Mr. VOLKMER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. RADANOVICH). The gentleman will state his parliamentary inquiry.

Mr. VOLKMER. Mr. Speaker, I thought we were discussing the rule on the bill on antiterrorism.

Mr. ROGERS. We are.

Mr. VOLKMER. The gentleman is discussing appropriations, an appropriation process, and what has been appropriated and not been appropriated has nothing to do with this rule, has nothing whatsoever to do with this rule.

Mr. GOSS. Mr. Speaker, this is a little discussion——

The SPEAKER pro tempore. The Chair will rule that debate on the rule may go to the issue of the need to consider a bill to combat terrorism.

Mr. VOLKMER. Has nothing to do with the bill.

Mr. ROGERS. These steps are in addition to the funding we already voted

out of the House for antiterrorism in fiscal 1997. We voted for an additional $210 million as a part of our bill just last week including $171 million more for the FBI alone. This House has been consistent and single minded. We have been consistent and single minded since Oklahoma City, since the World Trade Center, and since the most recent tragic events in taking steps necessary to move the war against terrorism forward.

Today this bill, a part of a four-part initiative, is moving forward to ensure that the resources and authorities to fight terrorism are in place. We expect that they will be used by the administration effectively for the first time in a long time.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. MANTON].

Mr. MANTON. Mr. Speaker, I rise in strong opposition to this rule.

Mr. Speaker, terrorists are killing our citizens and holding America hostage. We are at war with terrorism, and we must respond accordingly. We must take bold, courageous, and extraordinary measures to shut these terrorists down.

Well, Mr. Speaker, you have gotten tough—tough on the rules of the House that is. Except for the chosen few of the majority leadership, this rule will prevent every Democratic member and virtually every Republican member from having any input into this legislation whatsoever. That is indeed extraordinary.

But this rule is where your courage ends. Because in the wake of opposition from a powerful special interest group, you meekly crumble and surrender.

We have known for 20 years that taggants are a safe and effective means of tracing explosives. For the last 11 years, they have been in use in Switzerland where police have tracked down the source of more than 500 bombings or individuals illegally in the possession of explosives. U.S. law enforcement officials desperately want taggants to be used in black powder.

Yet the NRA opposes taggants. According to the Wall Street Journal, the gun lobby views taggants as an invasion of privacy. Ask the victims of terrorism or the families who have lost loved ones in terrorist attacks how their privacy has been violated.

The NRA also says taggants are unsafe. Yet a physicist who worked on an Air Force funded taggants research project called that claim pure bunk.

At least our bold leadership has agreed to include a study if it is still in the bill, and I hope it is to include a study of taggants in this legislation. I just hope we do not have to suffer another 20 years and an untold number of deaths before we can put this technology to use.

Mr. COX of California. Mr. Speaker, if the gentleman would yield, I just inform the gentleman that taggants are in the bill.

Mr. MANTON. Mr. Speaker, I understand that a study of taggants is in the bill, but I would suggest that we defeat this rule so I may offer as an amendment legislation that I introduced shortly after the World Trade bombing in my city to require the immediate use of taggants in explosive materials.

Mr. GOSS. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. SHUSTER].

Mr. SHUSTER. Mr. Speaker, I rise in strong support of this rule, and let me outline from an aviation security point of view what we can accomplish here with the legislation if indeed we pass this rule.

First, we direct the FAA to deploy the best available bomb detection equipment while the agency attempts to develop a system that can fully certify it. Second, it subjects the security screeners at the airports to the same background checks as other airport employees. Third, it requires the FAA to establish performance standards for security personnel at airports. Next, it directs the Government to work with the airlines to develop a better package of profiling programs to spot potential terrorists. Also, it allows the airports to tap into the airport improvement program and the passage of facility charge funds to pay for better security programs, activities, personnel facilities, and equipment.

I might say as an aside it is one more reason why we need to take the transportation trust funds off budget so that money can be made available for these very important aviation security programs.

Mr. COLEMAN. Will the gentleman yield?

Mr. SHUSTER. When I am completed, I will be happy to.

It directs the FAA to review security arrangements governing air cargo and mailing to decide whether more needs to be done. It directs the FAA to work with the FBI to periodically assist the vulnerability of high-risk airports. It requires bomb-sniffing dogs to be used to supplement security at the 50 largest airports and allows grants from the aviation trust fund to pay for their training. It directs the FAA to upgrade security requirements for small aircraft. It establishes a commission to look at additional ways to improve aviation security.

I would note that in addition to this bill, I have introduced legislation this week that would address the needs of the families who lost loved ones in airline disasters, legislation which has strong bipartisan support from my colleagues on the other side of the aisle.

So these are the various matters that are accomplished in this legislation.

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

Mr. SHUSTER. I yield to the gentleman from Minnesota, the distinguished ranking member of our committee.

Mr. OBERSTAR. Mr. Speaker, I just want to make a clarification for the record about the process that was followed.

While certainly our side was not in on the takeoff, we certainly have been in on the flight and on the landing on the development of the aviation security portion of this legislation. We have had splendid cooperation from the Republican side; our chairman, the gentleman from Pennsylvania [Mr. SHUSTER], in fact sort of delegated me to participate in all of these discussions.

The gentleman from California [Mr. COX] has been marvelously cooperative where I raise questions from my background in work that I have done in aviation security over many years. They were most accommodating, responsive. Senator HUTCHISON from the other body has been very cooperative. we have crafted a good piece of legislation here on a bipartisan basis, and I just want to make that clear for the record.

Mr. SHUSTER. I thank the gentleman, and I would reemphasize that we have leaned very heavily on the expertise of the distinguished gentleman from Minnesota [Mr. OBERSTAR], the ranking member of our full committee.

I would emphasize that this is not the first time that Congress has addressed airport and airline security. In 12985 we passed the International Security and Development Cooperation Act requiring that the public be notified when airports do not meet security standards. In 1989, in response to the PanAm bombing, a presidential commission was established on aviation security. Mr. OBERSTAR, Mr. Hammerschmidt, Senators LAUTENBERG and D'AMATO were members of that commission.

In addition, in 1990, in response to the recommendation of the Presidential commission, Congress passed the Aviation Security Improvement Act.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. WATT].

Mr. WATT of North Carolina. Mr. Speaker, I rise in opposition to the rule, and as a member of the Committee on the Judiciary, this whole process is offensive. The first bill that we saw, which was marked in the bottom left corner as having come out of the computer at 4:04 this morning, we received at about 10 o'clock this morning. This bill which is under consideration now is marked in the lower left corner 12:51 p.m. today. That is less than an hour and a half ago.

Now, one of the earlier speakers has got up and said to us and to the American people that this bill represents a frontal attack on terrorism. My friends, this bill is not a frontal attack on terrorism. This bill is a charade. We are already engaged in a crisis of confidence of the American people in our ability to deal with terrorism, and this process further undermines the confidence of the public in our ability and willingness to deal with terrorism.

□ 1415

It allows no amendments; it allows no input, and it is a charade. The

American people ought to ask themselves, and use as a standard for evaluating this bill, is there anything in this bill that would have dealt with, had the bill been in place, would have dealt with the Flight 800 in New York, or the bombing that occurred in Atlanta?

There is not a thing here in this bill that would have addressed either one of those. In fact, the thing that would have dealt with the bombing in Atlanta at the Olympics, the tagging of explosives, has been completely removed, except to study the issue, as if we have never studied the issue before.

Mr. Speaker, this is an abomination. It is a charade. We ought to reject this rule and we ought to strongly consider voting against the bill.

Mr. MOAKLEY. Mr. Speaker, I yield 30 seconds to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN. Mr. Speaker, that is plenty of time. I am not worried about 30 seconds. Answer the question: How much does this bill cost? On the Subcommittee on Transportation on the Committee on Appropriations, we have to answer that question.

I did not think you knew. I knew that 30 seconds was probably too much time. I thank the gentleman for yielding. There is nobody that has any idea what this costs. It is a fake and it is a fraud to tell the American people you have an antiterrorism bill. All this stuff is all a sham.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Speaker, I rise in strong opposition to the bill, and on behalf of a constituent whose daughter was lost in TWA flight 800, because this bill is an outrage and a disgrace to that family, and an outrage and a disgrace to this body.

This bill should include both taggants and enhanced wiretapping provisions. Instead, it has neither. Law enforcement has repeatedly asked for these critical tools to combat terrorism. Yet this Congress has repeatedly denied them.

When, Mr. Speaker, when are we going to say enough is enough? How many bombs have to go off? How many daughters do we have to lose? How many Americans have to die before the GOP leadership will give us a tough antiterrorism bill?

Once again we had an opportunity today to protect Americans from terrorism, and once again the Republican leadership took its marching orders from the National Rifle Association and gutted the bill. The NRA opposes taggants because it says they will be placed in the types of gunpowder that hunters and marksmen use. Taggants will also be placed in the gunpowder that terrorists use in bombs like the ones that killed and injured more than 100 in Atlanta last weekend.

The taggants in these bombs will lead us to the terrorists who planted them. Today, this Congress has hoisted the white flag of surrender in the fight against terrorism. It is a repeat of the last time we considered terrorism legislation, when the Republican leadership talked tough and acted weak. Those responsible for weakening this bill yet again should be ashamed of themselves, because they have put Americans at risk.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. DICKS].

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

Mr. DICKS. Mr. Speaker, I rarely take the floor on issues of this kind, but I wanted to just say something today about the concerns that the Speaker has made today about this administration and its dealing with the question of terrorism.

First of all, I have served on the Permanent Select Committee on Intelligence for years, been on the defense subcommittee for many years. There has always been a bipartisan effort to support the Directorate of Operations.

I am very disappointed that the Speaker today refused to meet with John Deutch, after having summoned him to the Capitol. He was able to meet with the gentleman from Missouri, Mr. GEPHARDT, and with Mr.. DASCHLE, and he gave us a very wide-ranging description of what we are doing around the world on the issue of antiterrorism.

Then the Speaker puts out a statement, a statement which I think is utterly false:

> We are going to ask this administration to report to us when we get back in September on how they are going to work with us to rebuild the human intelligence capabilities of the Central Intelligence Agency, which they have undermined and they have crippled, for we lack precisely the people we need to penetrate terrorist organizations and understand what is going on, and we going to insist on rebuilding this country's intelligence capabilities around the world, despite the Clinton administration.

The last thing we need, Mr. Speaker, is to politicize this issue. The best politics on national security matters and matters of importance like this is no politics. I am very disappointed that there is an effort here on the last day of this session, before our recess, to try and politicize this terrorism bill. We need to work together on a bipartisan basis to make certain we have a strong Directorate of Operations.

For the Speaker to say this, when it is utterly false, in my judgment, is an undercut. It undercuts the entire Central Intelligence Agency, undercuts the FBI, and is the wrong way to proceed.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes and 15 seconds to the gentleman from New York [Mr. NADLER].

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

Mr. NADLER. Mr. Speaker, this bill deals with aspects of the fight against terrorism that many of us have been working on for a long time. Unfortunately, in a rush to do something, anything, in the heat of the moment, in their unbending partisanship and their slavish devotion to extremist special interest groups like the NRA, the Republican leadership has brought us a bill that will not do the job.

Should we vote for it? It makes a start. Should we have had the opportunity to make it tougher and more comprehensive? Absolutely. But the Republican leadership has sacrificed thoroughness to partisanship.

I have introduced two bills that would help our law enforcement authorities deal effectively with the terrorist threat. If we were having an open debate, I would have offered these two bills as amendments. Unfortunately, the majority will not let that happen. The bill before us gives us yet another study of bomb detection equipment and explosion-containing cargo containers, and asks the FAA to make recommendations.

Have we not had enough studies? Have we not wasted enough time studying the problem? We know what the technology is. It is commercially available. It is in use in Europe. Let us quit fiddling while innocent Americans get blown out of the sky. My bill would require the immediate installation, would require the immediate installation, of state-of-the-art bomb detection equipment at all airports, and the immediate use of explosion-containing cargo containers, and it provides the funding to take these steps now.

Mr. Speaker, another aspect of the terrorist threat not addressed by this bill at all is the danger posed by armed militias. Groups like the Freemen and the group of people who apparently blew up the Federal Building in Oklahoma City have been arming and training to attack law enforcement officials and private citizens. Many of these groups are neo-Nazi and Klan-affiliated, yet the Republican leadership does not want to talk about the problem, much less do anything about it.

Mr. Speaker, my legislation would give law enforcement the ability to go after these groups before a tragedy occurs. The bill would violate no one's civil rights. It simply says you do not have the right to form your own private army and make war on the United States and its citizens.

It is unfortunate that the rule is so restrictive that we cannot consider these measures that would save more lives. We should be working together to fight terrorism. This bill begins the job. For that, I will support it. But we have a duty to finish the job. We must come back in September and do it right, and we should do it without this ridiculous partisanship that says that half the House has no right to make its own suggestions.

Mr. GOSS. Mr. Speaker, I yield 3 minutes to my colleague and friend, the distinguished gentleman from Florida [Mr. MCCOLLUM], chairman of the Subcommittee on Crime.

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

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

Mr. Speaker, I rise to support this rule. I think the underlying bill it produces is an excellent product. I think all of us have to realize that we share the same common concern with the American people about the rising threat of terrorism to Americans and American interests, both here and abroad.

In April, we passed a very fine antiterrorism bill. It did not contain everything this Member supported and wanted. Some of those provisions were taken out because they were in dispute. There was a lot of controversy about them.

The President has come back on the eve of the TWA tragedy and the tragedy of our Saudi Arabian bombing and what happened in Atlanta last week and asked us to put all of those provisions in the law. We have put into the bill that has come today after a task force meeting I served on for several days, almost every one of those, with the exception of wiretap authority, is in this bill today.

It is a good bill. It is not controversial in the sense that everybody supports everything in here. We had RICO-predicate crimes for terrorism that will make penalties tougher. We have provisions in here which are going to mean that the President is really going to have to name the terrorist organizations they failed to name so far so we can exclude people who are members of those foreign organizations who might come in here, so they will not be able to raise money in the United States. We give them a drop-dead date of October 1, because they have not done that yet, and many other things.

There are questions about the taggant issue, but the responsible thing to do is to march through this with a study. What we did in the April bill is say we know the plastic explosive taggants are safe. In those, we are going to go ahead and order them to be done. But we are going to study other explosives, like nitrogylycerines and so forth, and once the study is completed in a year, then the taggants can be put in if it says it is OK.

But the black powder question was more of a question, because back in 1980 the last Government study that was done said taggants in black powder can be a big problem. There have been some private studies since then, but there have been no public ones. We said, all right, in this bill we are willing to have a study done by the Government, by the National Institute of Justice, but come back to Congress after that, because we think that is really sensitive. If, indeed, we should put taggants in, in the timetable as the others, we will do it.

On the question with respect to the issue of the wiretaps, I support them. I do not think they are well understood, what we are trying to do. The Committee on the Judiciary is going to hold hearings in September on this. We may well be able to bring out a wiretap provision at that time.

The simple fact of the matter, so everybody understands it, is today the FBI can wiretap for organized crime or terrorism or whatever if they name a specific phone to a judge and say, I want to go tap in that building, in that house, with that phone. But if somebody goes and uses a cellular phone or moves around a wee bit, they have to show that person is intentionally trying to avoid the wiretap in order to get the court order to follow the person.

That is not right. What we need to do is change that and simply make it so that if the person is effectively evading the wiretap, whether we prove intent or not, we can get the court order to go follow the bad guy wherever he is going.

A lot of people have made a lot more out of it than that. I think it is misunderstood. We do need to have time for the Members to better educate themselves about this particular issue. That is what we are going to do in this September hearing. Let us vote for this bill and let us vote for this rule. It is a good product and it is a very good furtherance of what we did in April.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Speaker, I certainly appreciate the gentleman from Massachusetts yielding me the 3 minutes.

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

Mr. VOLKMER. Mr. Speaker, I would like to tell the Members that I have had an opportunity since we first started on this to look at this 33-page bill. As I look through this bill, I find page 1 through 13 has to do with airport and aviation safety. Those are basically good provisions. They are for the future. There is nothing going to happen today, nothing going to happen tomorrow, nothing going to happen next week. That is for the future.

On pages 13 to 16, we have the RICO provisions, predicated to bring these other things under RICO. Big deal.

On pages 17 and 18, there is the big diplomatic efforts that were alluded to by the Speaker, and I think basically make this bill a partisan bill, because they are trying to say that this administration has done nothing as far as terrorism is concerned. And if Members would listen to these people over here, especially the gentleman from Kentucky who spoke in the well earlier, he would lead us to believe that the President of the United States is responsible for what happened in New York and what happened in Atlanta. That is crazy.

□ 1430

Nothing could be further from the truth. The President of the United States is not responsible. This administration is not responsible. Why do you try to say so right in this bill?

Yes. When you add what your Speaker has said today to what is in this bill, there is no question about it. Pure politics.

Now, further on, Diplomatic Efforts on 17 and 18, and then on pages 21 through 33, you have the Commission on Terrorism. That is all for the future.

How much in this bill out of 33 pages is actually on terrorism? About 3 pages out of 33. They do not do much. There is very little in here. There is a study on black powder. I have questions in regard to that, I tell the gentleman from California. I do not like it. I do not believe in taggants in black powder. I think this study brings us to where you do have taggants in black powder. That is where it leads us, right down that road. That is another reason to vote against this thing.

Why does the Republican majority try to make this effort a political effort and blame it all on the President and this administration? Politics. We have got a Presidential election coming, folks. Their candidate is so far down in the polls you cannot even find him. Now they are trying to blame this administration, with everything else they have tried to blame on this administration, for the acts of terrorism. It is a lot of hogwash.

Why do you not have a good terrorism bill? Let us go after the terrorists. You do not go after one terrorist in this bill. Not one. This bill will not stop one terrorist. While you are home all during August and having your fun, there will not be one act of terrorism stopped by this bill.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Pennsylvania [Mr. WELDON].

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

Mr. WELDON of Pennsylvania. Mr. Speaker, this debate is not about whether this institution is concerned with terrorism, because we have a track record in that area. Our problem has been with the administration. In this year's defense bill there was a requirement that the administration give us a report on enhancing domestic terrorism, response due by July 1. We still have not received that document. The bill that we passed 2 days ago requires it by the end of this year.

But what did we do? We took the request the President had for antiterrorism and we increased it by how much? By $220 million. We voted on this. We passed it 2 days ago.

What did it include for my colleagues, who perhaps cannot read or who did not read? It includes $65 million for domestic emergency response programs and training; $30 million improved border security; $10 million counter-proliferation; $4 million counterterrorism explosives research;

$16 million to replace, sustain and maintain chemical and biologic detection equipment.

None of that was requested by the President. All of that was added in by this Congress in a bipartisan manner because we held hearings last year, not after the TWA crash, not after the Saudi Arabia bombing, but all through the last 2 years, because we care about terrorism, not because it is on the front page but because of the importance to protect our citizens.

We have been working in a bipartisan manner. The problem is the administration does not follow through. We allocate the dollars, and we all voted for it. Further, beyond that, our bill that we passed 2 days ago provides for a computerized inventory of all the resources to be made available to local emergency responders. It provides for a computerized data program to analyze chemical agents so that our local people can deal with these incidents immediately.

All of these things are now passed. They are awaiting the President's signature. None of them were requested by this President. All of them were added by this Congress, under the leadership of this half of the body that has been concerned about terrorism, not in words and not in sound bites but in substance. Vote for the bill.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Speaker, in answer to the previous speaker, I do not think anybody cannot say that this is not a political bill. This is frankly a cynical attempt at the last day before we break for the summer recess to be able to go home and tell the American people, we did something about terrorism. That is what this is all about. That is why the Republican majority is doing this.

I just had this bill handed to me. It is 30 pages long. I got it a half an hour ago. I am trying to read it and look at it. As best I can figure out, there are two studies in this bill. The bill tells law enforcement and other officials to do what they are already capable of doing without this legislation.

To me this is Congress at its worst. The American people are not stupid. This is not antiterrorism legislation. This is a Republican majority phony legislation. This is just simply saying we did something, when in reality we have done nothing. The American people are not stupid. If we really want to craft a bill, a good bipartisan bill that does something on terrorism, we need to have the input of both Democrats and Republicans. Mr. Speaker, terrorist acts are not acts against Republicans or acts against Democrats. They are acts against Americans. As Americans, all of us, Democrats, Republicans, independents, we ought to be working together to craft bipartisan legislation.

There were negotiations with the White House. If the negotiations did not work, we ought to come back and do it again. But not to kind of sneak this through in the wee hours of the morning. We all went home last night. We did not know that this was happening. This morning the radio said that antiterrorism legislation was dead. Lo and behold we have new legislation and not even the bill that we saw this morning, half an hour ago, and we are supposed to vote intelligently on this?

This is really not bipartisanship. This is Congress at its worst. Some of us have amendments that we would like to offer that we think would really give real teeth to antiterrorism legislation. We are precluded from offering it under this rule. This rule ought to be defeated.

Mr. GOSS. Mr. Speaker, I yield 3½ minutes to the distinguished gentleman from California [Mr. COX] who has been the chairman of the task force who has presented us with this legislation.

Mr. COX of California. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, let me address first the bulk of the comments that we have heard from the minority side this morning, not all of them, because many of the minority Members, including the ranking member on Transportation, as we heard, were involved in this process, drafted it, and like the bill. But for those people who are getting the bill to read just now, they are in the same position as are the Members on the majority side. The bill is only ready today in legislative form for them to review and determine whether you can support it or not.

But that is not because this is not an effort at bipartisanship. That is not because this is not an effort to cooperate between Republicans and Democrats, in fact, between the House and the Senate, and, in fact, between the Congress and the administration. To the contrary.

This week, not a month ago, not 6 months ago, not last year, but this week, just a few days ago, the President of the United States asked the Congress, not just the House, but the Senate, not just Republicans, but Democrats, to act before we left this weekend.

I notice the gentleman from Michigan [Mr. CONYERS] here. He and I sat together for several days, several hours, odd hours, working with Representatives of the administration, including the White House chief of staff, Leon Panetta, working with representatives of the FBI, the State Department, the CIA, all with one common objective, doing what can be done before we go home, with the strong sense that we will keep it up even over the recess and when we are gone.

What the White House, what the President asked us to do is the following, and this was the President's own request: He said,

Give me a bill before you go home. Do it in a process that permits it to come up by unanimous consent in the Senate. Do it in a process that permits us to bring the same bill up in the House, so that you can send me a bill.

That means, since we are adjourning today, that there cannot be an amendment.

This is not a process that I like and I would not have designed it. Neither do the Republican Members wish to have so little time to read a bill that the Democrats are complaining they would like to have more time to read. But that is how it worked.

As to what is in the bill, everything that is in this bill has been agreed to by the White House, by your leadership, in the Senate on the Democratic and Republican sides, and by your leadership in the House of Representatives on the Democratic and the Republicans sides. That includes the provision with respect to the full implementation of the 1996 terrorism act, which we have not yet implemented, to be sure. That language, too, was signed off on by the administration.

The truth is that the administration wanted wiretapping language in this bill and, as the Washington Post points out in its editorial today, we have not included it because caution and deliberation are necessary on that topic. But we have included everything else that they wanted.

Mr. Speaker, it has been said that this does not address Flight 800, but, frankly, if Flight 800 was not mechanical failure but was a bomb, then all of the provisions in here on airport security, all of the provisions giving the FBI authority to do background checks, to supervise airplane security, to look at the baggage that goes into the hold, all of these things and more that we hard the chairman of the Committee on Transportation and Infrastructure support and the ranking member of the Committee on Transportation and Infrastructure support—and they feel the same way in the Senate—all of these things are directed precisely to that problem.

It is true that we can do more, but what we can do now, we must do. Then we should come back. We shall do more, because the war on terrorism is one of the grisly realities of the 21st century. We have to be at it perpetually, and we shall do so.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. CONYERS], the ranking member of the Committee on the Judiciary.

Mr. CONYERS. Mr. Speaker, it is great to see the gentleman from California [Mr. COX] again, because the last time I saw him, we adjourned the conference for him to go speak to the Speaker about how we could close this down, and then I find out that at 1:30 last night, he introduced the bill, and then the gentleman from Pennsylvania [Mr. SHUSTER] introduced a newer bill that is on the floor this morning. I want to just welcome him back to the process. I am glad we are all together here.

But we have only got a little part of what we agreed on at the conference. That is the problem. It is not that these are bad items. They are small items. They are peanuts. What we were trying to do is deal with the major question of what most pipe bombs are made of by terrorists in their domestic weapon of choice, how we can trace them through taggants. That is of course not what is happening here. Therein lies the problem.

When the Speaker of the House who, by the way, he and the majority leader were in great agreement at the beginning of the week, and the White House, we almost got an agreement right there, and we said, ''Well, let's run it through our legislative committees.''

Then we got into these 4 days and nights of conferences in which the gentleman was a key player. As a matter of fact, if he will recall, everybody agreed but him. So now he comes with this little shriveled-up document saying, ''Let's do this,'' the last thing before we go out for a month. I cannot accept it at this point and for those reasons.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. I thank the gentleman for yielding me this time.

Mr. Speaker, it is incredible, really, to listen to Members come here and talk about this very sensitive subject on which we need bipartisanship, and to have them talk about bipartisanship and inclusion, when what they have done through this rule is to move in the dead of night, after everyone was gone, to pass their version or no version and then to say to the American people, ''We have a monopoly on truth.''

No one else can even offer an amendment. If any American in this body or outside of this body has an idea about how we might deal with terrorism today, they are not open to it, because they have their way or no way. It was that kind of extremism that caused this to be a failed Congress, that led to last year's costly $1.5 billion government shutdowns, waste caused by the zealotry of this Republican leadership.

So we find ourselves today coming to the end of what has been the first successful week that this Congress has had in its existence. We do something for working Americans on their health insurance.

□ 1445

We give those at the bottom a raise. Through welfare reform we encourage those who are not working to work. Progress made possible because the zealots finally yielded, realizing they could not go home emptyhanded. They needed something to show for the year and a half that they have wasted in this Congress pursuing an extremist agenda.

Mr. Speaker, it is too bad that that spirit of bipartisanship did not reach this issue of antiterrorism, as it should have.

The SPEAKER pro tempore (Mr. RADANOVICH). The gentleman's time has expired.

Mr. GOSS. Mr. Speaker, I yield 1 minute and 15 seconds to the gentleman from Indiana [Mr. BURTON], distinguished chairman of the Subcommittee on Western Hemisphere.

Mr. BURTON of Indiana. Mr. Speaker, let me just tell my colleagues of one good provision in the bill that I think everybody will agree with, and that is that there will be something at the airports that will deter terrorists that is not currently there.

The machines that we are spending $1 to $2 million on to deal with detecting explosives that get on planes simply have not worked. They are not in force. They are not in place. And we have been waiting 7 years for them.

We use dogs at this Capitol, we use them at the Olympics, and they use them at many other areas, but they do not use them at airports. This bill provides a mechanism to get bomb inspecting dogs, bomb-sniffing dogs at every major airport in the country. It will have a deterrent effect on terrorists. They will be able to sniff out bomb devices in luggage and it will protect the public.

Mr. Speaker, this is a step in the right direction. It is not the answer to every problem, but it is a step in the right direction. Until we get a device that is perfect, that will detect bombs getting on planes, the public in this country deserves to have these dogs at every single major airport.

Mr. MOAKLEY. Mr. Speaker, I yield the balance of my time to the gentleman from New York, the honorable Mr. SCHUMER.

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

Mr. SCHUMER. Mr. Speaker, if we want to know why people are sick and fed up with Congress, look at this debate. On Sunday the President asked and all the law enforcement people asked for two things, the top two things they needed to fight terrorism. One, taggants. Identifiers in explosives, particularly black power and smokeless; and two, multipoint wiretaps. Neither are in this bill.

Neither are in this bill because the NRA did not want it. Neither are in this bill because forces on the extreme dictated what the Republican Party was going to put forward.

This bill is a sham. It does a few good things, but it does not give law enforcement what they want, plain and simple. We all know that.

All the other provisions are an elaborate smokescreen to hide what everyone in this Chamber knows: that the majority party is not doing what the FBI, the ATF and all the other law enforcement experts have asked for. Mr. Kallstrom, long before this conference, the FBI man in the lead at TWA, said please give us multipoint wiretaps. The majority says no.

Mr. Freeh, the head of the FBI, says please give us taggants so we can trace the kind of pipe bomb that blew up at the Olympics. The majority says no.

And last night, when we had agreement from the President, the Republican leaders of the Senate, the Democratic leaders of the Senate and the Democratic side of the House, only the Republican majority in the House refused to go along.

Members, this bill is what should make us ashamed of our inability to pull together and fight terrorism.

Mr. GOSS. Mr. Speaker, I yield myself the balance of my time, and I yield to the gentleman from California [Mr. COX].

Mr. COX of California. Mr. Speaker, I thank the gentleman from Florida for yielding.

What we just heard the gentleman from New York tell us is essentially true; that if we had included in this bill everything that is before us and one other thing, and that is multipoint and warrantless wiretaps, then there would have been agreement. And the truth is that because wiretaps are not in this bill, the gentleman is disappointed.

I have to say that this gentleman is disappointed because there is not a good faith exception to the exclusionary rule in this bill, something that would have helped us in the Oklahoma City prosecution. We passed it through this House five times. It ought to be acceptable to our body, but it was objected to by the Senate.

Now, imagine our predicament if we had brought this bill with everything in it; the only difference was it also had warrantless wiretaps and multipoint wiretaps. That is a very serious issue I think Members deserve more time to consider. And for that reason, above all, it is not put in a bill that is coming to us under a suspension of the rules that we have not had an opportunity to read.

I hope we revisit this issue, and I think we must do so. As I have said, we cannot rest against the war on terrorism. It is one of the grizzly realities of the 21st century. We have to be back at this. But just because we cannot do a subject so complicated as that before we leave this August does not mean that we cannot do all of the rest of this bill, which the gentleman from New York has agreed to, which the Democratic leadership and the Republican leadership have all agreed to, which the Senate has agreed to and which they can pass and send to the President because the administration has agreed to it, and it can be signed into law.

Mr. GOSS. Mr. Speaker, reclaiming my time, I am going to take the final 30 seconds to say it is not just a question of moving barricades on Pennsylvania Avenue. That is not all there is to terrorism. We need to fight the shadows of terrorism overseas, and we need to do it with good human intelligence.

Regrettably we have been cutting back on our resources and assets overseas, and we have been putting out policies of restraint on our abilities to

operate overseas under the Clinton administration. I think the Speaker has brought attention to that, properly. I cannot imagine what would happen if we had not brought up a bill today on this. It would have been unthinkable.

Mr. Speaker, I urge support for the bill, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

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. FORBES. 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 228, nays 189, not voting 16, as follows:

[Roll No. 400]

YEAS—228

Allard	Dunn	Kasich
Archer	Ehlers	Kelly
Armey	Ehrlich	Kim
Bachus	English	Klug
Baker (CA)	Ensign	Knollenberg
Baker (LA)	Everett	Kolbe
Ballenger	Ewing	Largent
Barr	Farr	Latham
Barrett (NE)	Fields (TX)	LaTourette
Barton	Flanagan	Laughlin
Bass	Foley	Leach
Bateman	Fowler	Lewis (CA)
Bereuter	Fox	Lewis (KY)
Bilbray	Franks (CT)	Lightfoot
Bilirakis	Frelinghuysen	Linder
Bliley	Frost	Livingston
Blute	Funderburk	LoBiondo
Boehlert	Gallegly	Longley
Boehner	Ganske	Lucas
Bonilla	Gekas	Manzullo
Bono	Geren	McCollum
Brewster	Gibbons	McCrery
Bryant (TN)	Gilchrest	McHugh
Bunn	Gillmor	McInnis
Burr	Gilman	McIntosh
Burton	Goodlatte	McKeon
Buyer	Goodling	Metcalf
Callahan	Goss	Meyers
Calvert	Graham	Mica
Camp	Greene (UT)	Miller (FL)
Campbell	Greenwood	Montgomery
Canady	Gunderson	Moorhead
Castle	Gutknecht	Myers
Chabot	Hall (TX)	Myrick
Chambliss	Hamilton	Nethercutt
Chenoweth	Hancock	Neumann
Christensen	Hansen	Ney
Chrysler	Harman	Norwood
Clinger	Hastert	Nussle
Coble	Hastings (WA)	Orton
Coburn	Hayes	Oxley
Collins (GA)	Hayworth	Packard
Combest	Hefley	Parker
Cooley	Heineman	Paxon
Cox	Herger	Peterson (MN)
Crane	Hilleary	Petri
Crapo	Hobson	Pombo
Cremeans	Hoekstra	Porter
Cubin	Hoke	Portman
Cunningham	Horn	Poshard
Danner	Hostettler	Pryce
Davis	Houghton	Quinn
Deal	Hunter	Radanovich
DeLay	Hutchinson	Ramstad
Diaz-Balart	Hyde	Regula
Dixon	Inglis	Riggs
Doolittle	Istook	Roberts
Dornan	Johnson (CT)	Rogers
Dreier	Johnson, Sam	Rohrabacher
Duncan	Jones	Ros-Lehtinen
Roth	Smith (TX)	Traficant
Royce	Smith (WA)	Upton
Salmon	Solomon	Vucanovich
Saxton	Souder	Walker
Schaefer	Spence	Walsh
Seastrand	Stearns	Wamp
Sensenbrenner	Stenholm	Watts (OK)
Shadegg	Stockman	Weldon (FL)
Shaw	Stump	Weldon (PA)
Shays	Talent	Weller
Shuster	Tate	White
Sisisky	Tauzin	Whitfield
Skeen	Taylor (NC)	Wicker
Skelton	Thomas	Wolf
Smith (MI)	Thornberry	Young (AK)
Smith (NJ)	Tiahrt	Zeliff

NAYS—189

Abercrombie	Gephardt	Neal
Ackerman	Gonzalez	Oberstar
Andrews	Gordon	Obey
Baesler	Green (TX)	Olver
Baldacci	Gutierrez	Ortiz
Barcia	Hall (OH)	Owens
Barrett (WI)	Hastings (FL)	Pallone
Bartlett	Hefner	Pastor
Becerra	Hilliard	Payne (NJ)
Beilenson	Hinchey	Payne (VA)
Bentsen	Holden	Pelosi
Berman	Hoyer	Peterson (FL)
Bevill	Jackson (IL)	Pickett
Blumenauer	Jackson-Lee (TX)	Pomeroy
Bonior	Jacobs	Rahall
Borski	Jefferson	Rangel
Boucher	Johnson (SD)	Reed
Browder	Johnson, E. B.	Richardson
Brown (CA)	Johnston	Rivers
Brown (FL)	Kanjorski	Roemer
Brown (OH)	Kaptur	Rose
Bryant (TX)	Kennedy (MA)	Roukema
Cardin	Kennedy (RI)	Roybal-Allard
Chapman	Kennelly	Rush
Clay	Kildee	Sabo
Clayton	King	Sanders
Clement	Kingston	Sanford
Clyburn	Kleczka	Sawyer
Coleman	Klink	Scarborough
Collins (IL)	LaFalce	Schroeder
Collins (MI)	LaHood	Schumer
Condit	Lantos	Scott
Conyers	Lazio	Serrano
Costello	Levin	Skaggs
Coyne	Lewis (GA)	Slaughter
Cramer	Lipinski	Spratt
Cummings	Lofgren	Stark
de la Garza	Lowey	Stokes
DeFazio	Luther	Studds
DeLauro	Maloney	Stupak
Dellums	Manton	Tanner
Dicks	Markey	Taylor (MS)
Dingell	Martinez	Tejeda
Doggett	Martini	Thompson
Dooley	Mascara	Thornton
Doyle	Matsui	Thurman
Durbin	McCarthy	Torres
Edwards	McDermott	Torricelli
Engel	McHale	Towns
Eshoo	McKinney	Velazquez
Evans	McNulty	Vento
Fattah	Menendez	Visclosky
Fawell	Millender-McDonald	Volkmer
Fazio	Miller (CA)	Ward
Fields (LA)	Minge	Waters
Filner	Mink	Watt (NC)
Flake	Moakley	Williams
Foglietta	Molinari	Wilson
Forbes	Mollohan	Wise
Frank (MA)	Moran	Woolsey
Franks (NJ)	Murtha	Wynn
Frisa	Nadler	Yates
Furse		Zimmer
Gejdenson		

NOT VOTING—16

Bishop	Lincoln	Schiff
Brownback	McDade	Torkildsen
Bunning	Meehan	Waxman
Deutsch	Meek	Young (FL)
Dickey	Morella	
Ford	Quillen	

□ 1510

The Clerk announced the following pair: On this vote:

Mrs. Morella for, with Mr. Deutsch against.

Mr. DOGGETT and Ms. JACKSON-LEE of Texas changed their vote from ''yea'' to ''nay.''

Mr. LIGHTFOOT changed his vote from ''nay'' to ''yea.''

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.

AVIATION SECURITY AND ANTITERRORISM ACT OF 1996

Mr. COX of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3953) to combat terrorism.

The Clerk read as follows:

H.R. 3953

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Aviation Security and Antiterrorism Act of 1996''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.

TITLE I—AVIATION SECURITY

Sec. 101. Interim deployment of commercially available explosive detection equipment.
Sec. 102. Authority for criminal history records checks.
Sec. 103. Audit of performance of background checks for certain personnel.
Sec. 104. Performance standards for airport security personnel.
Sec. 105. Passenger profiling.
Sec. 106. Authority to use certain funds for airport security programs and activities.
Sec. 107. Assessment of cargo.
Sec. 108. Assignment of FBI agents to high-risk airports.
Sec. 109. Supplemental screening.
Sec. 110. Supplemental explosive detection.
Sec. 111. Enhanced security for small airplanes
Sec. 112. Civil aviation security review commission.

TITLE II—ANTITERRORISM

Sec. 201. Addition of terrorist offenses as RICO predicates.
Sec. 202. Enhanced Privacy Act and wiretap penalties.
Sec. 203. Combatting international state terrorism.
Sec. 204. Implementation of the Antiterrorism and Effective Death Penalty Act of 1996.
Sec. 205. Taggants in black and smokeless powder.
Sec. 206 National Commission on Terrorism.

TITLE I—AVIATION SECURITY

SEC. 101. INTERIM DEPLOYMENT OF COMMERCIALLY AVAILABLE EXPLOSIVE DETECTION EQUIPMENT.

Section 44913(a) of title 49, United States Code, is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following new paragraph (3):

''(3) Until such time as the Administrator determines that equipment certified under paragraph (1) of this subsection is commercially available and has successfully completed operational testing as provided in 49 United States Code 44913(a)(1), the Administrator shall facilitate the deployment of

commercially available explosive detection devices that the Administrator approves and determines will enhance aviation security significantly. The Administrator shall require that equipment deployed under this paragraph be replaced by equipment certified under paragraph (1) when equipment certified under paragraph (1) becomes commercially available.''.

SEC. 102. AUTHORITY FOR CRIMINAL HISTORY RECORDS CHECKS.

Section 44936(a)(1) of title 49, United States Code. is amended—

(1) by striking ''(1)'' and inserting ''(1)(A)'';

(2) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively; and

(3) by adding at the end the following:

''(B) The Administrator shall require by regulation that an employment investigation (including a criminal history record check in cases in which the employment investigation reveals a gap in employment of 12 months or more that the individual does not satisfactorily account for) be conducted for individuals who will be responsible for screening passengers or property under this chapter and their supervisors.''.

SEC. 103. AUDIT OF PERFORMANCE OF BACKGROUND CHECKS FOR CERTAIN PERSONNEL.

Section 44936(a) of title 49, United States Code, is amended by adding at the end the following:

''(3) The Administrator shall provide for the periodic audit of criminal history record checks conducted under paragraph (1) of this subsection.''.

SEC. 104. PERFORMANCE STANDARDS FOR AIRPORT SECURITY PERSONNEL.

Section 44935(a) of title 49, United States Code, is amended—

(1) by striking ''and'' at the end of paragraph (4); and

(2) by adding at the end the following:

''(6) performance standards for airport and airline security personnel, including counter personnel; and

''(7) guidelines for encouraging the retention of security personnel responsible for passengers and cargo.''

SEC. 105. PASSENGER PROFILING.

The Federal Aviation Administration, the Secretary of Transportation, the intelligence community, and the law enforcement community should continue to assist air carriers in developing computer-assisted passenger profiling programs.

SEC. 106. AUTHORITY TO USE CERTAIN FUNDS FOR AIRPORT SECURITY PROGRAMS AND ACTIVITIES.

(a) AUTHORITY TO USE FUNDS.—Notwithstanding any other provision of law, funds referred to in subsection (b) may be used to expand and enhance air transportation security programs and other activities at airports (including the improvement of facilities and the purchase and deployment of equipment) to ensure the safety and security of passengers and other persons involved in air travel.

(b) COVERED FUNDS.—The following funds may be used under subsection (a):

(1) Project grants made under subchapter 1 of chapter 471 of title 49, United States Code.

(2) Passenger facility fees collected under section 40117 of title 49, United States Code.

SEC. 107. ASSESSMENT OF CARGO.

(a) IN GENERAL.— The Administrator of the Federal Aviation Administration shall, in consultation with the appropriate Federal agencies, review—

(1) the oversight by the Federal Aviation Administration of inspections of shipments of mail and cargo by domestic and foreign air carriers; and

(2) the need for additional security measures with respect to such inspections; and

(3) the adequacy of inspection and screening of cargo on passenger air carriers.

(b) LEGISLATIVE PROPOSALS.—The President shall submit relevant legislative proposals to Congress, as may be required.

SEC. 108. ASSIGNMENT OF FBI AGENTS TO HIGH-RISK AIRPORTS.

Section 44904 of title 49, United States Code, is amended by adding at the end the following:

''(d) RESPONSIBILITY OF FBI AGENTS TO AREAS OF HIGH-RISK AIRPORTS.—The Director of the Federal Bureau of Investigation shall assure that agents of the Federal Bureau of Investigation who are assigned to an area where there are airports that are determined to be high-risk airports shall, jointly with the Federal Aviation Administration, carry out periodic threat and vulnerability assessments of security every 3 years, or more frequently, as necessary, at such airports.''.

SEC. 109. SUPPLEMENTAL SCREENING.

Section 44903(c) of title 49, United States Code, is amended by adding at the end of the following new paragraph:

''(3) USE OF DOGS IN SCREENING.—

''(A) IN GENERAL.—The law enforcement presence and capability required under paragraph (1) shall include a requirement that the operator of each major airport use dogs or other appropriate animals to supplement existing equipment used for screening passengers and cargo for plastic explosives and other devices or materials which may be used in aircraft piracy. If the Administrator determines that the requirements of the preceding sentence will not significantly enhance the safety and security of passengers and other persons involved in air travel, the Administrator may modify such requirements as appropriate. At the discretion of the Administrator, the use of dogs at an airport may be deemed as compliance with section 449913(a)(3) of this title.

''(B) MAJOR AIRPORT DEFINED.—In this paragraph, the term 'major airport' means an airport that is one of the largest 50 airports in the United States, as determined by the number of passenger enplanements in calendar year 1995.''.

SEC. 110. SUPPLEMENTAL EXPLOSIVE DETECTION.

Section 44913(b) of title 49, United States Code, is amended to read as follows:

''(b) SUPPLEMENTAL EXPLOSIVE DETECTION.—

''(1) GRANTS.—The Secretary shall make grants for expenses of training and evaluation of dogs for the explosive detection K–9 team training program for the purpose of detecting explosives at airports and aboard aircraft. Not later than 180 days after the date of the enactment of the Aviation Security Improvement Act of 1996, the Secretary shall extend such program to the largest 50 airports in the United States, as determined by the number of passenger enplanements in calendar year 1995.

''(2) FUNDING.—There is authorized to be appropriated from the Trust Fund for carrying out paragraph (1) such sums as may be necessary for fiscal years beginning after September 30, 1996. Such funds shall remain available until expended.''.

SEC. 111. ENHANCED SECURITY FOR SMALL AIRPLANES

Not later than 60 days after the date of the enactment of this Act, the Administrator shall initiate a rulemaking to revise section 108.5 and 108.7 of 14 C.F.R. with respect to airplanes having a passenger seating configuration of less than 61 to enhance the safety and security of air travel in such airplanes.

SEC. 112. CIVIL AVIATION SECURITY REVIEW COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Civil Aviation Security Review Commission (hereinafter in this section referred to as the ''Commission'').

(b) FUNCTIONS.—The Commission shall conduct a comprehensive review of aviation security. Matters to be studied by the Commission shall include the following:

(1) A review of the advisability of transferring responsibilities of air carriers under Federal law for security activities conducted on-site at airports to airport operators or to appropriate entities independent of air carriers.

(2) A review of whether baggage match requirements should be imposed on air carriers providing interstate air transportation and how baggage match can be accomplished to enhance the safety and security of domestic air travel.

(3) A review of the cost and advisability of requiring hardened cargo containers as a way to enhance aviation security and reduce the required sensitivity of bomb detection equipment.

(c) MEMBERSHIP.—The Commission shall be composed of 13 members, appointed from persons knowledgeable about civil aviation in the United States and who are specifically qualified by training and experience to perform the duties of the Commission, as follows:

(1) 3 members appointed by the Secretary of Transportation, in consultation with the Secretary of the Treasury.

(2) 10 members appointed by Congress as follows:

(A) 1 member appointed by each of the chairman and ranking minority member of the Committee on Transportation and Infrastructure of the House of Representatives.

(B) 1 member appointed by each of the chairman and ranking minority member of the Committee on Appropriations of the House of Representatives.

(C) 1 member appointed by each of the chairman and ranking minority member of the Committee on Commerce, Science, and Transportation of the Senate.

(D) 1 member appointed by each of the chairman and ranking minority member of the Committee on Appropriations of the Senate.

(E) 1 member appointed by each of the chairman and ranking minority member of the Committee on Ways and Means of the House of Representatives.

(d) RESTRICTION ON APPOINTMENT OF CURRENT AVIATION EMPLOYEES.—A member appointed under subsection (c)(1) may not be an employee of an airline, airport, aviation union, or aviation trade association at the time of appointment or while serving on the Commission.

(e) TIMING OF APPOINTMENTS.—The appointing authorities shall make their appointments to the Commission not later than 30 days after the date of the enactment of this Act.

(f) CHAIRMAN.—In consultation with the Secretary of Transportation, the Speaker of the House of Representatives and the Majority Leader of the Senate shall designate a chairman and vice chairman from among the members of the Commission not later than 30 days after appointment of the last member to the Commission.

(g) PERIOD OF APPOINTMENT AND VACANCIES.—Members shall be appointed for the life of the Commission, and any vacancy on the Commission shall not affect its powers but shall be filled in the same manner, and by the same appointing authority, as the original appointment.

(h) QUORUM.—A majority of the members of the Commission shall constitute a quorum to conduct business, but the Commission may establish a lesser number for conducting hearings scheduled by the Commission.

(i) POWERS OF THE COMMISSION.—

(1) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, administer such oaths, take such testimony, and receive such evidence as the Commission considers advisable to carry out its duties.

(2) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information or documents as the Commission considers necessary to carry out its duties, unless the head of such department or agency advises the chairman of the Commission, in writing, that such information is confidential and that its release to the Commission would jeopardize aviation safety, the national security, or pending criminal investigations.

(3) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(4) TRAVEL AND PER DIEM.—Members and staff of the Commission shall be paid travel expenses, including per diem in lieu of subsistence, when away from his or her usual place of residence, in accordance with section 5703 of title 5, United States Code.

(j) FINAL REPORT.—Not later than 1 year after the date of the appointment of the last member to the Commission under subsection (c), the Commission shall submit to Congress and the Administrator a final report on the findings of the Commission with corresponding recommendations. Included with this report shall be the independent audit required under subsection (j).

(k) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated $2,400,000 for activities of the Commission to remain available until expended.

TITLE II—ANTITERRORISM

SEC. 201. ADDITION OF TERRORIST OFFENSES AS RICO PREDICATES.

(a) TITLE 18 OFFENSES.—Section 1961(1)(B) of title 18 of the United States Code is amended by—

(1) inserting ''32 (relating to the destruction of aircraft), section 37 (relating to violence at international airports), section 115 (relating to influencing, impeding, or retaliating against a Federal official by threatening or injuring a family member), section'' after ''Section'';

(2) inserting ''section 351 (relating to Congressional or Cabinet officer assassination,'' after ''section 224 (relating to sports bribery),'';

(3) inserting ''section 831 (relating to prohibited transactions involving nuclear materials), section 844(f) or (i) (relating to destruction by explosives or fire of government property or property affecting interstate or foreign commerce),'' after ''section 664 (relating to embezzlement from pension and welfare funds),'';

(4) inserting ''section 930(c) (relating to violent attacks against Federal buildings), section 956 (relating to conspiracy to kill, kidnap, maim, or injure certain property in a foreign country),'' after ''sections 891–894 (relating to extortionate credit transactions),'';

(5) inserting ''section 1111 (relating to murder), section 1114 (relating to murder of United States law enforcement officials), section 1116 (relating to murder of foreign officials, official guests, or internationally protected persons), section 1203 (relating to hostage taking),'' after ''section 1084 (relating to the transmission of gambling information),'';

(6) inserting ''section 1361 (relating to willful injury of government property), section 1363 (relating to destruction of property within the special maritime and territorial jurisdiction),'' after ''section 1344 (relating to financial institution fraud),'';

(7) inserting ''section 1751 (relating to Presidential assassination),'' after ''sections 1581–1588 (relating to peonage and slavery),'';

(8) inserting ''section 1992 (relating to train wrecking), section 2280 (relating to violence against maritime navigation), section 2281 (relating to violence against maritime fixed platforms),'' after ''section 1958 (relating to use of interstate commerce facilities in the commission of murder-for-hire),''; and

(9) inserting ''section 2332 (relating to terrorist acts abroad against United States nationals), section 2332a (relating to use of weapons of mass destruction), section 2332b (relating to acts of terrorism transcending national boundaries), section 2332c (relating to use of chemical weapon), section 2339A (relating to providing material support to terrorists),'' after ''2321 (relating to trafficking in certain motor vehicles or motor vehicle parts),''.

(b) NON-TITLE 18 OFFENSE.—Section 1961(1) of title 18 of the United States Code is amended—

(1) by striking ''or'' before ''(E)'';

(2) by striking ''or'' before ''(F); and

(3) by inserting at the end the following: ''or (G) section 46502 of title 49, United States Code;''.

(c) LIMITATION TO CIVIL RICO.—The amendments made by this section shall not apply with respect to section 1964(c) of title 18, United States Code.

SEC. 202. ENHANCED PRIVACY ACT AND WIRETAP PENALTIES.

(a) ENHANCEMENT OF PRIVACY ACT CRIMINAL PENALTIES.—Paragraphs (1) and (3) of section 552a(i) of title 5, United States Code, are each amended by striking ''shall be guilty of a misdemeanor'' and all that follows through the end of the paragraph and inserting ''shall be fined under title 18, imprisoned not more than 5 years, or both.''.

(b) ENHANCEMENT OF PRIVACY ACT CIVIL DAMAGES.—Section 552a(g)(4)(A) of title 5, United States Code, is amended by striking ''$1,000'' and inserting ''$5,000''.

(c) ENHANCEMENT OF WIRETAP DISCLOSURE CRIMINAL PENALTY.—Section 2511 of title 18, United States Code, is amended—

(1) in subsection (4)(a), by striking ''paragraph (b)'' and all that follows through ''(5)'' and inserting ''this section''; and

(2) by adding after paragraph (c) the following:

''(d) If the offense is an offense under paragraph (c) or (e) of subsection (1), the offender shall be fined under this title or imprisoned not more than 10 years, or both.''.

SEC. 203. COMBATTING INTERNATIONAL STATE TERRORISM.

(a) SANCTIONS AGAINST SPONSORS OF INTERNATIONAL TERRORISM.—The Congress urges the President to commence immediately diplomatic efforts, both in appropriate international fora including the United Nations, and bilaterally with allies of the United States, to establish a multilateral sanctions regime against each of those nations certified under section 6(j) of the Export Administration Act of 1979 as having repeatedly provided support for acts of international terrorism. The President shall report to Congress, not later than 30 days after the date of the enactment of this Act, and annually thereafter, on the extent to which these diplomatic efforts have been successful.

(b) ACTION PLANS FOR DESIGNATED TERRORIST NATIONS.—The President shall provide to the Congress within 30 days after the date of the enactment of this Act an Action Plan for inducing each of those nations certified under section 6(j) of the Export Administration Act of 1979 as having repeatedly provided support for acts of international terrorism to cease their support for acts of international terrorism.

(c) REPORT ON UNITED STATES COUNTERTERROR AND ANTITERROR INTELLIGENCE CAPABILITIES.—Not later than 60 days after the date of the enactment of this Act, the President shall provide to the Permanent Select Committees on Intelligence of the Senate and the House of Representatives a report on the capability of the United States intelligence community to detect, assess, and eliminate international terrorist activities, including an assessment of intelligence collection policies and practices which affect the counterterrorism and antiterrorism activities of the United States intelligence community and of the resources provided the intelligence community for such activities, together with a plan to ensure enhanced human intelligence capabilities. To the extent feasible, such report shall be unclassified and made available to the public. Such report shall be supplemented as necessary by a classified report or annex, which shall be transmitted and maintained under appropriate security procedures.

SEC. 204. IMPLEMENTATION OF THE ANTITERRORISM AND EFFECTIVE DEATH PENALTY ACT OF 1996.

The Secretary of State is hereby directed, before October 1, 1996, to designate foreign terrorist organizations pursuant to the amendment made by section 302 (relating to international terrorism prohibitions) of the Antiterrorism and Effective Death Penalty Act of 1996, and, if possible, justified by the evidence, and consistent with the needs of law enforcement and intelligence, the Secretary of the Treasury shall freeze assets and the Attorney General shall initiate the removal of known alien terrorists and criminals.

SEC. 205. TAGGANTS IN BLACK AND SMOKELESS POWDER.

(a) AMENDMENT TO 1996 ACT TO INCLUDE BLACK AND SMOKELESS POWDER.—Notwithstanding the provisions to the contrary of section 732 of the Antiterrorism and Effective Death Penalty Act of 1996, (concerning the exclusion of black and smokeless powder from the study described thereunder), the Director of the National Institute of Justice shall contract for an independent study of the feasibility, safety, and law enforcement effectiveness of including taggants in black and smokeless powder. The contract shall require the completion of the study within one year after the date of the enactment of this Act. The entity that conducts the study shall be outside the executive branch of the Government and possess the requisite expertise in explosives technology. The study shall, in addition, draw upon expertise and science from consultants in the areas of mining and other industries that rely upon such explosives.

(b) REPORT TO CONGRESS.—Not later than 30 days after the completion of the study conducted under subsection (a), the Director shall submit the study to the Congress. If the results of the study conducted under subsection (a) indicate that the taggants—

(1) will not pose a risk to human life or safety;

(2) will substantially assist law enforcement officers in their investigative efforts;

(3) will not substantially impair the quality of the explosive materials for their intended lawful use;

(4) will not have a substantially adverse effect on the environment; and

(5) the costs associated with the addition of the taggants will not outweigh the benefits of their inclusion;

then the Director may submit to Congress recommendations for legislation for the addition of taggants to black and smokeless

powder manufactured in or imported into the United States, of such character and in such quantity as the proposed legislation may authorize or require.

SEC. 206. NATIONAL COMMISSION ON TERRORISM.

(a) ESTABLISHMENT.—There is established a commission to be known as the National Commission on Terrorism (in this title referred to as the ''Commission'').

(b) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—

(A) GENERALLY.—The Commission shall be composed of 9 members, appointed from persons specially qualified by training and experience to perform the duties of the Commission, as follows:

(i) 2 appointed by the Speaker of the House of Representatives, and 1 appointed by the Minority Leader of the House of Representatives;

(ii) 2 appointed by the Majority Leader of the Senate, and 1 appointed by the Minority Leader of the Senate; and

(iii) 3 appointed by the President of the United States.

(B) TIMING OF APPOINTMENTS.—The appointing authorities shall make their appointments to the Commission not later than 45 days after the date of enactment of this title.

(C) DESIGNATION OF THE CHAIRMAN.—The President of the United States shall designate a chairman from the members of the Commission. The Speaker of the House of Representatives and the Majority Leader of the Senate shall jointly designate a Vice Chairman from the members of the Commission.

(D) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in Commission membership shall not affect the exercise of the Commission's powers, and shall be filled in the same manner as the original appointment.

(c) MEETINGS.—

(1) IN GENERAL.—In not later than 60 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting. Subsequent meetings shall be held at the call of the Chairman.

(2) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(d) SECURITY CLEARANCES.—Appropriate security clearances shall be required for members of the Commission who are private United States citizens. Such clearances shall be processed and completed on an expedited basis by appropriate elements of the executive branch of Government and shall, in any case, be completed within 90 days of the date such members are appointed.

(e) APPLICATION OF CERTAIN PROVISIONS OF LAW.—In light of the extraordinary and sensitive nature of its deliberations, the provisions of the Federal Advisory Committee Act (5 U.S.C. App.), and the regulations prescribed by the Administrator of General Services pursuant to that Act, shall not apply to the Commission. Further, the provisions of section 552 of title 5, United States Code (commonly known as the ''Freedom of Information Act''), shall not apply to the Commission; however, records of the Commission shall be subject to the Federal Records Act and, when transferred to the National Archives and Records Agency, shall no longer be exempt from the provisions of such section 552.

(f) DUTIES OF THE COMMISSION.—

(1) IN GENERAL.—It shall be the duty of the Commission—

(A) to prepare and transmit the reports described in paragraph (2);

(B) to examine the long-term strategy of the United States in addressing the threat of international terrorism, including intelligence capabilities, international cooperation, military responses, and technological capabilities;

(C) to examine the efficacy and appropriateness of Federal efforts to prevent, detect, investigate, and prosecute acts of terrorism, including—

(i) the coordination of counterterrorism efforts among Federal departments and agencies, and Federal coordination of law enforcement with state and local law enforcement in responding to terrorism threats and acts;

(ii) the ability and utilization of counterintelligence efforts to infiltrate and disable or disrupt international terrorist organizations and their activities;

(iii) the impact of Federal immigration laws and policies on acts of terrorism transcending national boundaries;

(iv) the effectiveness of present regulations and practices relating to civil aviation safety and security to prevent acts of terrorism, to include a study of the desirability of assigning, on a permanent basis, personnel of the Federal Bureau of Investigation at high-risk airports, and a study of the practicality and desirability of transferring authority for U.S. airport and security to an entity other than the Federal Aviation Administration;

(v) the extent and effectiveness of present cooperative efforts with foreign nations to prevent, detect, investigate and prosecute acts of terrorism; and

(vi) the impact on present counterterrorism efforts due to the failure to expend and utilize resources and authority previously provided by Congress for the implementation of enhanced counterterrorism activities and the reasons why these resources have not been expended in a timely way; and

(D) to examine the capability of the United States intelligence community to detect, assess, infiltrate, disrupt, and eliminate international terrorist organizations and activities, including an assessment of intelligence collection policies and practices which affect the counterterrorism and antiterrorism activities of the United States intelligence community and of the resources provided the intelligence community for such activities, together with a plan to ensure enhanced human intelligence capabilities; and

(E) to examine all present laws relating to the collection and dissemination of personal information on individuals by law enforcement or other governmental entities, and the necessity for additional protections to prevent and deter the inappropriate collection and dissemination of such information.

(2) REPORTS.—

(A) INITIAL REPORT.—Not later than 2 months after the first meeting of the Commission, the Commission shall transmit to the Committees on the Judiciary of the Senate and the House of Representatives a report setting forth its plan for the work of the Commission.

(B) INTERIM REPORTS.—Prior to the submission of the report required by subparagraph (C), the Commission may issue such interim reports as it finds necessary and desirable.

(C) FINAL REPORT.—No later than 6 months after the first meeting of the Commission, the Commission shall submit to the President and to the Committees on the Judiciary of the Senate and the House of Representatives a report setting forth the activities, findings, and recommendations of the Commission, including any recommendations for the enactment of legislation that the Commission considers advisable. To the extent feasible, such report shall be unclassified and made available to the public. Such report shall be supplemented as necessary by a classified report or annex, which shall be provided separately to the President and the Committees on the Judiciary of the Senate and the House of Representatives.

(g) POWERS.—

(1) HEARINGS.—The Commission or, at its direction, any panel or member of the Commission, may, for the purpose of carrying out the provisions of this title, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

(2) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any intelligence agency or from any other Federal department or agency any information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this section. Upon request of the Chairman of the Commission, the head of any such department or agency shall furnish such information expeditiously to the Commission, unless the head of the department or agency determines that doing so would threaten national security, the health or safety of any individual, or the integrity of an ongoing investigation or prosecution.

(3) POSTAL, PRINTING AND BINDING SERVICES.—The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(4) SUBCOMMITTEES.—The Commission may establish panels composed of less than the full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of each such panel shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(5) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this title.

(h) PERSONNEL MATTERS.—

(1) COMPENSATION OF MEMBERS.—Each member of the Commission who is a private United States citizen shall be paid, if requested, at a rate equal to the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Commission. All members of the Commission who are Members of Congress shall serve without compensation in addition to that received for their services as Members of Congress.

(2) TRAVEL EXPENSES.—Each member of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(3) STAFF.—

(A) IN GENERAL.—The Chairman of the Commission may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, appoint a staff director and such additional personnel as may be necessary to enable the Commission to perform its duties. The staff director of the Commission shall be appointed from private life, and such appointment shall be subject to the approval of the Commission as a whole.

(B) COMPENSATION.—The Chairman of the Commission may fix the pay of the staff director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay fixed under this paragraph for the staff director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title and the rate of pay for other personnel may not exceed the maximum rate payable for grade GS–15 of the General Schedule.

(4) DETAIL OF GOVERNMENT EMPLOYEES.—Upon request of the Chairman of the Commission, the head of any Federal department or agency may detail, on a nonreimbursable basis, any personnel of that department or agency to the Commission to assist it in carrying out its administrative and clerical functions.

(5) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of such title.

(i) PAYMENT OF COMMISSION EXPENSES.—The compensation, travel expenses, per diem allowances of members and employees of the Commission, and other expenses of the Commission shall be paid out of funds available to the Attorney General for the payment of compensation, travel allowances, and per diem allowances, respectively, of employees of the Department of Justice.

(j) TERMINATION OF THE COMMISSION.—The Commission shall terminate 1 month after the date of the submission of the report required by subsection (f)(2)(C).

The SPEAKER pro tempore. Pursuant to this rule, the gentleman from California [Mr. COX] and the gentleman from Michigan [Mr. CONYERS] each will control 20 minutes.

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

□ 1515

Mr. COX of California. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. SHUSTER] be permitted to control 6 minutes and that the gentleman from Illinois [Mr. HYDE] be permitted to control 6 minutes of the time allocated to me.

The SPEAKER pro tempore (Mr. HASTERT). Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COX of California. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN], chairman of the Committee on International Relations.

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

Mr. GILMAN. Mr. Speaker, I am pleased for this opportunity to speak on the concise issue of international terrorism, which is so much on the mind of our Nation today. As we move forward with this important bill before us, let us be ever mindful of how we must most effectively fight this scourge, especially on the international front.

I am particularly pleased that the bill before us (H.R. 3953) in section 203 encourages the President to take greater steps to address the problem of foreign government-sponsored international terrorism.

We must keep international terrorism at the top of our foreign policy agenda, as the New York World Trade Center bombing in February 1993 made very clear. International terrorism has come to our own shores. In addition, the recent attacks on American personnel in Saudi Arabia make it clear that terrorist fear no boundaries or jurisdiction when going after our vital interests. The struggle against terrorism is one which all of the nations of the world must wage cooperatively together.

It is gratifying that at our direction and through Republican-led efforts, the State Department was forced to maintain a high-level, visible office of Coordinator for Counter Terrorism to help make known to friendly nations, state sponsors of terrorism, and within the U.S. bureaucracy that international terrorism is a high foreign policy priority. We ought to be proud of those foresighted efforts to keep the fight high on the foreign policy agenda of our State Department.

We must also help prevent easy entry into our Nation of members of terrorist groups whose purpose is to harm our Nation. In the counterterrorism bill that became law in April 1996, Congress included an amendment to the Immigration and Nationality Act [INA] to exclude entry into the U.S. based on ''mere membership'' in defined terrorist groups. It is now law, despite a lukewarm response from the administration.

Sadly, to date this law pertaining to designating terrorist groups has yet to be implemented. I applaud the authors of the bill before us who mandate that the process of defining terrorist groups, for both fundraising and exclusion purposes, is to be put on the fast track and completed by October 1.

Like the reluctance to support the mere membership provision, the Administration was slow to support our efforts in the Congress on the Iran-Libya sanctions bill. However, they came along. Next week the President will sign that bill into law and give us added tools to isolate and work against these rogue nations like Libya—responsible for the deadly Pam Am 103 attack—and Iran, the leading state sponsor of terrorism in the world.

These and other provisions in this Aviation Security and Antiterrorism Act of 1996 will further the struggle against the evil of terrorism.

Mr. CONYERS. Mr. Speaker, I am pleased to manage the bill, but I do want to allocate a block of time to the gentleman from Minnesota [Mr. OBERSTAR], ranking member of the Committee on Transportation and Infrastructure.

Mr. Speaker, I yield 8 minutes to the gentleman from Minnesota [Mr. OBERSTAR] and I ask unanimous consent that he be permitted to control the time.

The SPEAKER pro tempore. Is thee objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CONYERS. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, conveniently omitted from today's discussion of antiterrorism legislation is what occurred on this floor in March of this year, the last time antiterrorism legislation was up for our consideration.

At that time, under pressure from special interest lobby groups, a key provision was stripped from the antiterrorism legislation. The bill was ''eviscerated.'' That is not my word. It is the word of the very distinguished, and he is distinguished, Republican chairman of the Committee on the Judiciary. I want to quote his remarks from that debate on March 13.

He said, ''If the Barr amendment passes, we eviscerate the bill. It is a frail representation of what started out as a robust answer to the terrorist menace.''

A few minutes later he said, ''With the Barr amendment, this is not an antiterrorism bill.''

He was right. We have not had an antiterrorism bill this year. We had the opportunity today to join in a bipartisan effort and offer ideas from each side to deal with this national crisis, and it was rejected, denying us the opportunity to contribute our ideas.

I think it was rejected because the same high-handedness and extremism that apparently led one Republican Member to say right here on the floor of the House, ''I trust Hamas more than I trust my own Government.''

When you have that kind of attitude, you cannot come together and work out reasonable solutions to fight terrorism. That is the opportunity that has been lost in this Congress.

I will vote for this legislation today, but it does not do enough to address this problem. All of us have watched these crime investigators sift through the debris from a bombing, looking for clues in the tiniest spaces and, yet, they are denied today a vital tool.

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

Mr. Speaker, we do not know yet what brought down TWA 800. But of course the probabilities are that it was a bomb. We do not know who planted the bomb at the Olympics. Maybe it was somebody mentally deranged, maybe a terrorist. We do not know yet who killed our troops in Saudi Arabia, but that clearly was an act of terrorism.

We do not need to know all the answers to these questions to know that the American people expect action now, and this bill responds to that demand from the American people.

This bill is not a panacea. It is but a step in the right direction. Indeed, with

regard to the aviation security provisions of this bill, once again, these have been crafted in a bipartisan basis, working with my colleagues, particularly the ranking member of our committee, the gentleman from Minnesota [Mr. OBERSTAR]. The majority and the minority have been full partners in crafting the aviation security provisions for this bill.

We need to emphasize that today there are serious gaps in our aviation security system. Even though we have passed several pieces of legislation in the past dealing with security, we need to focus more attention on bomb detection capabilities and, indeed, an awful lot yet remains to be done. So this bill is but a step in the right direction.

Mr. Speaker, I urge my colleagues to support it.

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

Mr. OBERSTAR. Mr. Speaker, I yield myself 1½ minutes.

Mr. Speaker, on Christmas Eve 1988, nearly Christmas Eve, the world of aviation as we know it changed. People had felt secure against skyjackings from the time in the late 1960's when we were experiencing one skyjacking every 2 weeks.

Then the United States required the installation of metal detectors and x-ray machines at major airports to screen passengers and their carry-on baggage and skyjackings dropped off the horizon as a threat to aviation in the domestic United States. But with the devastation of Pan Am 103, in which 270 people died, people from 21 countries besides the United States, the world of aviation changed. The new threat was terrorist acts against the flag of the United States.

In the aftermath of Pan Am 103 a commission was created by this Congress, in cooperation with the Bush administration, to look into the causes and recommend actions to be taken to make aviation more secure. We have in place a strong law to protect against terrorist actions. We must understand that we are operating now in a world in which aviation is the target of State-sponsored terrorism, and the American flag and American air carriers and American passengers are its targets.

Mr. Speaker, we must enact strong legislation. I will deal with that later in my further remarks.

Mr. SHUSTER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Speaker, I rise in strong support of this legislation.

Over the years our Nation has become accustomed to terrorism and acts of violence in other countries. But recent tragic events here at home, in our great Nation, have underscored the fact that we live in a dangerous world—and that we too are vulnerable to terrible acts of violence more and more every day.

The World Trade Center, Oklahoma City, Atlanta, and the possibilities of TWA flight 800 being blown out of the sky by a bomb, all of these have brought terrorism to the forefront of our society.

The American people are demanding, and they deserve, every amount of reasonable protection from acts of violence and terrorism that the Federal Government can muster.

Mr. Speaker, the Aviation Security and Antiterrorism Act makes several needed improvements to our Nation's aviation security system. This legislation will require bomb-sniffing dogs to be used at the 50 largest airports in the Nation.

It directs the Federal Aviation Administration to deploy the best available bomb detection equipment at airports here at home—similar to equipment that is now being used at several airports in Europe and Israel.

The bill also requires airport baggage screeners to undergo in-depth security background checks before they are hired. We should require that all these airport security people be U.S. citizens.

And, among many other provisions, the bill also directs the FBI to work closely with the FAA on security measures at our Nation's airports.

Mr. Speaker, as the Chair of the Aviation Subcommittee, I wholeheartedly support this legislation. It addresses needed improvements in aviation security that I believe a majority of Americans will support. It is a good bill, a responsive bill, and I urge every Member to support it.

Mr. CONYERS. Mr. Speaker, I yield 30 seconds to the gentleman from North Carolina [Mr. HEFNER], a member of the Committee on Appropriations.

Mr. HEFNER. Mr. Speaker, this just shows how far we are into a political campaign. Here we have a bill that nobody knows anything about, that does nothing and, if you vote against it, you are going to have commercials run against you that say you are soft on terrorism. In the meantime, nothing is going to happen that deters terrorism.

This is a sad day in our country when people are out there grieving because they have lost loved ones in these terrorist acts, and we are doing something that absolutely does nothing. It is strictly a political document. That is a sad day in this body.

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

Mr. Speaker, as every one knows I strongly supported enhanced authority for law enforcement to investigate, prosecute, and punish terrorists. Specifically I believe Federal law enforcement ought to have the necessary tools in terrorism cases, tools that are already available in other types of criminal investigations. I am speaking about multipoint wiretaps, temporary emergency wiretaps and pen registers and trap and trace devices.

In the first session of this Congress, I introduced the Comprehensive Antiterrorism Act of 1995, H.R. 1710, which did contain all of these features. My bill was approved by the Committee on the Judiciary June 20, 1995 by a bipartisan vote of 23 to 12. Unfortunately, some of these key elements were stricken from the final version of the law that was signed by the President on April 24 of this year.

Today I have introduced similar legislation in the House of Representatives as H.R. 3960, the Antiterrorism Law Enforcement Enhancement Act of 1996. It is cosponsored by the gentleman from Michigan, Mr. JOHN CONYERS, the gentleman from Florida, Mr. BILL MCCOLLUM, and the gentleman from New York, Mr. CHUCK SCHUMER.

Among other things, it would expand authority for multipoint wiretaps, allow pen registers and trap and trace devices in counterintelligence cases and authorize temporary emergency wiretaps in terrorism cases.

□ 1530

Obviously H.R. 3960 is a bipartisan initiative to make it clear we intend to continue the effort to bring about the kind of law enforcement enhancements necessary to effectively confront the terrorist threat in our country. The recent events, TWA flight 800 and the bombing at the Centennial Olympic Park in Atlanta, are examples why Federal law enforcement needs these enhanced authorities.

Now I want to say the legislation before us, H.R. 3953, does contain some very positive features which will assist us in countering terrorism. Section 201 adds terrorist offenses as RICO predicates. Section 202 provides increased penalties for violations of the Privacy Act and for the unauthorized disclosure of information obtained through a wiretap. Section 205 provides for a study of taggants in black and smokeless powder under the auspices of the National Institute of Justice. Section 206 authorizes the establishment of a National Commission on Terrorism.

One important aspect of this issue, that is not part of the bill we are considering this afternoon is funding for digital telephony. This is a pivotal element of the antiterrorism effort that will enable the FBI, the DEA, and other Federal law enforcement agencies to deal with the changing technology in telecommunications. The funding is contained in the Commerce, State, and Justice appropriations bill. Specifically, it will give law enforcement access to digital and fiber-optic telephone technology for criminal investigation purposes. I must admit I have concerns about the implementation plan that is required of the FBI by the language in the appropriations bill. We are not against requiring the FBI to provide Congress with a plan, detailing how they expect to proceed but we did not want to have language in the law which would interfere with the prompt implementation of the digital telephony statute.

Again, Mr. Speaker, this is very helpful legislation. But, I do want to again stress that I consider H.R. 3953 to be

the beginning and not the end of this effort. The bottom line is that more needs to be done to provide Federal law enforcement with the kind of enhanced tools and authorities they need to effectively deal with the threat of terrorism in the United States and abroad.

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

Mr. CONYERS. Mr. Speaker, I associate myself with the remarks of the distinguished chairman of the Committee on the Judiciary, and I yield 2 minutes to the gentleman from North Carolina [Mr. WATT], an indefatigable member of the Committee on the Judiciary.

Mr. WATT of North Carolina. Mr. Speaker, I thank the ranking member for yielding this time to me, and I may not take 2 minutes.

I want to express my disappointment, Mr. Speaker, that we are missing an opportunity to deal with a serious issue by playing politics with it. If we had come together and tried to deal with this issue in a way that the American people deserve to have it dealt with, I think we would have a much, much better bill on the floor today rather than this bill, which all of us will go out and say deals with terrorism but all of us, deep in our hearts and minds, really know does not serve the purpose.

The litmus test for terrorism legislation, it seems to me, if we are responding to what happened in New York and what happened in Atlanta, is, can we craft some legislation that would have had an impact had it been in place at the time those tragedies occurred?

I do not think we can say yes to that inquiry when we look at this legislation. The part of the legislation that, had we put it in the bill, would have dealt with the Atlantic situation, would have been the tagging or taggants which would help identify the powder that was used in the Atlanta situation, and we have the capacity to do that. We are missing that opportunity by saying we are going to put this aside and do a study on this issue which has been studied time after time after time. We should be disappointed in ourselves in this legislation.

I am not going to vote against the legislation. But it is so far below what we could have gotten if we had just worked together in this body.

Mr. SHUSTER. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding this time to me.

We have reached the stage in our history now where everyone must recognize that airport security and antiterrorism issues are matters for national security. Therefore any little thing that we can do to tighten up security at our air facilities and to move against terrorists on every front, giving as much authority as we can to our law enforcement agencies, is not just a plus for antiterrorist activity but also, I repeat, in the interest of national security.

There should not be one negative vote on this bill, not one, because if we result in this bill in securing an airport, just one airport in our country, it is worth a ''yes'' vote. So let us not criticize what could have been in the bill or what might have been in the bill. This will strengthen our airports. That is enough for a ''yes'' vote from very Member of the Congress.

Mr. OBERSTAR. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Maryland [Mr. HOYER].

Mr. CONYERS. Mr. Speaker, I yield 1 additional minute to the distinguished gentleman from Maryland.

The SPEAKER pro tempore (Mr. HASTERT). The gentleman from Maryland [Mr. HOYER] is recognized for 2 minutes.

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

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding this time.

In October of 1995 a demented person or persons, because of an alleged grievance, killed 168 innocent human beings. Terrorism is a problem and terrorism must be dealt with, met and defeated.

Like every other Member of this body, I presume I will vote for this legislation.

The gentleman from Pennsylvania says if it goes one centimeter forward to make us more secure it is perhaps worth voting for, and in my perception it does not harm and therefore is worth voting for.

But it is a shame, my colleagues, that we did not, as the distinguished gentleman from Illinois said so correctly back in March and repeats today, that we did not take definitive, effective action to enhance our ability to determine who is likely to commit a terrorist act so that we are not responding to that act to determine who killed one or a hundred or a thousand innocent people.

I would urge the individuals in the majority party who have the control and who have presented this to us, frankly, on very short notice, to work in a bipartisan fashion under the leadership of the chairman of the Committee on the Judiciary, the distinguished gentleman from Illinois [Mr. HYDE] to respond effectively and confront those who are demented and who would attack and kill and make less secure this great land.

In closing, let me say as an aside that I would hope we would also focus in the airport security with the dogs, on the ATF's current capability, and make sure that that is fully utilized now and in the future.

Mr. COX of California. Mr. Speaker, I yield 1 minute to the gentleman from San Diego, CA [Mr. CUNNINGHAM], the distinguished expert member of the Committee on National Security.

Mr. CUNNINGHAM. Mr. Speaker, you want real tooth and nail to really vote for the bill. A lot of us fly a lot, and I am an aviator myself, and in this bill it gives the FBI the authority and the power to protect our airways. It strengthens the security at airports, and under the RICO statutes terrorists will fall under the same kind of stringent examination that our racketeers do.

Let me tell my colleagues about a problem. This body and the Senate mandated to the President that he not ship arms to Bosnia. There are over 12,000 Mujahidin, Hamas and Jihad fighters in Bosnia, and I talked to intel. They are real concerned that those weapons are going to end up all over the world now. Did we forget that the World Trade Center was blown up by a Hamas terrorist and a cleric?

We need to put some tooth in our bill, not just this one, but down the line. The real challenge is to start here and let us work together and finish the rest.

Mr. HYDE. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Georgia [Mr. BARR].

Mr. BARR of Georgia. Mr. Speaker, what America has done this past week and what we in the Congress have done this past week is precisely what we should do this past week, and that is to roll up our sleeves, look at the problem, do what can be done now and leave for another day more study and action later on other matters, but not to leave things lying.

This is important legislation that is meaningful legislation and it is balanced legislation. It contains no new wiretapping authority whatsoever. There is no ill-advised, precipitous mandated taggant requirement that could pose a danger to industry and to law enforcement officers. There is no authority for the Government to obtain records without court order. There is no authority for Government to gain access to private encryption keys for computers.

What the bill does do is, it institutes real, meaningful, substantive security measures that will benefit the American people immediately. It forces the administration to do what it should have done already. This is good legislation, it is conservative legislation, and I urge colleagues on both sides of the aisle, of all political persuasions, to support this meaningful legislation today.

Mr. CONYERS. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. SCHUMER], ranking member of the Committee on the Judiciary, former chairman of the Subcommittee on Crime and now presently ranking member of the subcommittee.

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

Mr. SCHUMER. Mr. Speaker, I thank the gentleman from Michigan not only for the time but for his yielding.

This is a pretty sad day in this Chamber. We are going to have a unanimous vote for this bill. The unanimity speaks to the fact that we have put together a series of noncontroversial cats and dogs that do a little but not what we should do against terrorism.

I just hope that some of the families of people who lost their lives in Oklahoma City, on TWA Flight 800, in Atlanta, are not watching today because we know that they want us to do all we can to fight terrorism. We know that law enforcement has told us they need multipoint wiretaps and taggants, and we know that in an act that some would say is politics and others would call much worse, those on the other side took those out. They were unable to just have the guts to say, ''We do not believe in those.''

Many on the other side are doing what they think is right. Some on the other side do not have the guts to admit that they have eviscerated what we should do about terrorism and instead put up a series of smokescreen proposals, none of which are objectionable but only one of which does anything real to fight terrorism, and that would have passed here within the next few months anyway in terms of airport security.

So what we have today, my colleagues, is something that belies what is wrong, that explains what is wrong with this Chamber, and that is the inability of the broad membership both of this body and probably of the country to pull together and do what is needed when we face problems, enemies, and now sometimes even crises. What we are doing here is an act at best of deception and at worse of cowardice.

□ 1545

This is not a game. We are going to have other terrorist incidents that affect us. Once again the head of the FBI would say, ''I wish we had those multipoint wiretaps. I wish we had taggants so that incident might not have occurred.'' Then perhaps once again we will all gather together in a group and we will debate for 3 days in a little conference room what we should do.

I pray to God that the result is not the same as what happened the last two times: We end up with a hodgepodge of proposals, unstudied, unexamined, and at best, marginally effective, and ignore what should be done. Shame on us. We should be doing much, much more.

Mr. HYDE. Mr. Speaker, I am honored to yield 1 minute to the distinguished gentleman from Florida [Mr. MCCOLLUM], chairman of the Subcommittee on Crime of the Committee on the Judiciary.

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

Mr. MCCOLLUM. Mr. Speaker, contrary to my good friend, the gentleman from New York, CHUCK SCHUMER's comments, my judgment is this is a very fine bill. It is one that is long overdue as a supplement to the terrorism bill we passed in April. We must as a nation unite together to fight terrorism. It is one of the three or four major criminal and international concerns of this Nation as we move into the 21st century.

There are going to be lots of debates over the specific provisions of how we go about doing this. Yes, I believe we ought to have multipoint wiretap sources for the FBI to be able to tap more telephones, to get at these terrorists. But there are a lot of other things we need and they are in this bill today. There are going to be more things down the road. We are going to have hearings on the wiretap in our Committee on the Judiciary in the next month when we come back. I believe we will produce much more substantive legislation in addition to this as we go through this process.

Make no mistake, there is really good and important stuff in this bill. It should be enacted today. As the chairman of the Subcommittee on Crime and a member of the Committee on Intelligence, I pledge to my colleagues and friends that we will work diligently to make sure that terrorism is defeated in every possible source and on every possible occasion.

Mr. CONYERS. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas, Ms. SHEILA JACKSON-LEE, who has done an enormously useful job on the Committee on the Judiciary.

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

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I really rise this afternoon in the name of Alice Stubbs Hawthorne. Who is being funeralized today, who passed at the Olympics along with a Turkish reporter; the victims of Pan American 103; the victims of TWA flight 800; Pam Lyncher, Myra Royal of Pan American 103; and certainly Oklahoma City.

Mr. Speaker, this bill is a wimpish bill. I am saddened to say that the House Republicans last year shut down the Government in December, and now they are trying to shut us down on our ability to fight terrorism. They have precluded us from having taggants to track the bombs that may have been the cause of these tragic acts. They have refused to harmonize the terrorism laws with criminal laws, a simple gesture.

Mr. Speaker, I would simply say that what we must do, and I hope that our colleagues will comply with what they have just said today, we must go forward. I will vote for this bill, because there are certain airport security provisions that will allow us to detect bomb devices, but we are just beginning. This is a tiny step, and it is not a very large step for Americans, but I am prepared to work to do better. I hope my colleagues will join with me to do better for America.

Mr. Speaker, I must rise to express my views on the Aviation Security and Antiterrorism Act of 1996. While I understand the urgency of strengthening our current antiterrorism laws, I am concerned about the process that the House leadership used to bring this bill to the House floor without considerable input from members of the minority party and the lack of any opportunity to amend the bill. Every Member of Congress wants to end domestic terrorism but we must provide for some debate and careful reflection on this bill before moving forward with provisions that could undermine the traditional civil liberties of all Americans.

There are some good provisions to this bill and some bad provisions. The bill enhances the penalties for Privacy Act violations from a misdemeanor charge to a charge that would lead to imprisonment of not more than 5 years. Additionally, the civil damages for violating the Privacy Act would be increased from $1,000 to $5,000. With respect to disclosures of wiretaps, this bill enhances the criminal penalties to 10 years for such disclosures.

The close monitoring of standards relating to airport security personnel and authorizing additional funds for this purpose is also something that all Members can agree. As a part of the security procedures, however, the Federal Aviation Administration and the Department of Transportation will work closely with the airlines on developing computer-assisted passenger profiles programs. We must make sure that such profiles do not lead to harassment of certain individuals based upon their race, ethnicity or national origin.

I also support the provisions of the bill that require the United States to work with other countries to combat international terrorism. The development of a multilateral sanctions regime against nations that provide support for acts of international terrorism is a good idea.

The bill requires the Department of Justice to order a study relating to using taggants in black and smokeless powder. Taggants have been studied over and over again and many experts believe that taggants are effective. Hopefully, the result of this study will be issued prior to the 1 year deadline. If it is determined that taggants are effective in helping to identify the source of terrorism, it should be implemented as soon as possible.

The addition of terrorist offenses as predicates for prosecution under the racketeering statute [RICO] deserve careful study because we already know that there are some problems in how the RICO statute has been implemented.

Mr. Speaker, I urge my colleagues to carefully examine the provisions of this bill before moving—casting their vote. It is important to reduce the number of terrorist acts and limit the impact of such acts but we must not unduly burden the rights that all Americans have enjoyed over the years.

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

Mr. Speaker, I would like to clarify a provision of this bill in the expectation this may become law. We want to make sure we do have a clear understanding.

In section 106, is it the chairman's understanding that in the matter of project grants, that grants for the expanded and enhanced security programs provided for in section 106 would be to airport sponsor, just as they are made today under the AIP Program; that such grants would not be made to entities other than airport sponsor, such as airlines or private companies? Is that the gentleman's understanding?

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

Mr. OBERSTAR. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. That is my interpretation of the language in section 106.

Mr. OBERSTAR. I thank the chairman of the committee.

Mr. Speaker, as I said at the outset during debate on the rule, we on this side may not have been in on the takeoff, because this legislation did sort of take shape and form and get rolling on its own, but we certainly were in on the flight and in on the landing, and have had a role, and I think a very constructive and positive role to play in each stage of the formation of this legislation as far as the aviation security part is concerned.

That is our committee jurisdiction. I want to again express my appreciation to the chairman of the committee, the gentleman from Pennsylvania [Mr. SHUSTER], for his partnership, and the gentleman from California [Mr. COX] for his very constructive intervention role that he played at very important times in the evolution of this piece of the legislation.

Mr. Speaker, I have had a very long involvement with aviation security, going back to the years when I chaired the Subcommittee on Investigations and Oversight with our then-ranking member, now Speaker of the House, the gentleman from Georgia [Mr. GINGRICH]; later, the gentleman from Pennsylvania [Mr. CLINGER]; and I worked very closely on every aspect of aviation security in crafting the basic structural law, the Aviation Security Act of 1990, which was crafted basically by the Pan American 103 commission on which our former ranking member and dear friend, Mr. Hammersmith, and I served.

With that perspective, I would just like to review some of the provisions of this legislation before us now. I think, all in all, this is basically a sound piece of legislation. Section 44913 which is amended in title I, dealing with explosive detection equipment, provides authority for the administrator of FAA to certify for deployment explosive detection devices that are now commercially available but that may not necessarily meet the standards we set for the 1990 Security Act.

That will provide a measure of enhanced performance while we go through, while we, the FAA and DOT, go through the very time-consuming and technical process of certifying very advanced explosives detection technology.

Section 102 deals with criminal background checks for screeners at the Nation's airports. That is not now provided for in current law. I think this is an important step forward. Pan American 103 commissioned in the 1990 Security Act, did not deal with domestic terrorism, it dealt with international acts. This fills an important hole in current security.

I do want to emphasize that this section amends the 1990 Security Act, which provides and requires a 10-year criminal background security check for other airport and airline personnel, and that we are simply folding this addition into that basic legislation.

Mr. Speaker, the section dealing with passenger profiling I think is a good addition. We have clarified the language on section 106, the use of funds to acquire, improve, deploy, and build the facilities necessary to deploy detection devices.

Assessment of cargo I think is very important. The FBI provisions are very good.

I do want to point out for my colleagues that the provision dealing with small airports is going to result in some additional cost for small airports from which passenger aircraft of less than 61 operate, that will require costs for x-ray machines, metal detectors, screeners, and installation costs.

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

Mr. COX of California. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. SAXTON].

Mr. SHUSTER. Mr. Speaker, I also yield 1 minute to the gentleman from New Jersey.

The SPEAKER pro tempore. The gentleman from New Jersey [Mr. SAXTON] is recognized for 2 minutes.

Mr. SAXTON. Mr. Speaker, let me just begin, and I had to smile when my friend, the gentleman from New York, CHARLIE SCHUMER, and other speakers on this side characterized what the Republican Party is trying to do for national security as wimpish. I do not think anybody takes that as a credible statement.

The provisions of this bill on aviation safety are certainly not wimpish. The provisions on Federal racketeering statutes and the use of them in regard to terrorist acts is not wimpish. The use of enhanced telephone technology to catch terrorists and know what they are doing is not wimpish. This is not a wimpish bill. In fact, it moves in the right direction.

Mr. Speaker, I remember in 1990 then-Secretary of Defense Dick Cheney coming to the Committee on Armed Services and saying, the world is going to change, folks. The Soviet Union, the threats posed by the Soviet Union are going to diminish, and other threats will become more important. He was talking about regional threats and the threats posed by terrorism.

On June 20, 21, and 22 of this year in Tehran a group of international terrorists met in a conference. They formed an organization known as the International Hezbollah, and they vowed to ratchet up terrorist acts against the West, particularly against the United States and our people overseas.

Shortly following that, a murder occurred in Egypt. It was an American diplomat. This organization took credit. Some time after that a bombing occurred in Dharhan at the airport. Nineteen Americans were killed, and they took credit. Shortly after that an airplane fell out of the sky over Long Island, and we do not know yet, but we suspect there may be a connection there as well.

So what this bill does is simply to try to take us in the direction of a more secure situation for our people overseas, our travelers, and our people here at home. For those who think it does not go far enough, fine. We will go further in the next bill. For those who object to a provision of this, it is their right to object. But vote to support this bill which moves in the right direction.

Mr. CONYERS. Mr. Speaker, I yield 30 seconds to the gentleman from New York [Mr. FORBES].

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

Mr. Speaker, this legislation is woefully inadequate. I am sorry to stand here today and say that. But unfortunately, the tragedy that we have witnessed on Long Island, which is in my congressional district, makes me very concerned about what is going on here.

Can we actually look in the eyes of any one of the families suffering through this tragedy and tell them that this legislation would have made their loved ones more secure? I suggest not. This is an unfortunate and inadequate piece of legislation.

Mr. OBERSTAR. In the interests of advancing the cause here, Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. OBERSTAR] is recognized for 1 minute and 15 seconds.

□ 1600

Mr. OBERSTAR. Mr. Speaker, I do so to address the Civil Aviation Security Review Commission provision of this bill, 13 members, 1 year to report. While I support the idea of a commission, I think this is too many people, too long a time to report. The Pan Am 103 commission did its job in 6 months.

In addition, I have some concerns about the amount of money authorized to be spent on this commission. The Pan Am 103 commission developed recommendations in less time, with a much more conservative budget. The Pan Am commission achieved its mandate with a budget of $1 million. The commission in this bill has an authorized budget of $2.4 million. The cost anticipated in connection with the commission in this bill are excessive.

As for what the commission should focus on, I would urge commission members to look closely at the issue of how the financing of improved security equipment and procedures should be handled. Who should be responsible for incurring the cost that are inevitably associated with improving airport security; airports, airlines, the Federal Government?

I very firmly believe that when the commission discussed potential rulemaking in the area of airport security, the resulting recommendations should be normative in nature. Cost benefit analyses should not influence the discussions or recommendations of the Commission. The costs associated with improved airport security must ultimately be considered,

but I do not think that it is the role of the commission to do so. The commission must develop and recommend optimal security recommendations and let Congress and the administration weight those recommendations against the costs and inconveniences associated with them.

One issue that must be considered is whether a positive bag match should be required for passengers traveling domestically, as it is currently required on international flights. Again, while there would unquestionably be a significant impact on aviation in domestic markets should such a bag match be imposed, the commission should, to the extent possible, view a required domestic bag match with regard for potential costs or inconveniences.

In closing, there is a question we must pose to the American public, the executive branch, and this body. It is a question of political and personal will. We all want a higher level of airport security. How much is the public willing to pay? How much is the public willing to be inconvenienced? The answer today may be, to paraphrase President Kennedy, ''we are willing to pay any price, bear any burden.'' From experience I know that the answer a year from now will likely be very different. Now is when we must ask the question and formulate the answer.

Mr. Speaker, I urge my colleagues to support this important legislation.

Mr. CONYERS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Speaker, this morning instead of attending a meeting he had requested with the director of Central Intelligence to discuss activities to combat terrorism, the Speaker of the House chose to make some comments which served no purpose other than to undercut bipartisan efforts to pass a meaningful counterterrorism bill. To suggest that our ability to collect human intelligence on terrorists and terrorist organizations had been undermined by the Clinton administration is simply not correct.

Perhaps the Speaker, an ex officio member of the Permanent Select Committee on Intelligence, should reread the committee's report on the fiscal year 1996 intelligence authorization bill. The report stated, ''Overall, the Committee believes that the work of the U.S. intelligence agencies against terrorism has been an example of effective coordination and information sharing.'' The report also noted, ''The Committee, in its mark, has provided added support to the Intelligence Community programs focused on the terrorist threat.''

The recent report of the Aspin-Brown commission on intelligence also stated, ''U.S. intelligence has played key roles in helping other countries identify and/or arrest several notorious terrorists, including Carlos the Jackal in Sudan, the alleged ringleader of the World Trade Center bombing, in the Philippines, the head of the Shining Path terrorist group in Peru, and those involved in the bombing of Pan Am 103.''

Mr. CONYERS. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore (Mr. HASTERT). The gentleman from Michigan [Mr. CONYERS] is recognized for 1 minute.

Mr. CONYERS. Mr. Speaker, we began the attempt to do something during the summer recess by meeting with the President of the United States and the White House with our leadership, the ranking member of judiciary, myself, Vice President, Attorney General, FBI Director, and Speaker GINGRICH was so amicable. Now we come to Friday, and he makes this unusually vituperative attack upon the President and misleads the American people on what has been going on here in our attempts to combat antiterrorism.

We know what is happening here, and I hope that we can communicate this to everyone else.

Mr. COX of California. Mr. Speaker, I yield myself the balance of my time.

I will be brief in closing, because I know that several of our colleagues wish to catch airplanes. We had been long scheduled to adjourn today, but just a few days ago the President of the United States asked the Congress, not just the House but the Senate as well, not just Republicans but Democrats to do what we can before we go. As a consequence, a task force of us comprising our leaders, committee chairmen, ranking and majority members in the Senate and in the house, representatives of the administration, including the President's chief of staff, including the deputy attorney general, including representatives from the FBI, the Department of State, and many executive branch agencies worked here in this Capitol for long days and long nights.

Much has been said about what we disagreed about. In truth, we did disagree about two major items: This House sought to include in this terrorism package a good-faith exception to the exclusionary rule so that the evidence that will convict terrorists makes it into the courtroom. We passed it five times on the floor of this House, but it was not acceptable to our colleagues in the minority, on the Senate side.

So notwithstanding that the good-faith exception to the exclusionary rule that would permit evidence of terrorism to make it into the courtroom has passed this House five times, it is not included in this legislation; neither is wiretapping legislation that has passed the Senate but has not passed this body. We were charged with a very specific task, and that is to do as much as we can agree upon before we leave and to do so, obviously, under procedures that require unanimous consent in the other body and require us to bring it up under suspension of the rules here.

Rather than dwell upon the two things that we disagreed on, we ought to dwell on the score of things that we did agree upon, because there is much good in this legislation.

As a result of this bill, the Federal Aviation Administration will have immediate authority to put in place performance standards for security personnel at our airports. The FBI does not presently do threat and vulnerability assessments at our riskiest airports such as JFK in New York, but as a result of this bill they will have the immediate authority to do so.

As a result of this bill, airport improvement funds are authorized to be used to fight terrorism and to provide security in our air transport against terrorism.

As a result of this bill, we will now give our criminal prosecutors in our Federal courts the same tools to fight terrorists they use to fight racketeers and organized crime. I want to thank my colleagues, Democrats and Republicans, in the House and in the Senate, and in the administration for the hard work that we have done to bring us to this point. This is amazing good work. It comes after long hours and late nights. Yes, it comes after the imposition of virtually an unreasonable deadline. But we persisted and we should be proud of this result.

Let us also say as we go out to campaign, in some cases against one another in very partisan races, that in this we are united, because this is as close as the 104th Congress will come to dealing with real war. This is America's war against global terrorism. Is this the last time we will address it? Absolutely not. It will require persistence and eternal vigilance. Is this the best that we can do today? Absolutely. We have every right to be proud of it and every reason to vote for it. I urge my colleagues to vote ''aye'' on this Aviation Security and Antiterrorism Act of 1996.

Mr. DEFAZIO of Oregon. Mr. Speaker, I have grave concerns with the efficacy of the Federal Aviation Administration's measures to combat terrorism aimed at aviation targets. Over the past decade I have made these concerns known to both present and past administrators at the FAA. We need to address these issues through comprehensive and well thought out legislation. If this bill is a good faith attempt to pass stop-gap-type legislation that we can reconsider and perfect in September, then I support this effort. However, if this legislation is being hailed as the ultimate solution to a serious problem, then this bill is clearly a sham.

I understand the desire on the part of many Members of Congress to react swiftly to recent tragedies such as the bombing in Atlanta last week and the downing of TWA Flight 800 last month. We are all anxious to adopt strong security measures to try and correct any current deficiencies in aviation security. But we have had plenty of opportunities to review this type of legislation. I supported many of the measures recommended after the Lockerbie tragedy that have never been adopted by the FAA. For example, we should have adopted recommendations mandating screening of security personnel and development of bomb resistant cargo containers in conjunction with prompt deployment of effective bomb screening devices. However, the United States remains years behind schedule in adopting these proposals.

Aviation security is a serious matter concerning the life or death of our citizens. It is far too serious to deal with in a slapdash bill thrown together by Republican staff behind closed doors in a 24-hour period. There are some provisions in this bill that I fully support and do not find objectionable. I am pleased that the bill recommends a commission on airline safety and security, although this seems to be duplicative of the recently created Gore commission. Some provisions are well intentioned but not practicable. There are other provisions that are outright counterproductive.

We should not rush to a vote on this legislation on the pretext that this is the most comprehensive effective step we can take to combat terrorism particularly if it precludes more thoughtful legislation in September.

Mr. LAZIO of New York. Mr. Speaker, although I rise today in support of this bill, I must admit to experiencing, as Yogi Bera once put it, deja vu all over again. This past spring we passed and the President signed a compromise antiterrorism bill which I supported. There were several provisions that were removed from that legislation that I would have preferred remain, and I am disappointed that they are not included in this bill today.

Rather, the proposal we are considering today only goes part of the way in providing law enforcement the tools they need to combat this threat of terrorism. The expanded law enforcement provisions that were originally reported out of the Judiciary Committee, which are not being considered here today, are not inconsistent with our constitutional protections.

Instead, they are a measured response to a specific and increasing threat. The truth is that as terrorists are becoming more sophisticated, there are some of my colleagues who believe we should unilaterally disarm ourselves, rather than improve our antiterrorism capabilities.

Providing physical security is, as it should be, the first order of business of any government. The preamble to the U.S. Constitution states that the foundational reason the Federal Government formed is to establish justice and insure domestic tranquility. Congress has in the past provided law enforcement additional tools in order to meet specific threats when conventional methods were insufficient, within constitutional limitations.

Although I believe that the provisions in this bill regarding aviation security are laudable, and some of the antiterrorism provisions would be helpful, overall the remedies contained in this bill are, quite frankly, a drop in the bucket.

For example, this bill calls for a separate study of black and smokeless powder that will be relegated to the ash heap of other Government studies. Instead, the bill should include these items as part of the comprehensive study of explosives that is already provided for by the antiterrorism law we passed in April, and regulations should be implemented as soon as possible.

At this point in time, we still do not know the cause of the tragedy of Flight 800 off the southern shore of Long Island. But we are certainly aware of the acts of terrorism that occurred in Saudi Arabia, and most recently at the Olympic games in Atlanta. How many more terrorist incidents do we need before we take the steps needed to more fully protect the public? I sincerely wish that this bill was tougher, and that public policy interests were paramount.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. COX] that the House suspend the rules and pass the bill, H.R. 3953.

The question was taken.

RECORDED VOTE

Mr. COX of California. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 389, noes 22, not voting 22, as follows:

[Roll No. 401]

AYES—389

Abercrombie
Ackerman
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TN)
Bryant (TX)
Bunn
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clyburn
Coble
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Conyers
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Dellums
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehrlich
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoke
Holden
Horn
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaFalce
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Montgomery
Moorhead
Moran
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
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
Quinn
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sawyer
Saxton
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
Spence
Spratt
Stark
Stearns
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Zeliff
Zimmer

NOES—22

Allard
Bonilla
Bono
Coburn
Cooley
Costello
Ehlers
Hefley
Hoekstra
Hostettler
Klink
LaHood
Mollohan
Murtha
Myers
Radanovich
Sanford
Scarborough
Souder
Stockman
Tiahrt
Young (AK)

NOT VOTING—22

Beilenson
Bishop
Blumenauer
Brownback
Bunning
Clinger
Condit
DeFazio
Deutsch
Dickey
Ford
Gunderson
Lincoln
McCrery
McDade
Meehan
Meek
Morella
Quillen
Stenholm
Torkildsen
Young (FL)

☐ 1626

The Clerk announced the following pairs:

On this vote:

Mrs. Morella and Mr. Deutsch for, with Mr. DeFazio of Oregon against.

Mr. POMBO and Mr. CRAPO changed their vote from ''no'' to ''aye.''

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. CONDIT. Mr. Speaker, I was unavoidably detained during rollcall vote No. 401. Had I been present, I would have voted ''aye.''

PERSONAL EXPLANATION

Mr. DEUTSCH. Mr. Speaker, I missed two rollcall votes earlier today because I was unavoidably detained. Had I been present, I would have voted ''no'' on rollcall vote No. 400 and ''yes'' on rollcall vote No. 401, the House antiterrorism bill.

PERSONAL EXPLANATION

Mr. CLINGER. Mr. Speaker, earlier today, I was unavoidably detained and missed rollcall No. 401, final passage of the bipartisan antiterrorism initiative. Had I been present, I would have voted ''aye.''

□ 1630

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 3953, AVIATION SECURITY AND ANTITERRORISM ACT OF 1996

Mr. COX of California. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill, H.R. 3953, the Clerk be authorized to correct section numbers, cross-references, and punctuation, and to make such stylistic, clerical, technical, conforming, and other changes as may be necessary.

The SPEAKER pro tempore (Mr. HASTERT). Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

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

Mr. BONIOR. Mr. Speaker, I take this time in order to engage the gentleman from Texas [Mr. ARMEY], the majority leader, in a colloquy regarding the schedule for today and the remainder of the day.

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

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

Mr. ARMEY. Mr. Speaker, we have had our last vote, and I am pleased to announce that the House has concluded its legislative business for the week. Members are, have been already, proceeding to their homes for their August district work period.

Mr. Speaker, I am sure I speak for both the distinguished gentleman from Michigan and myself in wishing them Godspeed on this trip home.

As we head into the August district work period today, I think it is important to reflect on our accomplishments of the past week. Working in a bipartisan manner, this Congress has passed comprehensive welfare reform, guaranteed that health care will be both portable and affordable, and ensured that our Nation will have the cleanest, safest drinking water in the world.

After our long-awaited August break, we will return to work on Wednesday, September 4, at 12 noon and hold votes that day after 5 p.m. Consistent with our unanimous-consent agreement of last evening, the House will consider a number of bills under suspension of the rules on September 4, 1996.

Members should be advised that a list of suspensions will be prepared and distributed by August 21. On Thursday, September 5, and Friday, September 6, we hope to take up H.R. 3308, the United States Armed Forces Protection Act, which will be subject to a rule. We also expect to go to conference on the immigration bill and consider any appropriations conference reports that may be available.

We expect to finish our work that week by 2 p.m. Friday, September 6.

Mr. Speaker, I thank the gentleman for yielding me this time and wish him an enjoyable August work period.

Mr. BONIOR. Mr. Speaker, reclaiming my time, I would say the same to my friend from Texas, and I thank him for the information.

ELECTION OF MEMBER TO COMMITTEE ON AGRICULTURE

Mr. ARMEY. Mr. Speaker, I offer a resolution (H. Res. 509) and I ask unanimous consent for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

H. RES. 509

Resolved, That the following named Member be, and he is hereby, elected to the following standing committee of the House of Representatives:

Committee on Agriculture: Mr. FUNDERBURK of North Carolina.

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

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, SEPTEMBER 4, 1996

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that business in order under the Calendar Wednesday rule be dispensed with on Wednesday, September 4, 1996.

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

There was no objection.

AUTHORIZING THE SPEAKER AND MINORITY LEADER TO ACCEPT RESIGNATIONS AND MAKE APPOINTMENTS, NOTWITHSTANDING ADJOURNMENT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until Wednesday, September 4, 1996 the Speaker and the minority leader be authorized to accept resignations and to make appointments authorized by law or by the House.

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

There was no objection.

GRANTING ALL MEMBERS OF THE HOUSE PRIVILEGE TO EXTEND AND REVISE REMARKS IN CONGRESSIONAL RECORD TODAY

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that for today all Members be permitted to extend their remarks and to include extraneous material in that section of the RECORD entitled ''Extensions of Remarks.''

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

There was no objection.

DESIGNATION OF HON. FRANK R. WOLF AND HON. CONSTANCE A. MORELLA TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS THROUGH WEDNESDAY, SEPTEMBER 4, 1996

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

WASHINGTON, DC,
August 2, 1996.

I hereby designate the Honorable Frank R. Wolf, or, if not available to perform this duty, the Honorable Constance A. Morella to act as Speaker pro tempore to sign enrolled bills and joint resolutions through Wednesday, September 4, 1996.

NEWT GINGRICH,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the designations are agreed to.

There was no objection.

DIRECTING THE CLERK TO MAKE CORRECTION IN ENROLLMENT OF H.R. 3103, HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996

Mr. THOMAS. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 208) directing the Clerk of the House of Representatives to make a correction in the enrollment of H.R. 3103, and I ask unanimous consent for its immediate consideration.

The Clerk read the title of the concurrent resolution.

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

Mr. STARK. Reserving the right to object, Mr. Speaker, and I shall not object, but I would like to engage the distinguished subcommittee chair from California in a brief colloquy and ask if he would explain what this modest change in the bill does.

Mr. THOMAS. Mr. Speaker, if the gentleman will yield, my understanding is that this change removes the item that was added dealing with the

particular drug used in the treatment of arthritis which would have created an equity under the Patent Code with another drug that had been given privileged treatment in an earlier piece of legislation that had passed.

My understanding is that the attempt to provide this particular drug with equity under the patent law had been tried in a previous Democratic Congress, including a number of measures, and they all failed. The assumption was, this would be an appropriate route.

I will tell the gentleman, apparently with the concurrent resolution in front of us, there was a conclusion on the Senate side that it was not the appropriate route.

Mr. STARK. Further reserving the right to object, I thank the gentleman for his explanation.

Further reserving the right to object, Mr. Speaker, under that reservation I would like to congratulate the distinguished gentleman from California, the subcommittee chairman of the Subcommittee on Health of the Committee on Ways and Means for his work in completing this bill.

The only reason I could possibly think of to object would be so that I could then be recorded voting in favor of it, but I will not take the time of this body except to add my congratulations and to say that I am glad this was done.

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 concurrent resolution, as follows:

H. CON. RES. 208

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill (H.R. 3103), 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, to improve access to long-term care services and coverage, to simplify the administration of health insurance, and for other purposes, the Clerk of the House of Representatives shall make the following correction:

Strike subtitle H of title II of the bill and the items corresponding to such subtitle in the table of contents of the bill in section 1(b).

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

HOUSE OF REPRESENTATIVES ADMINISTRATIVE REFORM TECHNICAL CORRECTIONS ACT

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2739) to provide for a representational allowance for Members of the House of Representatives, to make technical and conforming changes to sundry provisions of law in consequence of administrative reforms in the House of Representatives, and for other purposes, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Senate amendments:

Page 2, in the table of contents, strike out: ''Sec. 107. Cafeteria plan provision.''

Page 2, in the table of contents, strike out ''108'' and insert ''107''.

Page 2, in the table of contents, strike out ''109'' and insert ''108''.

Page 14, strike out lines 1 through 23.

Page 15, line 1, strike out ''108'' and insert ''107''.

Page 16, line 1, strike out ''109'' and insert ''108''.

Mr. THOMAS (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

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

Mr. FAZIO of California. Reserving the right to object, Mr. Speaker, and I will not object, I would like to yield to my friend, the gentleman from California [Mr. THOMAS], to describe his request.

Mr. THOMAS. Mr. Speaker, this is the Administrative Reform Technical Corrections Act. We passed it back in March, March 19, as a matter of fact. The Senate passed the bill June 28. They added one amendment to section 107 of the bill. The purpose of this unanimous-consent request is to agree to that Senate amendment.

Mr. FAZIO of California. Reclaiming my time, Mr. Speaker, the minority has no problem with the legislation before us or any of the other four resolutions that the gentleman will present, and we would certainly not object to their adoption at this time.

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 SPEAKER pro tempore. Is there objection to the original request of the gentleman from California?

There was no objection.

A motion to reconsider was laid on the table.

APPROVING REGULATIONS TO IMPLEMENT PROVISIONS OF THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that the Committee on House Oversight and the Committee on Economic and Educational Opportunities be discharged from further consideration of the resolution (H. Res. 504) approving certain regulations to implement provisions of the Congressional Accountability Act of 1995 relating to labor-management relations with respect to employing offices and covered employees of the House of Representatives, and for other purposes, and asked 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?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 504

Resolved,

SECTION 1. APPROVAL OF REGULATIONS.

(a) IN GENERAL.—The regulations described in subsection (b) are hereby approved insofar as such regulations apply to employing offices and covered employees of the House of Representatives under the Congressional Accountability Act of 1995 and to the extent such regulations are consistent with the provisions of such Act.

(b) REGILATIONS APPROVED.—The regulations referred to in subsection (a) are the regulations issued by the Office of Compliance on July 9, 1996, under section 220(d) of the Congressional Accountability Act of 1995 to implement section 220 of such Act (relating to the application of chapter 71 of title 5, United States code), as published in the Congressional Record on July 11, 1996 (Volume 142, daily edition), beginning on page H7454.

SEC. 2. ADOPTION OF REGULATIONS RELATING TO HEARING OFFICERS.

The Board of Directors of the Office of Compliance shall adopt regulations (in accordance with section 304 of the Congressional Accountability Act of 1995) to implement the requirement that the Board refer any mater under section 200(c)(1) of such Act which relates to employing offices and covered employees of the House of Representatives to a hearing officer.

Mr. THOMAS. Mr. Speaker, on July 9, 1996, the Board of Directors of the Office of Compliance adopted final regulations to implement the Federal Service Labor-Management Relations statutes under section 220(d) of the Congressional Accountability Act. House Resolution 504 approves the regulations applicable to the House, to the extent that such regulations are consistent with the act. The resolution further directs the Board to adopt supplemental regulations to implement the requirement in section 220(c)(1) of the act that all matters relating to Federal Labor Relations be referred to a hearing officer. Regulations relating to section 220(e) of the act have not yet been adopted by the Board.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPROVING CERTAIN REGULATIONS TO IMPLEMENT CONGRESSIONAL ACCOUNTABILITY ACT OF 1995

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that the Committee on House Oversight and the Committee on Economic and Educational Opportunities be discharged from further consideration of the concurrent resolution (H. Con. Res. 207) approving

certain regulations to implement provisions of the Congressional Accountability Act of 1995 relating to labor-management relations with respect to covered employees, other than employees of the House of Representatives and employees of the Senate, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

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

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 207

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. APPROVAL OF REGULATIONS.

(a) IN GENERAL.—The regulations described in subsection (b) are hereby approved, insofar as such regulations apply to covered employees under the Congressional Accountability Act of 1995 (other than employees of the House of Representatives and employees of the Senate) and to the extent such regulations are consistent with the provisions of such Act.

(b) REGULATIONS APPROVED.—The regulations referred to in subsection (a) are the regulations issued by the Office of Compliance on July 9, 1996, under section 220(d) of the Congressional Accountability Act of 1995 to implement section 220 of such Act (relating to the application of chapter 71 of title 5, United States Code), as published in the Congressional Record on July 11, 1996 (Volume 142, daily edition), beginning on page H7454.

SEC. 2. ADOPTION OF REGULATIONS RELATING TO HEARING OFFICERS.

The Board of Directors of the Office of Compliance shall adopt regulations (in accordance with section 304 of the Congressional Accountability Act of 1995) to implement the requirement that the Board refer any matter under section 220(c)(1) of such Act which relates to covered employees (other than employees of the House of Representatives and employees of the Senate) to a hearing officer.

Mr. THOMAS. Mr. Speaker, House Concurrent Resolution 207 accomplishes the same purpose as the resolution just agreed to with respect to regulations applicable to the Capitol Guide Board, the Capitol Police Board, CBO, the Architect, the Attending Physician, and the Office of Compliance.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR JOINT CONGRESSIONAL COMMITTEE ON INAUGURAL CEREMONIES

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 47) to provide for a Joint Congressional Committee on Inaugural Ceremonies, and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

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

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 47

Resolved by the Senate (the House of Representatives concurring), That a Joint Congressional Committee on Inaugural Ceremonies consisting of 3 Senators and 3 Representatives, to be appointed by the President of the Senate and the Speaker of the House of Representatives, respectively, is authorized to make the necessary arrangements for the inauguration of the President-elect and Vice President-elect of the United States on the 20th day of January 1997.

Mr. THOMAS. Mr. Speaker, Senate Concurrent Resolution 47 provides for a Joint Congressional Committee on Inaugural Ceremonies which will be authorized to make the necessary arrangements for the inauguration of the President-elect and Vice President-elect of the United States on January 20, 1997.

The Senate concurrent resolution was concurred in. A motion to reconsider was laid on the table.

AUTHORIZING USE OF ROTUNDA ON JANUARY 20, 1997, IN CONNECTION WITH INAUGURATION CEREMONIES OF PRESIDENT-ELECT AND VICE-PRESIDENT-ELECT

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 48) authorizing the rotunda of the U.S. Capitol to be used on January 20, 1997, in connection with the proceedings and ceremonies for the inauguration of the President-elect and the Vice President-elect of the United States, and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

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

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 48

Resolved by the Senate (the House of Representatives concurring), That (a) the rotunda of the United States Capitol is hereby authorized to be used on January 20, 1997, by the Joint Congressional Committee on Inaugural Ceremonies (the Joint Committee) in connection with the proceedings and ceremonies conducted for the inauguration of the President-elect and the Vice-President-elect of the United States.

(b) The Joint Committee is authorized to utilize appropriate equipment and the service of appropriate personnel of departments and agencies of the Federal Government, under arrangements between such Committee and the heads of such departments and agencies, in connection with such proceedings and ceremonies. The Joint Committee may accept gifts and donations of goods and services to carry out its responsibilities.

Mr. THOMAS. Mr. Speaker, Senate Concurrent Resolution 48 authorizes use of the rotunda of the U.S. Capitol to be used on January 20, 1997, in connection with proceedings and ceremonies for the inauguration of the President-elect and Vice-President-elect of the United States.

Mr. Speaker, I also want to indicate that a resolution introduced by the gentleman from New York [Mr. RANGEL] regarding a commemorative for the late Ham Fish, former Member of the House, will be handled by the Joint Committee on Printing. And as the Chair, I will indicate that it will be handled by the committee and there needs to be adjustments in the language to make sure that the number of copies are an appropriate number based upon the family and the Members of the House that would wish to receive it.

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

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

Mr. RANGEL. Mr. Speaker, I have no objection to the manner in which this is being handled by the distinguished gentleman from California [Mr. THOMAS].

The SPEAKER pro tempore. The question is on the Senate concurrent resolution.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

□ 1645

RONALD H. BROWN FEDERAL BUILDING

Mr. GILCHREST. Mr. Speaker, I ask unanimous consent that the Committee on Transportation and Infrastructure be discharged from further consideration of the bill (H.R. 3560) to designate the Federal building located at 290 Broadway in New York, NY, as the ''Ronald H. Brown Federal Building,'' and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. HASTERT). Is there objection to the request of the gentleman from Maryland?

Mr. TRAFICANT. Mr. Speaker, reserving the right to object, I will not object, and I yield to the distinguished gentleman from Maryland [Mr. GILCHREST] for an explanation.

Mr. GILCHREST. Mr. Speaker, the bill designates the Federal building located at 290 Broadway in New York City as the Ronald H. Brown Federal Building.

Ronald H. Brown was the first African-American Secretary of Commerce where he was influential in promoting U.S. trade abroad. He was a champion for expanded markets for U.S. goods and services abroad and opportunities at home.

Ronald H. Brown was a civil rights advocate with a distinguished record of service and commitment to his country. It is unfortunate that he lost his life in the Balkans on April 3, 1996.

I urge my colleagues to support this fitting tribute to this distinguished

American. We all here hope today that even though this tragic loss has denied the family of Mr. Brown's presence, as they walk past the courthouse and see his name there, some of the friendly presence that he left with us will be felt by them.

The gentleman from Pennsylvania [Mr. SHUSTER] could not be here for this, but he concurs strongly with the naming of this Federal building after the distinguished life and service of Mr. Brown.

I urge my colleagues to support the bill.

Mr. TRAFICANT. Mr. Speaker, continuing my reservation of objection, I yield to the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. Mr. Speaker, I thank the gentleman for yielding to me, and I thank the gentleman from Maryland for bringing this resolution to the House floor.

I think it is very appropriate and fitting for us to name a building in New York in Secretary Brown's hometown for him to carry on the name and the memory of the very distinguished service that he provided to this country in so many arenas, but particularly as a most distinguished Secretary of Commerce whose focus was jobs, tourism, economic growth, expansion of trade, protecting American interests at home and abroad. He was a truly great American, and naming of this building is a modest way in which we can perpetuate his memory.

Mr. TRAFICANT. Mr. Speaker, I want to commend the gentleman from New York [Mr. RANGEL], the sponsor of this bill, for the work that he has done to bring it up in such a timely fashion. I want to thank Mr. GILCHREST and the majority for being considerate of Mr. RANGEL and our concerns.

I also have great concerns that Mr. Brown's legacy should be reflected here with a presence in Washington and would like to place on notice to our committee that we will look into those regards.

I would also like to say that Ron Brown did something else that was quite unusual. He helped to put the Democrat party together and to elect a Democrat President. And I believe without Ron Brown, the Democrats in the White House would not quite be there.

In addition to that, I echo the words of our distinguished ranking member, Mr. OBERSTAR. I think Ron Brown was a fighter. He was concerned with people. He was always willing to take our calls and work with us on projects.

Mr. Speaker, I am honored to stand today to designate the Federal building on Broadway in New York City, as does its sponsor, Mr. RANGEL, and designate that building as the Ronald H. Brown Federal Building. It is absolutely deserving.

Mr. Speaker, I withdraw my reservation of objection and I urge support of H.R. 3560.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 3560

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

SECTION 1. FINDINGS.

Congress finds the following:

(1) Ronald H. Brown, the first African-American Secretary of Commerce, was an extraordinary statesman and an effective and influential force in promoting United States trade abroad;

(2) Ronald H. Brown efficaciously championed expanded markets for United States goods and services abroad, and jobs and opportunities at home;

(3) Ronald H. Brown was a passionate civil rights advocate with a distinguished record of service and commitment to his country and community; and

(4) Ronald H. Brown lost his life in exceptional service to his country on April 3, 1996, in the Balkans.

SEC. 2. DESIGNATION.

The Federal building located at 290 Broadway in New York, New York, shall be known and designated as the ''Ronald H. Brown Federal Building''.

SEC. 3. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in section 2 shall be deemed to be a reference to the ''Ronald H. Brown Federal Building''.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GILCHREST

Mr. GILCHREST. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. GILCHREST:

Strike all after the enacting clause and insert the following:

SECTION 1. DESIGNATION.

The Federal building located at 290 Broadway in New York, New York, shall be known and designated as the ''Ronald H. Brown Federal Building''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in section 1 shall be deemed to be a reference to the ''Ronald H. Brown Federal Building''.

Mr. GILCHREST (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

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

There was no objection.

Mr. GILCHREST. This amendment, Mr. Speaker, simply strikes the finding from the bill. This is to conform the bill to the style used by the committee.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Maryland [Mr. GILCHREST].

The amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAM M. GIBBONS U.S. COURTHOUSE

Mr. GILCHREST. Mr. Speaker, I ask unanimous consent that the Committee on Transportation and Infrastructure be discharged from further consideration of the bill (H.R. 3710) to designate a U.S. courthouse located in Tampa, FL, as the ''Sam M. Gibbons U.S. Courthouse'' and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

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

Mr. TRAFICANT. Mr. Speaker, reserving the right to object, I will not object, and I yield to the gentleman from Maryland [Mr. GILCHREST] for an explanation.

Mr. GILCHREST. Mr. Speaker, the bill designates the U.S. courthouse located at 611 North Florida Avenue, Tampa, FL, as the Sam M. Gibbons U.S. courthouse.

SAM GIBBONS has been a distinguished Member of this body for 34 years and will be retiring after he finishes his 17th term in the House of Representatives. SAM has a long history of public service, beginning in World War II, where he served as captain in the 501st Parachute Infantry/101st airborne division. He was part of the initial assault force in Normandy on D-Day and was awarded the Bronze Star for his actions.

SAM has been a Member of the Committee on Ways and Means since 1969, where he served as acting chairman in 1994 and became ranking minority member in the 104th Congress.

SAM has conducted himself with dignity and commanded respect from those who have served with him. I urge my colleagues to support this fitting tribute to our distinguished colleague.

The gentleman from Pennsylvania [Mr. SHUSTER], who could not be here today, strongly supports this legislation.

I, as a Member of the House, Mr. GIBBONS, an American and a veteran thank you for your long, distinguished, courageous career to this most great country, the United States.

Mr. TRAFICANT. Mr. Speaker, continuing my reservation of objection, I yield to the distinguished gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. Mr. Speaker, I want to express my appreciation to the ranking member, Mr. GILCHREST, chairman of the subcommittee, and Chairman SHUSTER for moving this and the previous unanimous-consent request to name these buildings for distinguished Americans and in this case for a very distinguished colleague.

All of us will long treasure in our memories the vision of SAM GIBBONS striding to the well of the House without a document in hand but only a gifted, able, agile, and retentative mind to instruct us as a moral conscience on the Tax Code of the United States and our trade laws and to instruct and to guide and to shape responsible legislation.

He will long be remembered by our Canadian colleagues to the north for his service on the Canada-United States interparliamentary group, for the relations that he cemented, established and broadened with our neighbors to the north and during which service he shaped many of the policies that guide the destinies of our two countries and fostered strong and warm relations between us and our neighbor to the north.

He will indelibly be remembered by the French for his landing at St. Mere Egleiese in that Normandy invasion. He was a parachutist, risking life in a manner so vulnerable, none of us can possibly understand it until you have experienced it. None of us can fully appreciate the gratitude of the French until you have seen delegations of French parliamentarians who have been to this country, and I have witnessed it. And Mr. GIBBONS talks about that extraordinary experience and the French respond with tears in their eyes, gratitude in their hearts and a grateful memory of a wonderful nation that appreciates the sacrifice and the risk that was taken.

The naming of this building is a small token that we can all take and we can all offer for the long and enduring memory of the many gifts that SAM GIBBONS has shared with us and the lasting monument, body of legislation and sacrifice that he has offered for this Nation, for its good and for others for all time to come.

Mr. TRAFICANT. Mr. Speaker, SAM GIBBONS was a war hero. He has been a congressional hero. He is an American hero. In the delicate nature of the work he performed not everybody may have agreed on every single little issue. But never, ever was the integrity, the direction, the focus of which he pursued his endeavors ever questioned. No one has been more respected.

I am glad that I am in a position to have an opportunity to speak on this and to have played a part in it.

I want to thank the gentleman, Mr. GILCHREST, and the Republicans. I want to also notify the Members of the House that this enacting and enabling legislation has a date of January 3, 1997, because Mr. GIBBONS is still a powerful seated Member of this Congress and we are so proud to have him.

I just want to say personally on behalf of myself, all the Members from our committee, the entire Democrat caucus and everyone who has worked in this House who knows this man that Tampa will be a much more graceful and elegant place with the naming of this building.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 3710

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

SECTION 1. DESIGNATION.

The United States courthouse located at 611 North Florida Avenue in Tampa, Florida, shall be designated and known as the ''Sam M. Gibbons United States Courthouse''.

SEC. 2. REFERENCES.

Any reference in a law map, regulation, document, paper, or other record of the United States to the United States courthouse referred to in section 1 shall be deemed to be a reference to the ''Sam M. Gibbons United States Courthouse''.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GILCHREST

Mr. GILCHREST. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. GILCHREST: Strike all after the enacting clause and insert the following:

SECTION 1. DESIGNATION.

The United States courthouse under construction at 611 North Florida Avenue in Tampa, Florida, shall be known and designated as the ''Sam M. Gibbons United States Courthouse''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States courthouse referred to in section 1 shall be deemed to be a reference to the ''Sam M. Gibbons United States Courthouse''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States courthouse referred to in section 1 shall be deemed to be a reference to the ''Sam M. Gibbons United States Courthouse''.

SEC. 3. EFFECTIVE DATE.

This Act shall become effective on January 3, 1997.

Mr. GILCHREST (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

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

There was no objection.

Mr. GILCHREST. Mr. Speaker, this amendment in the nature of a substitute simply sets an effective date of the bill of January 3, 1997.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Maryland [Mr. GILCHREST].

The amendment in the nature of a substitute was agreed to.

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

The title of the bill was amended so as to read: ''A bill to designate the United States courthouse under construction at 611 North Florida Avenue in Tampa, Florida, as the 'Sam M. Gibbons United States Courthouse' ''.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GILCHREST. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the two bills just passed.

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

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. WELDON of Florida). 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.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois [Mrs. COLLINS] is recognized for 5 minutes.

[Mrs. COLLINS of Illinois addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. MCINTOSH] is recognized for 5 minutes.

[Mr. MCINTOSH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

CHANGE IN ORDER OF TAKING SPECIAL ORDER

The SPEAKER pro tempore. The gentleman from New York [Mr. LAFALCE], is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I ask unanimous consent to substitute for the time of the gentleman from New York [Mr. LAFALCE].

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

SENSE-OF-CONGRESS RESOLUTION REGARDING THE ARMED MILITIA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, it has been a week, but certainly we can say that though we may have disagreed, this Congress has attempted to work on behalf of the American people.

I would hope that even if something is threatening, that something is confusing, that there is something that we are not sure of, that we still, as a Congress, have the courage to bring it to the attention of the American people.

Today I presented to the American people House Concurrent Resolution 206, which is a sense of Congress that expresses the threat to the security of the American citizens and the U.S. Government by armed militia. This may not be a popular stance, but it does us no good to hide from the issue.

□ 1700

Mr. Speaker, one of the most energetic promoters of the growing antigovernment movement in 1995 was militia of Montana spokesperson Bob Fletcher. Shortly after a 2-ton bomb destroyed the Murrah Federal Building in Oklahoma, killing 169 people, Fletcher made an announcement to the press: Expect more bombs.

To date, as a freshman, we have not been able to secure from this House an opportunity to have hearings on the militia.

The U.S. Government is comprised of democratic institutions, and any change to the Government should occur by peaceful means. Americans agree with that. They believe in the first amendment, the right to freedom of expression and the right to free association. They do not believe in Oklahoma City, Pan Am 103, or TWA 800, and yes, they do not believe in the confrontation of legitimate law enforcement officers by those who would argue that they have the right to overthrow this Government.

Several members of the Arizona militia have recently been arrested. Our militias have repeatedly denounced the legitimacy of the U.S. Government. Our militia consists of more than 800 groups that are active in more than 40 States.

This resolution says that Congress resolves to prosecute and identify all armed conspirators that are brought together to overthrow the Government of the United States. It resolves that individuals and groups possessing illegal possession of firearms and explosives should be prosecuted to the fullest extent of the law by the Department of Justice, and, yes; it resolves that individuals legally possessing firearms and explosives and conspiring to destroy the U.S. Government should be prosecuted to the fullest extent of the law.

It is important to note that we are not making an issue out of something that should not be made an issue of. The militia in America are convinced that American people are being systematically oppressed by an illegal totalitarian government that is intent of disarming all citizens and creating one world government. They believe that the time for traditional political reform over their freedom will be secured by resistance to the Nation's laws and attacks against its institutions. They are not for peaceful addressing of their grievances.

The Patriot press is filled with wild tales of government conspiracies. Some of the most widespread myths assert that the government is using black helicopters to spy on its citizens, mustering Hong Kong police officers to disarm Americans and implanting electronic monitoring devices in newborn babies.

Strange, you say. I think it is important for this Congress to unveil, to disclose all that is being done on behalf of those who would conspire against the U.S. Government. No, I am not here to cry fire in a crowded theater, simply asking that we not hide away from the truth.

A complex and bizarre theology also helps the Patriots explain their belief and justify their tactics, Patriots as a synonymous name for militia. Many subscribe to the Identity religion which holds that white people are God's chosen and that it is their divine duty to battle the satanic beast of government. Though they have no unified leader, these Patriots are connected like no rebel force has ever been. On the Internet and by fax machine, they share their gripes against government and trade tips on how to avoid tax laws and fight government regulation. Through mail ordered manuals they learn how to build bombs and conduct surveillance and disable public utilities. On the weekend in isolated fields they practice the art of guerrilla warfare. At public meetings their rage is rationalized by the propaganda of the movement.

I would simply say that I ask my colleagues to join me in supporting House Concurrent Resolution 206. Let us unveil for the American people those who would conspire to overthrow this Government and seriously address this issue as Americans believing in peace and believing in democracy.

The SPEAKER pro tempore (Mr. WELDON of Florida). Under a previous order of the House, the gentleman from Florida [Mr. GOSS] is recognized for 5 minutes.

[Mr. GOSS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

AVAILABILITY OF FINANCIAL ASSISTANCE FROM SBA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LAFALCE] is recognized for 5 minutes.

Mr. LAFALCE. Mr. Speaker, today I am introducing a narrow bill to augment Federal dollars which support financial assistance programs for small business administered by the Small Business Administration. This augmentation would be accomplished by imposing fee increases on participants in these programs, and the fees would be effective only 1 year. During this year, Congress and the Agency would have time to develop other ways to reduce the cost of operating the programs.

Mr. Speaker, I do not generally support the use of fees as a major source of funding for SBA programs. I believe that as a matter of public policy the Government should pay for this assistance.

Moreover, it has been shown that the small businesses which receive this assistance more than pay its costs through growth in their income on which they pay Federal and State taxes. Our investment in these firms via Federal money is more than justified.

Nonetheless, it does not appear that this Congress, despite the President's request, will fully fund the three major financial assistance programs administered by the SBA. I can see no other answer than to impose fees to make up the shortfall. Absent such fees, one of these programs will close down entirely, and the others will operate well below the level of demand.

I am very disappointed that the Small Business Committee, which is responsible for these programs, has not acted. It is only 60 days until the start of the new fiscal year, and Congress will not even be here to act more than one-half of the time remaining.

The committee has become bogged down in an attempt to consider major changes in SBA programs. No legislation is ready for House consideration.

I appreciate the committee's desire to make major changes in some areas. I even support some of the changes being proposed. But in our attempt to develop major legislation, we have delayed enactment of the fee increases which are needed if we are to avoid disruption of financial assistance to the small business community.

I have pared down the necessary legislation to the bare essentials. I urge my colleagues to consider these essential elements in separate legislation which could be presented to the House when we return in September.

Mr. Speaker, we have only a short time remaining in this legislative year. We have the responsibility to act now to continue the SBA's loan and venture capital programs.

Further delay in considering a bare-bones bill is bad government. I urge prompt consideration of a measure to continue at reasonable funding levels the three programs I describe below.

The first program is the 7(a) loan guarantee program, the primary financial assistance program operated by the Small Business Administration. Under this program, SBA guarantees to reimburse a lender for between 75 and 80 percent of any loss sustained by the lender on a loan made to a small business.

The cost of the program is partially paid by the appropriation of Federal money. The balance is from fees paid by both the borrower and the lender.

Legislation enacted last year increased the amount of fees to be paid by the borrower. Except on loans of less than $80,000, borrowers now pay between 3 percent and 3.875 percent, depending upon the size of the loan. In addition, the lender must pay, and absorb as part of its cost of doing business, an annual fee of 0.5 percent or one-half of one percent.

During the current fiscal year, 1996, the Office of Management and Budget, determined that operation of the 7(a) program, including these fees, would result in a subsidy rate of 1.06 percent. This rate determines the amount which must be appropriated in order to operate the program.

As a result of a major study of the 7(a) program and a change in the method of calculating losses, OMB determined that this rate would increase substantially for fiscal year

1997 to 2.68 percent. And the President proposed full funding at the new higher rate, even though it necessitated the budgeting of an additional $170 million.

The House-passed appropriation does not provide the necessary funding, although it does provide a slight additional amount of funding above the 1996 level. It is my understanding that the proposed Federal funding, when added to funds expected to be unused this year, will result in a 7(a) program level next year of $6.5 billion.

On the other hand, demand is expected to be approximately $8.5 billion, a shortfall of $2 billion.

I believe that it is our responsibility to address this problem; we cannot simply sit back and argue that the Appropriations Committee did not provide enough money.

I would hope that as the 1997 appropriations bill moves through the Congress additional moneys could be provided—about an additional $50 million would allow the program to fund an additional $2 billion in guarantees. But I do not believe that we can rely upon this hope.

This program was underfunded in 1995. The result was chaos. The loan window opened and closed. Finally, OMB dictated the result: stretch the available money by reducing the maximum loan per borrower. SBA then made the necessary reduction and refused any loan in excess of one-half of the statutory maximum of $750,000.

I believe it would be unconscionable to allow this situation to repeat itself.

I reluctantly supported the fees legislated last year. It seemed to me to be a choice between imposing the fees and denying small businesses access to a Federally guaranteed loan program.

I believe that we are confronted with the same problem this year, although on a much smaller scale. It is my understanding that an increase of 1/12 of 1 percent in the annual lender fee would generate sufficient income to restore approximately $2 billion in guarantees.

This minute increase would amount to less than $100 per year on the average loan, and it would decrease each year as the fee is applied to the outstanding balance of the loan which is being reduced each year.

I urge my colleagues to reconsider this very meager fee increase which was rejected by the Republican majority on the Small Business Committee.

The second program is one for small businesses in need of long-term financing for plant and equipment needs: the development company loan program or 504 program.

Under this program, the small business borrower puts up at least 10 percent, a bank provides 50 percent and receives a first lien position, and a private investor provides the other 40 percent by purchasing a debenture issued by a certified development company which is guaranteed by the SBA.

During the current fiscal year, it has been assumed that program participants were fully paying the cost of the program; the OMB approved subsidy rate was set at zero, and no appropriation of funds was necessary to support the program.

This subsidy rate will increase from zero to 6.85 percent for 1997, again as a result of the change in methodology for calculating losses in this program.

The President's budget addressed this need for Federal funding by requesting a change in the nature of the program funding—reverting to direct Treasury funding instead of the more costly use of the debenture guarantee process. This change would be accompanied by the imposition of a fee equal to the administrative cost of selling the debentures to private investors, thus resulting in no increase in total cost to borrowers, but reducing the subsidy rate to zero.

The majority members of both the Appropriations Committee and the Small Business Committee rejected this proposed return to direct Treasury funding. And I must admit I have very serious qualms about the proposal as I see it as a temporary solution—the current use of the private markets is the long range solution and ultimately we would seek to return to it.

But when the Appropriations Committee refused to appropriate any money for the 504 program, there appeared to be only one immediate answer: impose fees, at least for 1 year.

There is agreement on most of the fee provisions—a fee of 1/8 of 1 percent to be paid by the certified development company as part of its cost of doing business; and a fee of one-half of one percent to be paid by the lender who was taking a first lien position on its one-half of the project cost.

The disagreement is over the amount of the fee to be paid by the borrower. Initially, based upon information received from SBA, I believed that an annual fee of 13/16 of 1 percent, when added to the other fees, would be sufficient to reduce the subsidy rate to zero and allow the program to operate without the appropriation of any Federal funds to pay losses.

Minutes before the Committee mark-up, however, representatives of OMB suddenly decreed that this amount would not be sufficient. Another 2/16 would be needed to reach zero.

I saw no other solution. The Appropriations' Committee was not appropriating any money. Either we would have to increase the borrower's fee to 15/16 or there would be no program. The result would not be a reduced program; the total absence of Federal funding would mean no program whatsoever, unless fee income reduced the cost to zero to equate with the complete absence of Federal dollars.

Due to Republican opposition, I withdrew the amendment. The net result: unless we appropriate Federal money, about $21 million, or we impose further fee increases to yield the same amount, there will be no program next year. That result, to me, is completely unacceptable.

The third program is the SBIC or Small Business Investment Company program. Under this program, the Small Business Administration encourages private venture capital to be made available to small businesses who need equity capital. This encouragement is to provide Federal matching funds to private companies which are licensed by SBA as SBICs.

These matching funds, called leverage, are provided either as debentures, or long term loans, or as participating securities, a hybrid instrument under which SBA will advance amounts needed to pay interest and in return receive re-payment of the advancement plus a share of the company's profits. In either case, the debenture or participating security is issued by the SBIC, guaranteed by SBA, and sold to private investors.

For 1997, the administration requested the authority to issue $225 million in debentures and $400 million in participating securities. It proposed to support this request partially with appropriated funds, but primarily by the imposition of new fees as proposed by an industry task force.

The proposed fees include a one-time up front guarantee fee of 3 percent of the amount of the leverage plus an annual fee of 1 percent of the amount of debentures outstanding.

I believe that the Small Business Committee will approve the requested SBIC fees, but it has not done so to date.

Even if it approves the full fee, the House-passed appropriations bill does not provide sufficient funds to meet anticipated demand. It only would fund a program of $150 million in debentures and $325 million in participating securities. Both levels are too low and would result in the denial of assistance to otherwise qualified applicants.

Mr. Speaker, in conclusion, I urge my colleagues to thoroughly consider the prompt enactment of the fees proposed in my legislation and to re-consider the amount of appropriated funds which are needed to augment this funding.

GOLDEN EAGLE AND CORPORATE VULTURE AWARDS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, last month, the jobs and fair trade caucus presented its monthly Golden Eagle Award to the employee owners of United Airlines, our Nation's leading airline, and our Corporate Vulture Award to Hershey foods, a company that continues to outsource its Hershey Kiss production to Mexico and downsize its American work force. The two companies, United Airlines and Hershey foods, exemplify the best and worst of corporate practices in America today.

As you will recall, the Golden Eagle Award rewards fine U.S. companies that represent the best that is in us as a nation, companies which treat their workers with dignity while making decent profits, strengthen their communities, charge a reasonable price for products, and remain and prosper in the United States. When all of these practices are undertaken by one company, that company deserves our praise and to be recognized as a Golden Eagle Co.

The Corporate Vulture Award, like the scavenger it represents, is given to a company in need of vast improvement, a company which exploits our marketplace yet downsizes its work force in America. These firms outsource most production to foreign countries, and use sweatshop labor abroad but then import these transhipped products back to the United States while keeping prices high here at home and maintaining all of the benefits of being called an American company. Corporate vultures deserve our disdain.

Today, the jobs and fair trade caucus is proud to present this month's Golden

Eagle Award to Natural Cotton Colors, a small manufacturer of naturally colored cottons located in Wickenburg, AZ. Sally Fox, the founder of Natural Cotton Colors and inventor of environmentally safe colored cotton suitable for organic farming, is quite an American.

As Sally herself has stated, the success of her company is a real Jack and the Beanstalk Story. In 1982, Sally came across brown cotton seeds in a bag and thought that she could grow and sell the brown cotton to hobbyists who hand spin yarn. A small American business was thus born. Since those humble beginnings, Natural Cotton Colors now sells environmentally safe colored cotton around the world. The company's sales over the past few years have averaged around $5 million.

What makes Natural Cotton Colors unique is its commitment to the environment. Sally developed her own trademark, Fox Fibre, for the purpose of promoting environmentally sustainable production of cotton—while remaining profitable. In order for a textile manufacturer to be licensed to use the Fox Fibre trademark, the manufacturer must agree to abide by numerous environmental standards. Manufacturers using Fox Fibre are not allowed to use dye, bleach, or formaldehyde finish in their production. With so many multinational corporations and countries engaged in a race to lower environmental standards around the world, Natural Cotton Colors is to be strongly commended for one small company's efforts to promote a safer and cleaner environment for our children.

The story of Sally Fox and Natural Cotton Colors is truly an American story. By resisting the temptation to outsource production, Sally Fox and her company provide good jobs for American workers and farmers. When Sally receives an order for her product, Natural Cotton Colors consistently contracts out to American farmers scattered around the Midwest. Although she is able to cut costs dramatically by contracting out the company's work to cheap labor in Mexico and China, Sally Fox has remained strong in her commitment to America.

Natural Cotton Colors is only one of thousands of small businesses in America that do so much to strengthen our communities and our lives. American small businesses provided virtually all of the net new jobs created over the past 10 years. Small businesses account for 50 percent of total sales in the United States.

Many small businesses never are recognized for their achievements and their commitment to America. Today, we present the Golden Eagle Award, which includes this certificate and an American flag flown over the U.S. Capitol, to Natural Cotton Colors and Sally Fox for their commitment to the environment, and their commitment to America. Natural Cotton Colors is a small company with a big vision which we as a nation can benefit from.

In marked contrast to Natural Cotton color's efforts and commitment to remain in the United States, this month's Corporate Vulture Award is presented to the Green Giant division of Pillsbury and its parent company, Grand Metropolitan PLC. Green Giant/Pillsbury is one of many U.S. corporations that have packed their bags and set up shop in the sweatshops and killing fields of the developing world, leaving a wake of wrecked families and communities here at home in America.

In Green Giant's case, the company has shipped their contracts for fresh produce and their frozen food facilities south of the border to Mexico. A close look at virtually any supermarket's frozen food shelves will reveal packages with tiny, obscured, and ambiguous Green Giant labels indicating the food was grown or processed in Mexico or other foreign countries. Green Giant even has the audacity of naming one of their brands ''American Mixtures''—a product that contains mostly vegetables grown in and imported from Mexico but packaged in America. More than 60 percent of Green Giant's broccoli and cauliflower is actually grown in Mexico.

As much as Green Giant/Pillsbury and Grand Metropolitan have tried to hide the facts, the truth is that these companies have actively downsized their American work force and sent their production abroad.

Watsonville, CA, was once referred to as the frozen food capital of the world. In the mid-1980's, the frozen food packaging industry, including Green Giant, employed 3,500 workers at its peak. Today, there are less than 1,500 workers in Watsonville employed in frozen food packaging.

Where did the jobs go? In 1993, Green Giant stated during the NAFTA debate that, and I quote, ''Not a single job in Watsonville is going to Mexico.'' Alas, production in Green Giant's Watsonville plant, where American workers once earned from $7.15 to $11.50 an hour with benefits, has since been moved to Irapuato, Mexico, where workers earn 50 cents an hour without benefits. Not surprisingly, Irapuato, Mexico is the city that many now consider to be the new capital of the frozen food industry.

What do American workers and consumers receive in return? Certainly not lower prices. At my local grocery store in Toledo, OH, a 16 ounce bag of Green Giant cut leaf spinach costs $1.66 and Green Giant cream spinach costs $1.69. The price is the same whether the spinach was grown and processed in the United States or Mexico. There is no price differential for imported goods.

What is different though is the profit that Green Giant and Grand Metropolitan are making off moving their production to Mexico. Grand Metropolitan, which again owns Green Giant, enjoyed record sales in 50 countries last year totaling $12.6 billion. In 1993, the year that Green Giant was not going to move any American jobs to Mexico, the CEO of Grand Metropolitan, Sir Allen Sheppard, earned over $1.25 million in salary alone.

Lost U.S. jobs, downward pressure on U.S. wages, high prices, and huge profits are the characteristics of a corporate vulture. And today we recognize that there are no better examples of being a corporate vulture than Green Giant and Grand Metropolitan. What a shame.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Mrs. JOHNSON] is recognized for 5 minutes.

[Mrs. JOHNSON of Connecticut addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

WELFARE REFORM ''NOT THIS WELFARE REFORM''

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. MILLENDER-MCDONALD] is recognized for 5 minutes.

Ms. MILLENDER-MCDONALD. Mr. Speaker, the welfare system in this country is in desperate need of reform. The current system has created a cycle of dependency that has had a detrimental effect on our society.

For the first time in my lifetime, we are looking at third generation citizens that have never known the value of hard work and the satisfaction of bringing home a paycheck earned as a result of an honest days work.

The very nature of the term welfare reform implies that our current system is not functioning properly and is in need of modification. But in our zeal, to reform—to score political points in an election year—we must ask ourselves one very important question: Is it fair to gut this welfare program on the backs of our children?

I would submit that the welfare system as we know it today was not intended to function as it does currently. At its inception, welfare was intended to be a transitional program—a proverbial bridge over troubled waters for our citizens who had recently become unemployed, widowed, or forced to deal with some other unfortunate financial crisis.

At its inception, the current welfare program did not contain child care programs for parents who wanted to work. Nor did it provide adequate job training or job location assistance.

We now know that these elements—child care, job training, and job search assistance—are necessary if parents are going to get off of welfare and into the work force.

I recognized this and my constituents recognized this. Throughout the town hall meetings that I have had over the last few weeks I have heard again and again that welfare reform is not true reform unless it contains job training, child care, and job location assistance.

Welfare usually referred to aid to families with dependent children program, AFDC, as it is commonly referred to today, provides benefits to families with children headed by a single parent, or two parents, if one is incapacitated, or unemployed, with incomes below State-determined limits. Most adult AFDC recipients

are not working or are looking for work in the months during which they receive aid. Income eligibility thresholds in many States are so low that even meager earnings make a family ineligible for AFDC.

I do not subscribe to the theory that the vast majority of persons on welfare are able-bodied persons who do not want to work. Research has provided evidence that there is much movement between welfare and work, and that the average time spent on welfare is about 2 years.

When I was elected to Congress last March I told my constituents that I was committed to ending welfare as they knew it and to making AFDC the transitional program it was intended to be—a bridge over troubled waters. But I was not committed to the bill that was voted on today.

The legislation that was passed by this body and will be signed by the President will move over 1 million children and 2.6 million families further into poverty, without any safety net provisions or proof that there will be jobs available that allow them to earn a livable wage.

In the State of California there are more than 2.5 million families on welfare: 1.8 million children and 800 thousand adults. What will happen to those families when the promise of a job is not kept and there are no means by which parents can put food on the table?

This reform bill will have disastrous financial consequences for California and Los Angeles County. California alone will be subjected to 40 percent of the Federal funding loss over the next 6 years, totaling $10 billion of an estimated $25 billion in lost revenue.

In Los Angeles County, the estimated 93,000 legal immigrants who would lose SSI benefits would still be eligible for county-funded general relief. The annual increase, however, in county costs could total $236 million if all 93,000 applied for general assistance, putting LA county's budget into a further deficit.

My State and my constituency will bear the full weight of the disproportionate fiscal impact that will ultimately undermine the fiscal health of Los Angeles County.

The current welfare system doesn't work and hadn't worked for a long time. However, in our attempts to aid the families who are on welfare gain economic self sufficiency, we should have been careful not to hurt our Nation's children and bankrupt the counties in which they live.

CORRIDOR H

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, as Congress heads home today for the August recess, and I will be driving home via Route 55, and in much of the eastern Panhandle and eastern part of our State during August, Route 55 and the other roads are going to be curvy. But because of action taken today, the trip will be a little bit lighter.

The Federal Highway Administration today is releasing its Federal record of decision on corridor H. The record of decision is a very significant milestone for this important highway because it is the final signoff for authorizing the West Virginia Division of Highways to proceed with the final design, including the right of way designation. Now the State can begin advertising for engineering for the final design process.

Mr. Speaker, this work is important, and it has been done and achieved because of work done by Governor Caperton and Senator BYRD particularly. Because of Senator BYRD, about 20 percent of the funding is already appropriated. Governor Caperton has provided the matching funds in the West Virginia legislature, so that roughly $200 million is banked to begin this construction. Their efforts and the teamwork of the entire congressional delegation have kept this vital project moving forward.

Now corridor H enters what is known as the contract planned phase that physically locates the actual route, identifies the property owners, does the negotiations. Ground breaking could begin as early as year's end.

This record of decision reflects the analysis of engineering, economic and environmental issues. To those concerned about environmental issues, and I have been involved in this from the very beginning, particularly on a segment between Buckhannon and Elkins where we satisfactorily resolve those issues, and now many people happily drive that four-lane segment.

To those concerned about environmental issues, they should know there has been review, and it is reflected in the ROD issued today, the record of decision of acid mine drainage, excess excavation and flooding issues. We have suffered again flooding in significant parts of eastern West Virginia, as I speak, and you should know and people should know that once again these areas are flooding. Corridor H has not been built there.

To those who are concerned corridor H would make that situation worse, aggravate it, they should know that it does not change the flooding situation in those segments, and so construction of corridor H does not affect the flooding that we have seen. We flooded, incidentally, in many parts of the State that do not have corridor H yet. We flooded three times this year already.

This highway is over 100 miles long, running from Elkins to the Virginia line.

Mr. WOLF. Mr. Speaker, if the gentleman would yield, you mentioned the Virginia line, that it runs to my district, and I had expressed concern. I keep hearing the West Virginia officials talking about dumping traffic in my area. We have decided in Virginia we do not want corridor H.

I would ask the gentleman to deal with the West Virginia highway officials to resolve this matter, because if this matter is not resolved, I may very well come out and do everything in my power to kill corridor H from the Virginia line clear on into West Virginia.

Mr. WISE. Taking my time back, I appreciate the gentleman's remarks. The gentleman and I have talked before, and we are interested in building corridor H in West Virginia. If the gentleman chooses not to build it in Virginia, that is fine. We think that it is an important project for our State. What is done in Virginia is the decision of my colleague and the Virginia officials, and I would hope that we could continue to work together on that.

I would like to be able to complete my remarks.

Mr. WOLF. If the gentleman would just yield for a second, just so I can make it on the record. I am not involving myself in West Virginia, as you know, but I am concerned about the statements that the West Virginia Highway Department is now saying we are going to bring it up to the edge and dump it into Virginia; that will show the people in Virginia.

I would ask the gentleman to look into that.

Mr. WISE. Reclaiming my time again, I am happy to work with the gentleman. As I say, I think the gentleman and I can satisfactorily conclude what is done in West Virginia. We will build in West Virginia. We are not trying to affect Virginia, and Virginia's decision is Virginia's decision. We respect the gentleman for what he wants to do in Virginia, and we ask his respect for what we want to do in West Virginia.

Having said that, I think this project is importantly moving ahead in West Virginia. This is a significant day, and those in the eastern end of the State can know that this project has reached that very, very important point.

Yes, it very likely there could be an environmental lawsuit filed; we will see what happens as a result. But the important thing is that with this record of decision, many of these concerns have already been looked at, reviewed, satisfactorily met. We can now begin to move ahead. Hopefully we could see a ground breaking take place somewhere along this 100 mile segment between Elkins and the Virginia line sometime by the end of the year.

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For those who have waited many, many years, today is an important day. We have many more obstacles and many more challenges ahead of us, but the trip home is going to be a little bit better today because of this decision on corridor H.

INTRODUCTION OF H.R. 3950, THE G.I. BILL OF HEALTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine [Mr. LONGLEY] is recognized for 5 minutes.

Mr. LONGLEY. Mr. Speaker, today is a very significant date. August 2, 1991, was the day Mr. Hussein and the Iraqi Army invaded the city of Kuwait. That was just 6 years ago. At the same time in 1965, August 2 was the date of the Tonkin Gulf Resolution.

I mention that because as a Persian Gulf veteran I certainly can appreciate the significance of the Iraqi invasion of Kuwait, and as a veteran, I can appreciate the sacrifice that resulted from that resolution back in the 1960's. I also can respect the sacrifice that many other veterans have made, not just in Vietnam or Desert Storm, but also Korea, World War II, and many of the other various and sundry conflicts in which American troops have been engaged.

One message that is very clear to those who have served in the military is that you come to understand that there is a form of a compact between the veteran and your country: That you serve your country, and then in exchange, your country is going to take care of you and provide for your family in the event that you need that care, particularly as a result of your service. When you are on active duty in the U.S. Armed Forces, Uncle Sam provides health care for you and for your family. If you are no longer a member of the Armed Services since the 1930's, the Government has met its health care obligation to disabled and poor veterans through the Veterans Administration health care system.

Unfortunately, Mr. Speaker, the VA health care system is not functioning in quite the manner it should. There are questions today as to whether it is receiving adequate funding. There are other questions that relate to whether in fact it is adequately structured to meet the needs of today's veterans as we move into the 21st century. It is interesting to note that eligibility rules are so strict that most of our Nation's 26 million veterans do not have access to the VA system. In fact, a suggestion has been made that in many cases the rules are so strict and complicated that much more time, energy, and resources are devoted to the complex question of sorting out whether or not a veteran is qualified for care, perhaps more funds than would have been necessary to provide the care itself. That is a significant issue for today's veterans.

If you are a military retiree and the nearby base hospital closes, too bad. If you are just returning from Bosnia and you and your family need health care while you search for a job, again, you are not able to use the VA system. If you are a veteran who thinks the VA hospital should be open to you, guess again: Exclusions, restrictions, barriers, limitations; confusion, complexity. It has become absurd.

The system in many cases is failing to serve the veterans it was designed to care for and those who sacrificed for their country. Today I introduced a bold new idea, a new way of thinking about VA health care delivery. I think it is the potential solution to the VA health care crisis. It is called the GI Bill of Health, H.R. 3950, and it presents a vision for change in how health care should be provided to veterans.

The measure seeks to authorize the Department of Veterans Affairs to receive third-party health insurance reimbursements, as well as to incorporate innovative managed care principles to provide for increased medical care options for veterans and their dependents. It attempts to build on what I think are significant increases in funding for the VA.

I might note for the record that in 1995 total funding for VA medical care was in the vicinity of $16.1 billion. In the 1996 budget we provided an increase of over $400 million for VA medical care, and just in the most recent budget we approved for the Veterans Administration, another $500 million increase in the provisions for VA medical care, or well over $1 billion, excuse me, almost $1 billion in increased annual medical care funding. Yet, as I look at the veterans hospital in my district, the Togus Veterans Hospital, located in Togus, ME, just outside of Augusta, and when I sit in Washington I see two different perspectives. When I look at what we are doing for VA medical care here in Washington, and I see an increase of almost $1 billion in annualized funding for VA medical care, it does not jive with the cuts and threats of cuts and cutbacks and loss of essential services that are being discussed and potential layoffs of key personnel that are being discussed back at the hospital in my own district.

Clearly, something is amiss. I have a feeling that the something that is amiss is that the system is not being as responsive to the needs of veterans on the receiving end of medical care as it needs to be. But I think, building on what we have attempted to do for funding for VA medical care, as well as two recent pieces of legislation, one that passed, both that passed within the last 2 weeks, first H.R. 3118, the Veterans Health Care Eligibility Reform Act and the Health Care Coverage Availability and Affordability Act which we passed just yesterday, each provides an opportunity to increase the access to veterans by creating a seamless medical care system that will serve all of our veterans in the context of what we are doing in our health care system.

TO BE PRO-CHOICE MEANS TO RECOGNIZE THE INDIVIDUAL AND INDIVIDUAL RESPONSIBILITY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. CAMPBELL] is recognized for 5 minutes.

Mr. CAMPBELL. Mr. Speaker, I would like to read into the RECORD the words of Governor Pete Wilson of the State of California from the Los Angeles Times of yesterday:

''How do we reverse 50 years of growing out-of-wedlock births and deteriorating families?

''We must begin by recasting our culture. That will not happen by advocating an anti-abortion constitutional amendment that has no hope of being enacted because it is overwhelming opposed by the majority of Americans.

''What we must do is say to every teenage girl that it is morally wrong for her to get pregnant and to bring a child into the world unless she has a father for her child. Both parents must be prepared—emotionally and financially—to raise that child. Their child is their responsibility, not the taxpayers'. . . . We must also focus on the men who are making them welfare mothers. If young men who impregnate women lack the basic decency to send love to their children, then they must at least send money. If they do not, in California we track them down and dock their pay. We lift their license to drive a car or to practice law.

''We also prosecute the older men who victimize young girls. More than half the babies born to teenage girls are fathered by adult men, not by boys.

''Government must never decide who can have children, but society does have a responsibility to discourage from having children those who cannot or will not accept the responsibility of parenthood. We are using mass media to teach abstinence to our children. For those who choose to have sex but reject the burden of parenthood, we must make contraception the available choice and the moral obligation to prevent unwanted pregnancies.''

''The objections to even the modest tolerance language Bob Dole has proposed in the abortion plank of the GOP platform is further evidence that many of my fellow delegates to the Republican National Convention later this month will be absorbed by the debate on the rights of the unborn child. Though I am pro-choice, I share with them the desire to greatly reduce the number of abortions performed in America. It is a shocking 1.6 million per year.

''But with all respect to their concern for the unborn child, they and others on both sides of this issue are ignoring the even greater and more urgent challenge to America: How we deal with all the children born to parents who are either unwilling or unable to accept the responsibility of being parents.

''In 1945, the incidence of out-of-wedlock births was 1 in 25. Today, it is 1 in 3. In our inner cities it rises to more than 3 out of 4. Children born into fatherless homes are five times more likely to live in poverty, twice as likely to drop out of high school. Fatherless girls are three times more likely to end up as unwed teen mothers. Fatherless boys are overwhelmingly more likely to end up behind bars.

''We are forced to build too many prisons instead of libraries and laboratories because absent fathers have defaulted on their fundamental responsibility to their sons. At the same time, we have witnessed an explosion in the number of single women on welfare because women without education, marketable skills, or self-esteem can earn little money and less respect.''

Nothing will have a more profound impact on the future of this Nation than successfully reversing the irresponsible behavior that sentence children to lives of wasted opportunity and despair. The best answer for curbing the social pathology of fatherless America is abstinence, contraception, and mentors. This will have a far greater impact on the number of abortions performed in America than any party platform can ever hope to have.''

Mr. Speaker, Governor Pete Wilson has received more votes than any other political figure in the country on the Republican side, with the exception of our retired Presidents. Governor Wilson is pro-choice. Mr. Speaker, so am I. To be pro-choice is not to be pro-abortion. To be pro-choice is to recognize the individual and the responsibility of the individual.

I think Governor Wilson says, in words that should echo to every delegate to our convention, that it is individual responsibility that is the hallmark of our party, individual responsibility which is the solution to the problem of unwanted pregnancies, unloved and uncared for children in our country.

Mr. Speaker, I urge our colleagues at the convention to heed with care the words of the Governor of California, Pete Wilson.

THE PRESIDENT BEARS FINANCIAL RESPONSIBILITY FOR LEGAL BILLS OF FIRED TRAVEL OFFICE EMPLOYEES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. WOLF] is recognized for 5 minutes.

Mr. WOLF. Mr. Speaker, I am concerned about a statement President Clinton made yesterday that he would not support legislation which would reimburse Billy Dale and the other White House travel office employees' legal bills. His statement is contrary to other White House statements, and I urge him to reconsider this position.

Without rehashing the developing Travelgate saga, Members will recall that Billy Dale and six other White House travel employees, all career employees, one a constituent of mine, were fired so that the President's cousin could take over the operation. Those career Federal employees had their good names and their reputations destroyed. One of those employees was charged and the other six were not charged. One was forced to fight the full investigative and prosecuting power of the Federal Government, and was finally acquitted of any wrongdoing by a jury of his peers.

Billy Dale and his colleagues racked up hundreds of thousands of dollars of legal fees. According to news stories, the President snapped at a reporter who asked a question about the legal fees, because the President is concerned about his own staff's mounting legal bills. Unlike those others who hold high political offices, however, the fired travel office employees are not able to hold glitzy Hollywood fundraisers and have the beautiful people donate $1,000 to their legal fees. Again, my constituent was never charged with anything.

So I call on the President to make sure that this is signed. The Golden Rule says, do onto others as you would have them do onto you. The President ought to be sure, because of the actions of the White House, these people have been hurt, that they are reimbursed. It is the fair thing to do. It is the right thing to do.

I said on this floor one other time, when talking about this case, everything that goes around comes back around. One could almost say, the administration's action with regard to these Federal employees began all of the White House's legal problems. History will judge whether this is right or not, but regardless, career Federal employees should not be punished for a political action taken by any administration, Republican or Democrat.

WARNING AGAINST POTENTIAL POLITICIZING OF THE FBI

Mr. Speaker, I also want to express concern for the potential politicizing of the FBI. I will be inserting two articles in the RECORD whereby it talks about how Mr. Shapiro, who is the general counsel of the FBI, has been doing and involved in activities that the general counsel of the FBI ought not be involved in.

I have been one of the strongest supporters of the FBI and the employees of the FBI in this body. Many of the FBI agents live in my district, and I have been supportive with regard to the benefits and pay raises and other things. But it is chilling, it is chilling when the general counsel of the FBI, Mr. Shapiro, does what he did.

The one FBI agent, Dennis Calabrini, who is also a constituent of mine, he sent two FBI agents out to interview him at his home; very, very chilling. Then he made the data with regard to the Livingstone data available to parties that should not have seen it. This is a conflict of interest. This is inappropriate.

Mr. Speaker, the FBI should be above and beyond all partisan politics. Under no circumstances should any high officials in the FBI use FBI agents to encourage or be involved in anything that could even smack of political partisanship.

Mr. Speaker, I include for the RECORD the following article.

The article referred to is as follows:

[From the Washington Post, Aug. 2, 1996]

MANY NOTIFIED AFTER FBI 'HEADS-UP'

(By George Lardner Jr.)

The White House sent out what amounted to ''an all-points bulletin'' warning at least 16 people, including lawyers for embattled former White House personnel security chief Craig Livingstone, after the FBI alerted it to politically damaging information in Livingstone's FBI file, House Republicans complained yesterday.

''Those who needed to do damage control were notified first. Those who were investigating were notified last,'' Rep. William F. Clinger Jr. (R-Pa.), chairman of the House Government Reform and Oversight Committee, said at the windup of a six-hour hearing. He said FBI general counsel Howard Shapiro, who alerted the White House July 15 to the file's contents, should consider resigning.

FBI Director Louis J. Freeh said last night that Shapiro ''enjoys my full confidence.''

Democrats dismissed the disclosures as a sideshow ginned up after Republicans failed to document their original suspicions: that Livingstone's office had been seeking dirt on political enemies when it wrongly collected confidential FBI reports on hundreds of Republicans from the Bush and Reagan administrations.

''The committee has come to the end of the road and is now looking for new allegations to embarrass the Clinton White House,'' said Rep. Cardiss Collins (D-Ill.), the panel's ranking minority member.

Shapiro, the hearing's main witness, acknowledged making ''a horrific blunder'' in telling the White House of an FBI report that Livingstone had been ''highly recommended'' for his job by first lady Hillary Rodham Clinton.

A protégé of Freeh, Shapiro gave White House deputy counsel Kathleen Wallman the ''heads-up'' shortly before Clinger's chief investigator was scheduled to inspect the material. He said he had only been trying to be fair and emphasized that the decision was his alone.

Asked what Freeh thought, Shapiro said: ''He wishes I hadn't done it.''

''So do we,'' Rep. Dan Burton (R-Ind.) said.

''So do I,'' Shapiro said.

Committee Republicans accused Shapiro of being ''too cozy'' with the White House on other occasions as well. Last February, he said, he gave White House counsel Jack Quinn a draft copy of the book ''Unlimited Access,'' by Gary Aldrich, a former FBI agent who had been assigned to the Clinton White House. Laced with allegations that have been widely discredited, it depicted Hillary Clinton as a driving force at the White House, usurping control of domestic policy and hiring decisions.

Shapiro said he gave Quinn the draft, four months before publication, because it was ''replete with sensitive internal information'' and because he suspected it would be published, as it was, without the requisite FBI pre-publication clearance. He said Aldrich made some changes the FBI wanted, but there were objections to ''six somewhat lengthy passages'' that were still in the book when it was published last month.

The FBI has recommended that the Justice Department file a civil suit against Aldrich to make him turn over his profits to the government. ''It's the only recourse we have,'' Shapiro said.

Shapiro, 36, also came under attack for giving Quinn advice about a July 25 letter he sent to Freeh. Shapiro told Quinn that one reference to the possibility that an FBI agent had ''falsified'' a report would be offensive.

The section was an allusion to FBI agent Dennis Sculimbrene, who conducted the 1993

background investigation on Livingstone. In an interview report discovered in Livingstone's file, Sculimbrene quoted then-White House counsel Bernard Nussbaum as saying Livingstone owed his job to the first lady.

Among those notified after Shapiro's call to the White House about the item were Hillary Clinton, her chief of staff and communications director, two lawyers for Nussbaum, deputy White House chief of staff Harold Ickes, senior policy adviser George Stephanopoulos and spokesman mark Fabini.

''We behaved appropriately,'' Fabiani said. When Clinger made Sculimbrene's account public, ''we were able to respond quickly.''

Nussaum denied making the remarks attributed to him. Hillary Clinton said she had nothing to do with Livingstone's appointment.

By July 16, when Clinger's investigator went to inspect the interview report, Shapiro and his top deputy, Thomas A. Kelly, had dispatched two agents to Sculimbrene's home to question him about the Nussbaum interview. Sculimbrene has decided to resign from the FBI, sources said yesterday.

House Appropriations Committee Chairman Bob Livingston (R-La.), who had been watching the hearing on C–SPAN, charged that the agents' visit was ''absolutely intended to intimidate'' Sculimbrene and ''constitutes, in my view, obstruction of justice,'' He told reporters that Shapiro ''should immediately resign'' and the Justice Department should begin an investigation ''to determine whether a criminal charge can be brought.''

In his statement last night, Freeh said he was ''satisfied that none of Howard's actions were done in bad faith or for partisan purposes. . . . Howard has been instrumental in every major investigation and issue handled by the FBI over the last three years.''

[From the Washington Post, Aug. 2, 1996]

CLINTON LOSES COMPOSURE ON TRAVEL OFFICE

(By Adam Nagourney)

WASHINGTON, Aug. 1—His eyes narrowed in anger, President Clinton today punctured what was supposed to be a Rose Garden ceremony celebrating good economic news by heatedly renouncing a White House promise to pay the legal bills of travel office employees who had been dismissed.

''Are we going to pay the legal expenses of every person in America who is ever acquitted of an offense?'' Mr. Clinton said, his voice even and steely as he plunged his hands into his pockets, rejecting a suggestion that he urge the Senate to proceed on stalled legislation that would reimburse the employees.

When a reporter reminded him that his own press secretary had previously pledged Mr. Clinton's support to the Senate legislation, Mr. Clinton shook him off:

''Well, he didn't talk to me before he said that,'' Mr. Clinton said. ''I didn't say that. I said, 'I don't know what's going to be in it.'''

At that, Mr. Clinton turned to his questioner, a Washington Times reporter, and said: ''I don't believe that we should give special preference to one group of people over others. Do you? Do you?

Mr. Clinton is renowned among staff members for his fast and frequent outbursts of anger, and, typically, equally fast cooling downs and apologies.

In this case, Mr. Clinton later called aside one of his targets, Bill Plante, a CBS White House correspondent who asked the initial question that The Washington Times reporter followed up, and apologized. Mr. Plante said the President attributed his fit of temper to fatigue and the stress he was feeling because of the destruction of T.W.A. Flight 800.

Still, the exchange came over an issue that has caused Mr. Clinton much difficulty in the past two years, the dismissal of seven employees of the White House travel office by Mr. Clinton's Administration shortly after he took office. The Washington Times has closely followed the situation involving Billy R. Dale, the director of the White House travel office, who was dismissed and then acquitted of embezzlement charges brought against him by Mr. Clinton's Justice Department. The reporter who asked the question today, Paul Bedard, said this afternoon that Mr. Clinton had not offered him an apology.

Within hours of the televised news conference, aides to Mr. Clinton's likely opponent this fall, Bob Dole, who have customarily had to deal with questions about Mr. Dole's temperament, pounced on this incident to raise questions about the temper of the man in the White House.

''We have to assume that in anticipation of Dole's pro-growth economic plan coming out next week, Clinton is coming unglued,'' said John Buckley, Mr. Dole's communications director, referring to Mr. Dole's pending release of an economic plan that has caught White House attention over the past few days.

''But there is the larger issue of the President's ability to control his temper in public. And they're going to have to monitor that very carefully at the White House.''

Mr. Dole's aides asserted that Mr. Clinton's exchange in the Rose Garden was the public relations equivalent of Mr. Dole's televised confrontation with Katie Couric, the host of the NBC News ''Today'' program, over Mr. Dole's ties to the tobacco industry.

''On the Katie Couric interview, Dole was asked several questions on the same subject and he showed a glint of testiness,'' Mr. Buckley said. ''But there's a far cry between that and the leader of the free world having a meltdown at a news conference.''

George Stephanopoulos, a senior adviser to Mr. Clinton, said in response to Mr. Buckley: ''Valiant spin. What else do you expect him to say in the face of historic economic growth?''

□ 1730

I think there is a real question as to the propriety that Mr. Shapiro has taken. I for one will wait and see what will be done with regard to that. Because we cannot have a situation whereby the general counsel of an agency that has such a long and distinguished record does something like this that can bring blemish and concern with regard to the objectivity in the minds of the American people.

The SPEAKER pro tempore (Mr. WELDON of Florida). Under a previous order of the House, the gentleman from California [Mr. RIGGS] is recognized for 5 minutes.

[Mr. RIGGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

A WAR ON THE WEST

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Oregon [Mr. COOLEY] is recognized for 60 minutes as the designee of the majority leader.

Mr. COOLEY of Oregon. Mr. Speaker, I come before the House today to discuss something I think is very, very important in concept and also to the American people.

We see something in the West that is happening to us. We like to refer to it many, many times as a war on the West, and it is a war. But I want to tell the people of America and the people here in the Chamber, a Member of this House, that if it can happen to us in the timber industry, it also can happen in other industries as well. I want my colleagues to think about this when they hear about what goes on and what is happening to us in the West, because this might be an issue now that is not addressed, does not concern others, but, remember, this lesson can be applied to any issue that we may see coming before you concerning your private property, your interest, your educational systems, and even your self-governing systems.

This is not a fault of any political attitude, it has nothing to do with the executive branch, although I will point out what is happening, but it has to do with the concept of America.

We have a cultural battle going on, a battle of self-determination, of individuality, of being responsible against a culture of liberalism and to a one-world conflict or a big national social government. In this body, if people examine this body, they will see that there are not Democrats or Republicans in this body; there are conservatives in this body and there are liberals. I think that is what the ultimate goal will turn out to be. Who will win this conflict, I think, will be determined in the very, very near future. We are starting to have some very, very serious problems concerning the attitude of a one-government, big-brother-knows-all continuous responsibility for everything that everybody does with no self-responsibility for the individual or the local control by the local communities.

We passed a timber salvage bill, and here is a good example of what is happening in my district, and I want to be able to point this out. We passed an emergency salvage bill in 1995 on June 7. On June 8, the President vetoed it. Between June and July, 1995, there was negotiation between Congress and the administration and a letter from Dan Glickman implementing the program. The President signed the legislation in a rescission bill.

The bill was signed on July 21, 1995, revising the salvage measure and passed by Congress. On July 27, the President signed this bill. What this bill did in very simple terms is that it would allow the U.S. Forest Service and the Bureau of Land Management to salvage dead and dying and burnt trees.

At the same time, a law that was passed in 1988 which was referred to as rule No. 318, had to do with green-cut sustainable yields in the Northwest. At the same time the salvage bill went through the process in the U.S. Senate, we added the 318 section to the salvage bill, which was actually passed by Congress, and signed by the President of

the United States back in 1988 but had never, ever been awarded.

Remember, these contracts were awarded following all the environmental laws, but because of the way our litigation is set up through the appeal process, many contractors who had put their down payments down, their bonds down to cut these trees, were not allowed to do that through litigation. This lasted from 1988 to 1995.

By the way, I want to tell my colleagues that people who put their bonds up in the U.S. Government collect no interest, and some of these bonds ran into the hundreds of thousands of dollars.

In August 1995, the President writes the Cabinet members expressing his reservations about the measure that he signed on July 27. The reason for that is that there was a national uproar by the extreme preservationists that this was a terrible thing, that it was logging without laws, and going on and on.

The President at the time started feeling the political pressure, so he writes a letter. On August 10, the undersecretary, Mr. Lyons, says the program is on track. That was a report to Congress. In late August, the President publicly recants his position on the legislation saying: I really did not know what I was doing, I am sorry I did this, it was not prudent of me and I should not have done it.

The White House on October 28 issued a statement that they will pursue legislative remedies to change the program.

In November, Chief Thomas reaffirms the commitment of the Forest Service and BLM to carry out the goals of the program. We are not sure if the goals of the program were the original goals of the program or the legislative goals of the program, as the President said that he wanted to change and remedy the legislative procedure process.

In November, Chief Thomas reaffirms the commitment of the Forest Service to carry out the goals. In March there is a letter from the President, Mr. Clinton, asking the Senate to repeal the salvage bill, which is Public Law 104–19.

In May 1995, Chief Thomas takes an inspection and tour and announces implementation of the program is excellent. In other words, we are following the proposed cuts as required under the salvage program.

On July 1996, the Secretary issues a directive to significantly modify the implementation of the program. On July 16, 1996, acting under the Office of Management and Budget, the Director Writes Congress urging the repeal of the program.

I want to tell my colleagues what is happening specifically now. This is the kind of flip-flopping and things that are going on concerning just a minor piece of legislation that has to do with the Northwest.

Between 1980 and 1990 sustainable yield harvests in the Northwest forests were running at about 4.5 billion board feet. The forest plan by the U.S. Forest Service was 4.1 billion.

In 1993 the President came to Portland, OR they and developed a forest plan called the President's forest plan. He authorized under that in order to handle any kind of objections from the extreme preservationist group that we would cut 1 billion board feet. In 1994 we cut 1.9 billion feet. In 1995 we cut 340,000 board feet. In 1988, we had 480 mills operating in the Northwest. Today we have 310. At that time we cutting about 10 billion board feet on private and public lands. We are down to 1.9 billion board feet.

We are losing jobs in the Northwest which is drastically affecting our ability to function as a community. It is requiring more and more people to go onto the welfare programs and it is creating havoc economically in the area.

I do not know if you are able to see this, but here is a typical example of Malheur Forest of dead and dying trees that are beetle-killed. These trees do not contribute anything not only to the forest, to the environment, to wildlife or anything else. These are dead and dying and they contribute nothing. If we want to have perpetual forests, in perpetuity, we need to go in and clean these out and replant as under the Forest Practices Act under Public Law 104–19, we should go in and harvest this material out of there while it still has some value and require under law to replant so we can have forests in the future not only for this generation but for generations to come. This is not happening. This still stands like this today.

Here is an example of the Sunrise timber sale in Malheur County where a fire went through. As you can see in this fire, the trees are black, the ground is brown, and nothing is growing in that area. Yet with the President's flip-flopping back and forth, we cannot even go in and salvage this program. We are letting this forest die for lack of any kind of management whatsoever. Bad management.

Here is an example of a 30-inch diameter tree. The blue line, if you can see this on television and you in the audience, is a Douglas fir; the red line is a Ponderosa pine; and the lighter green here is a white fir. After we have a fire, this is a logical thing by the U.S. Forest Service of how long the wood still has some salvageable interest and some monetary return. If we wait under the programs that are presently in place, if we wait from 3 to 4 years before we can go in and cut, we are going to lose as much as 60 percent, down to 20 percent of the value.

Remember, this is an asset, an asset that we all own. This is public land. If we allow this asset to deteriorate, we should absolutely criticized for this. Yet we are allowing to do this under this guise that if we go in there and touch these dead and dying trees, as I showed here previously, dead and dying trees, if we go in and remove those, that in some way we are destroying the environment. These are assets, moneys that could be used in communities around every area where this is involved.

In most areas, and let us go back specifically to in my particular area, the Second Congressional District, 75 percent of all revenue gained from dead and dying or salvage or cutting in the trees goes into road funding and 25 percent goes into the school funding portion of these country revenues.

Specifically let us look at some of the counties and what has happened to our yearly receipts. The black county here is Crook County, and the white county here below us is Wheeler County. Crook County is larger than about six States in the United States alone because I have a very large district. But the population of that county is 15,700.

The principal industries in that county are livestock, timber and some recreation. The total budget to run that county is only $33 million. The timber receipts in 1991 and 1992 before the strict restrictions that came in were $5.1 million. In 1996 and 1997, it had dropped their portion of the timber receipts, to $688,000 an 87 percent drop in revenue.

The Federal Government owns 49 percent of that total county. With a population of 15,700, remember, this takes in women, children, how are they expected to raise enough revenue in order to meet the common needs of a county of this size of land mass with the $33 million that they have to raise when they have been getting from timber receipts on sustainable yields $5 million and that has dropped down to $688,000?

Their schools and roads are suffering. Their social programs are suffering. We have high unemployment, and we have a high problem socially with people that are distressed. In this county here, you cannot sell a home because there is no job. So a person who is locked into this is literally enslaved into these counties. Either that or they have got to take their family and walk away from it and hope someday that somebody will come along. And if people out here in the East want to find a home, a nice home, for under $50,000, come out to my part of the country because there are a lot of them available.

Let us go to a worse situation. Let us go down to Wheeler County. Wheeler County is larger than two or three States on the East Coast. Its population is 1,550. Its total budget, though, is only $5.9 million a year, and its chief principal industries are agriculture, timber and a little tourism. Total receipts from 1991 were $1.6 million. This year the receipts were $269,000, or an 86 percent drop in revenue.

This particular county has the highest unemployment rate in the Pacific Northwest, and it is running anywhere between 30 and 40 percent of everyone living in this county does not have employment.

□ 1745

I want my colleagues to all think about what happens in these situations. We have allowed outside interests to be concerned with local problems to a point where they do not care any more. These counties are literally going to go bankrupt or dry up; 1,550 people. Who cares? Fifteen thousand five hundred. Who cares?

This the backbone of America. We here, as legislators in this body, do not want to take the responsibility to understand that we cannot allow outside interests to determine the productivity and the culture of particular areas, and we have done that because we do not have the courage.

These people are good stewards of the land. They want the trees there in perpetuity. They are even agreeing not to cut the green trees, but allow them to harvest the dead and dying and beetle kill. Remember that this has nothing to do with man-made problems. This beetle kill that we see here in this dead forest has to do with the lack of managing these forests as we had in the past.

In the past, when we had beetles, we could do some spraying and some other preventive efforts to combat that kind of devastation. But because of certain laws, which I agree with many of them, we cannot do that any more. But at least we should have enough incentive to go in an reap some of the profits out of that dead and dying forest so it can be used for the counties and provide some revenues, and also be able to go back and replant and make sure that we have a healthy forest in our future generations.

I think this principle has been pointed out enough, but I want all Americans to understand that this concept could happen to them and other industries. I think we need to send a strong message to Congress and to the administration and to the agencies that we need to have good management, we need to have sound business practices, we need to have a good environment. But we need to manage our environment, and we are not doing that and it is literally cutting us to pieces.

We do not have anything in this society that we do not grow or mine. Stop to think about it. If we cut this back to where we can no longer harvest the sustainable yields, we can no longer harvest the sustainable yields, we can no longer harvest a renewable resource in a managed way, we are going to devastate our civilization on progress. Remember, we do not have anything that we do not grow or mine in a modern civilization.

Mr. Speaker, I think this is a message that should be spoken loud and clear and should be understood by everybody. It is just not a timber problem, it is a problem with other industries across this country when we have special interest groups that have the power and the influence to shut down logic, shout down rational behavior, shut down basically the growth of civilization through different types of laws and political pressure.

Mr. Speaker, I yield the remainder of my time to my colleague here from Maine.

The SPEAKER pro tempore (Mr. WELDON of Florida). Without objection, the gentleman from Maine is recognized for up to 40 minutes.

There was no objection.

Mr. LONGLEY. Mr. Speaker, I want to build on my remarks, and again I appreciate the gentleman from Oregon yielding this time to me. I appreciate that very much.

Mr. Speaker, I want to build on some earlier remarks I made tonight marking the introduction of H.R. 3950, the GI bill of health. As I indicated, it is a measure authorizing the Department of Veterans Affairs to begin to receive third-party health insurance reimbursements, as well as to incorporate concepts of innovative managed care principles which could provide for increased medical care options for eligible veterans and their dependents.

I indicated that we have seen up to $1 billion in increases in annual veterans affairs medical care funding in the last 2 years. At the same time, just in the past 2 weeks we have seen the passage in this Chamber of H.R. 3118, the Veterans Health Care Eligibility Reform Act of 1996, designed to simplify the very complex eligibility rules of the veterans affairs eligibility system; and just within the past day the passage of H.R. 3103, the Health Coverage Availability and Affordability Act, which is designed to improve access to health insurance for all Americans.

What do these three facts have in common? They have in common the fact that we are attempting as a Congress to deal with health care issues through existing health care delivery systems, by finding ways to deliver medical care in a more efficient, more practical, more cost effective fashion.

I am introducing the GI bill of health to build on these three phenomena, to focus on the next step in the progression of our health care system, which is to move to a seamless system of access that includes veterans of military service, where the first priority will become health care and not whether or not one is eligible under any one of a number of the very complex VA eligibility rules.

What is truly dynamic about our proposed GI bill of health is that it will expand choices available to veterans, it will integrate Medicare and those Veterans who are eligible under Medicare or other health insurance coverage reimbursement plans into the existing health care system. This will be a tremendous plus for veterans and a strong financial shot in the arm to the VA hospital system.

What this in effect means is that a veteran who is qualified for Medicare could, in effect, choose to have that medical care delivered at the local VA hospital or at a veterans facility, if that is what he or she chooses.

Having been actively involved in the future of health care for all Americans, including veterans, I am excited that this bill is coming to the table so that we can continue to address the fundamental question of how to best provide quality health care for those who have served this Nation in our Armed Services.

As I mentioned, the plan incorporates enhanced funding concepts, including third-party VA reimbursement and Medicare subvention to the financial soundness of the Veterans' Administration. The plan assures continued access for those currently eligible under the current system due to service-connected illness or disability at current or possibly even reduced charges.

The GI Bill of Health will reverse recent restrictions imposed on the VA system because of lack of funds. The GI Bill of Health will fundamentally change how the VA is reimbursed for the health care it provides. The GI Bill of Health will change not only how health care is provided and who can receive care but how it is paid for.

The Bill of Health is a prescription that will reduce pressures on the VA health care system, pressure that comes from an aging veterans population, a growth in population that is placing increasing demands on an already strained system, more pressure which can come from Government funding and the difficulties of addressing medical care needs through the existing structure when we recognize that funding alone will not keep up with the rising health care costs that we are experiencing as a society.

When we look at the VA we need to understand, how can this underfunded system meet these challenges? The Bill of Health is designed to reduce the system's dependency on tax dollars by opening it up to funding from individual health benefit plans. It will allow veterans, and this might be controversial, and possibly their families, to use the system to stay healthy, a form of preventive medicine.

Most importantly, what the bill attempts to do is to bring these questions to the table, so that when we examine what we are doing with the VA system we can consider any conceivable option that will protect the integrity of the system for the benefit of veterans, and that might include providing access to their families. Again, allowing the VA system to benefit from the third-party reimbursements that various health insurance coverages, including Medicare, might bring to the system.

We all know that a health care revolution is underway in America. At the heart of that revolution is the desire to contain escalating health care costs. The GI Bill of Health calls for the VA system to use managed care principles to provide medical care for veterans and their families. It will allow additional options for veterans to choose the VA as their primary health care provider, if that is the choice they wish to make.

This plan will, in my opinion, reduce the overall cost of health care and still maintain the quality of health care. The GI Bill of health will assure all veterans, those with service-connected illnesses or disability ratings of 50 percent or greater, continued access to the same VA services that they are eligible for right now at no charge.

The GI Bill of Health will assure access to VA health care either at no charge or at a reduced charge for several other types of veterans, including special category veterans, poor or indigent veterans, or veterans with a service-connected disability that might be rated at less than 50 percent.

The GI Bill of Health assures access to the system for all catastrophically-ill veterans. The GI Bill of Health will allow veterans, military retirees and their dependents to pay for VA services with existing health care plans, including plans available to DOD, Department of Defense, retirees.

And individual would be able to use Medicare, Medicaid, CHAMPUS, TriCare, a third-party payer or an employer plan to pay for care at a Veterans administration medical facility.

The GI Bill of Health offers veterans and their dependents the opportunity to enroll in various health care plans. It allows the VA system to collect and retain payment for the services it renders, a provision that it currently is not allowed to do.

If this were to be facilitated, it would be a big step forward in the direction of enhancing the financial soundness of the Veterans' Administration system.

I think we all know there is a better way to handle the medical needs of people who serve their country. Americans veterans and their families need an improved health care delivery system, one that is more in tune with the times, one that can bring them into the 21st century.

Retirees, who, as we all know, have been suffering the loss of medical services through base closing and realignments deserve a system that can help address their needs in an improved fashion. The GI Bill of Health will meet those needs. It will make a vital health care system more accessible to more people and it will take a load off the backs of the taxpayers. We could not ask for a better deal that than.

The VA's hospitals are worth saving. They uphold a health care covenant between veterans and the Government and the country that they have served. But those VA hospitals do more for the country than most people realize. There are aspects of the VA medical care system that many Americans do not understand, including the fact that VA hospitals are currently teaching and research centers for many major medical schools.

VA hospitals play a significant role in medical research advances. VA hospitals back up the military health care system in times of war, and VA hospitals provide medical support for the Federal emergency management agencies when disasters strike, disasters such as hurricanes and floods.

These hospitals serve a variety of purposes and we do not want to do away with them. We must ensure that VA hospitals do what they are supposed to do, but we must also consider opening up new funding streams that will allow the VA health care system to better serve existing veterans.

There are a series of principles, Mr. Speaker, that were developed by the Partnership for Veterans Health Care Reform. This partnership includes the American Legion, the American Veterans of World War II, Korea and Vietnam, otherwise known as AMVETS, the Blinded Veterans Association, the Disabled American Veterans, Jewish War Veterans of the USA, Military Order of the Purple Heart of the USA, the Non Commissioned Officers of the USA, Paralyzed Veterans of America, Veterans of Foreign Wars of the United States, and Vietnam Veterans of America, Inc.

The partnership is designed to enunciate the key principles that we must look to when we evaluate the need for veterans health care reform.

No. 1, reform eligibility. Provide access to a full continuum of care and improve the efficiency of services for all currently eligible Veterans.

Mr. Speaker, we did that in the past week when we passed H.R. 3118 designed to reform the eligibility system for veterans.

□ 1800

No. 2, is the need for guaranteed funding, that we provide adequate funding for the provision of health care services. As I indicated, I think we have made substantial increases in the funding available for VA medical care, but yet we are continuing to see, despite the fact that we have increased funding by up to a billion dollars a year on top of a $16 or $17 billion VA medical care budget, we have increased it by a billion dollars here in Washington, I still see nothing but talk of cutbacks and layoffs back in my own district. Something is wrong with the system, something that I think we need to pay attention to.

By carefully considering the principles of the GI Bill of Health, we may find that we can make the changes that we need to provide the stable funding that the VA needs as well as maintain the continuous services, including valuable services provided to veterans in my State.

Mr. Speaker, No. 3, protect the VA's specialized services. VA has a number of specialized health programs which include spinal cord injury medicine, blind rehabilitation, advanced rehabilitation prosthetics amputee programs, posttraumatic stress disorder treatment programs, extended mental health and long-term care programs, many of which are service unique and veteran unique.

Again we need to protect those services, and by providing stabilized funding and hopefully a reformed system we are going to protect their existence in the future.

No. 4, advance the VA's unique missions. In addition to the specialized services that I discussed, we need to preserve the VA role as a backup to the Department of Defense in a time of emergency to advance the Veteran Administration leadership role in award winning research and health professions education, and again I think we are taking steps in that direction.

No. 5, retain alternative funding sources and, No. 6, streamline the bureaucracy, are both issues which we are attempting to address in H.R. 3950, the GI Bill of Health. By allowing local facilities to retain third-party reimbursements and Medicare payments, I think we can provide for more efficient and more sensitive provision of health care to veterans.

At the same time, by decentralizing the VA's management operations, we can improve efficiency and empower local managers and increase their responsiveness to veterans health care needs. Deregulating, contracting, resource sharing, and personnel management function are issues that can be addressed.

Consider what I said earlier about giving something and expecting something in return. As I mentioned, 6 years ago today we saw the invasion of Kuwait, and 31 years ago today we saw the Gulf of Tonkin Resolution, which sent hundreds of thousands, if not millions of Americans to serve their country in Vietnam and over 50,000 to give their lives.

There was a commitment, and in exchange for that commitment there was an expectation of care, particularly for the sick, the disabled, those who needed the help, those who were injured or wounded in the course of serving their country.

Veterans and their families have sacrificed for the benefit of all Americans. Allowing veterans to use a health care system that is designed to serve them is the right thing to do. It is a choice that we cannot ignore.

I have a proposition for you, Mr. Speaker. Support this plan. I call on other Members to support this plan. Put the issues on the table so that we can begin a full and healthy debate and discussion about the future direction of our health care system. I urge others to do the same. Let us give the VA health care system a clean bill of health: The GI Bill of Health.

The GI Bill of Health is a vision for change. It is a vision for progress. It is a vision for excellence in veterans health care. The GI Bill of Health, in my opinion, is the right thing to do for those who sacrificed for this great Nation, and considering the need for reform of the VA system in the context of the other steps that we are making to improve access to health care for all Americans, as well as for veterans, I think it is the right step to make and it is the least that we can do for those

who have served our country and those who have sacrificed for our great Nation.

AMERICA ON THE BRINK OF SELF-DESTRUCTION

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes as the designee of the majority leader.

Mr. DORNAN. Mr. Speaker, I do not know why it has turned out this way in the last few periods before we went on a long district work period. It turned out that I would be the last speaker and adjourn the House. And I think this is more exciting than most periods because both of our two major parties are going to have their big conventions, one in San Diego for the Democrats; it is a return to Chicago from a scene that I covered as a television talk show host and news reporter, the madness of that week in Chicago in 1968, which overlapped the ugly and last, until Chechnya, Soviet invasion with tanks of a nation, in this case the sovereign nation of what was once the sovereign nation and is now the sovereign nation of Czechoslovakia.

In this last moment before we adjourn and when we come back in September, it will be to finish up our work in the fastest two years of my life, the 104th Congress. And 94 days from today, we will determine whether this country continues on its road toward self-destruction. That is the description of Reverend Billy Graham in our Rotunda when this Chamber and the other body awarded him unanimously the Congressional Gold Medal, the highest civilian award of this Congress. And we do not make awards to military people, although we have founded them and authorized them. They are made by the military itself up to the Commander in Chief. And it is a tough process that people go through to win a Medal of Honor, loosely but wrongly called the Congressional Medal of Honor and other high designations, Air Force Cross, Navy Cross, and the preeminent Army, because of its older existence, the Distinguished Service Cross. But the highest award we can give anybody, any civilian is the Congressional Gold Medal. And we gave it to both Billy Graham and his wife. Struck the beautiful image of Ruth Graham, his wife of 53 years at his side through all of his ministry to spread the good news of our savior Jesus Christ, and at his acceptance speech in the Rotunda on May 22d, he said this is a Nation on the brink of self-destruction.

Now, have we averted that path in the 104th Congress? Can we do anything to turn that disastrous path around in the month of September and two or three days in October before we adjourn sine die without any more days in the 104th Congress? Well, hardly. Will we do much to turn it around in the 105th Congress? It is all on the line in 94 days.

If we elect an administration that I believe to be utterly and thoroughly morally corrupt and financially corrupt, then we may be approaching the point of no return. Another four years of Clinton, and I do not know how we are going to turn it around once we are a year into the 21st century.

Now, I come to the floor with as much sadness tonight as I have ever felt about a betrayal of American middle-class families, the families who sent our young men, their sons, we were not sending daughters into combat and into the violence of the battlefield in those days of Korea and Vietnam, but middle-class families sent their young people just a half a decade after World War II, the second great cataclysm to make the world safe for democracy, but it seemed to make the world stronger for communism, we sent our young men, mostly farm kids but a lot of college kids and young professionals that were called away from their careers because we did activate the Reserve and the National Guard and the Air National Guard, we sent them to the Choson Peninsula, the Korean Peninsula, a place many of them had never thought of other than a passing reference in high school or grade school geography.

We did teach about such faraway places when I was in high school and college. And they died in those filthy human manure ditches in the freezing cold of Ch'osan Reservoir or the baking hot of the Korean summers of 1951, 1952, and 1953, and we left behind, Mr. Speaker, thousands of live Americans in their prison system. Some may be alive even to this day.

There was our first no win war. We had rejected MacArthur's battle cry, ''There is no substitute for victory,'' and we relived this nightmare with an even worse outcome in the Vietnam war. At least in the Korean War we kept a ragged, much changed but general outline of the 38th Parallel on a different angular river and rugged course. We kept the southern half of that peninsula free, but in Vietnam we forsook our allies. We left them to the cruel agonies of the communist government out of Hanoi.

Some Senators and a few Congressmen licked the boots of the likes of war criminals like General Giap to this day, the architect of only the successful battle of Dien Bien Phu that was fought about honor until the ignoble disgrace of holding back thousands of French and French Moroccan and other foreign legion troops for years, until many died or they were traded for money or traded in their bones, what we are doing disgracefully now. In Vietnam we walked away from one war and betrayed our allies in Laos and Cambodia and South Vietnam to concentration camps euphemistically referred to as reeducation camps. 60,000 were executed, almost three-quarters of a million died on the high seas, and the communist killers are entrenched in Hanoi to this day.

I find out this afternoon that in the foreign ops portion of our appropriation process there is a section involved that we are going to take our taxpayer dollars from our farm and working families and lower middle-class families and their grandchildren, my grandchildren, many they have not even earned yet, and we are going to give it to Vietnam to rewrite their trade rules and their code so that we can start funneling next year foreign aid with borrowed money to the communist conquerers out of Hanoi.

Absurd. What brings me here sadly is, I want to say inadvertently, but a 7-year POW Congressman SAM JOHNSON from Texas and this Member from California gave people warnings for two weeks that we were betraying last night the POW–MIA families by voting for a defense authorization bill, all in all a fine bill with some shortcomings, hard trading with the Senate, but we passed it with only 36 Republicans saying no and some of them for different reasons, even though SAM JOHNSON of Texas had sent around what I thought was to me the saddest handout during a vote that I had ever encountered on this floor.

It says, ''A plea from former POW Sam Johnson. Support our MIA/POWs and their families. Vote no on fiscal year 1997 defense authorization conference report.''

Now, I have said many times that I was going to read excerpts from Sam's book on this House floor to let the 86 Members of the freshman class know just the caliber of unqualified hero that Sam Johnson of Dallas was that they were serving with. And now I find out that people on the payroll at the defense missing persons office have tried to obfuscate the horror and the terror of Cuban, Cuban involvement with the torture to death of some of our prisoners in the prison system in and around Hanoi from 1963 to February and March of 1973. Unbelievable story.

Mr. Speaker, I do not know how to warn children away from the television screens, assuming that children too young to not be frightened and absorb torture stories, why they would be watching C–SPAN anyway, I do not know unless they are watching with their parents, but I would recommend to any mother and father they owe it to the men who died for our liberty and freedom of speech to stay with us a few moments this evening, but tell the children to go outside and play.

Here is this book that I promised to read excerpts from in a last special order. ''POW,'' by John G. Hubble in association with Andrew Jones and Kenneth Y. Tomlinson. Subtitle: ''A Definitive History of the American Prisoner of War Experience in Vietnam: 1964 to 1973.''

When I read these words, Mr. Speaker, I hope people will wonder why this body and the other Chamber have

Members so anxious to lift trade restrictions, then under a triple draft dodger normalize relations, then after that to remove the combat status, just a few weeks ago that existed. So if we found a live American and could target with all of the technological sophistication available to our secret agencies and our military today, that if we could pull off a rescue mission, we could have done it in a matter of minutes up until a few weeks ago, when Clinton signed an order saying there is no longer a combat situation existing between us and the communist powers of Vietnam.

Now the drive is on to get Most Favored Nation status for this communist country, one of the last four left in the world, to make the same mistake we made with China and then to drive toward taking our borrowed tax dollars, lumping it upon the deficit and helping them rewrite their trade code so that 30 pieces of silver can be extracted for a few foolish business men and women with all the opportunities around the world.

□ 1815

They are going in there with blood on their hands to deal with these people that may still have Americans locked up. One Senator calls speeches like mine on the House floor hobbyist speeches. What a disgraceful challenge to me, particularly after what I just read about honor in the Wall Street Journal today.

Chapter 25 of POW, Fidel, Kassler and the faker. Fidel was the name given to a tall, some prisoners thought he was from Argentina he was so tall, and Castillian as a Cuban, but he is a Cuban, Fidel was the nickname they gave this torture master. Kassler is a hero from both wars, an unparalleled hero from both wars, like our SAM JOHNSON, Jim Kassler, shot down 8 Mig's in the Korean war and then led the first major strike against Hanoi on the Air Force side against the petroleum oil and lubricant storage areas of North Vietnam to stop them from this slaughtering people in South Vietnam. It was written up big in Time Magazine.

Then his fate was to be captured a few weeks later and to be severely tortured because they knew they had their hands on an American war hero.

What they called a criminal and an air pirate and the faker is a man that, when this book was written, his identity was uncovered by the author, John Hubbell. Now we know his remains have been returned, showing the horror of what he had gone through, even in just the bones that remained. It was major Earl Cobeal. This pain is known to his family. I am not revealing anything on the House floor tonight.

My fellow Americans and Mr. Speaker, listen to this: At the zoo in Hanoi, that is an annex, part of the Hanoi prison system, the one whom the prisoners believed to be Cuban and whom they called Fidel had been very busy. Footnote, we knew who this brigadier general was of Cuban intelligence. He was in New York in 1977 and 1978. My 2 years in this House, if only God had let me know he was there, I personally would have made a citizen's arrest on him. Our intelligence people failed miserably under Jimmy Carter to arrest this man as a war criminal, the way we had done in World War II at Nuremberg and at the Japanese trials where we hung people for this type of war crime.

He was allowed to dine in New York restaurants for 2 years, known to our intelligence people, known to Admiral Stansfield Turner, head of the CIA, and allowed to go back to Cuba. I wish I knew where we could get our hands on him today. I believe his name is Fernandez.

He had been very busy. The prisoners were never to be certain of the Latin's mission, but they generally were in agreement that it was to teach the North Vietnamese how to handle captured American military men and how to learn as much as possible on the same subject on behalf of their own Government, Cuba, whatever it was.

Fidel had selected a dozen or so American prisoners and dealt with them one by one. He attempted to browbeat the men into yielding military information and cooperating in Hanoi's propaganda campaign. It seems clear at first that he did not want to brutalize the men, perhaps Hanoi's mysterious ally wanted to demonstrate that mind and will games were more effective than hell cuffs and torture ropes that the men had been undergoing, this horrible torture for, at this point, 3 years or more with them dying under torture and another 100, as Kassler told me himself, executed in the villages before they made it into the prison system.

In any event, the prisoners judged this to be the case and one by one set their own minds and wills to frustrate Fidel. And he thus proved unable to show his host, the Vietnamese Communists, any results. Defeated, furious, he turned to savagery, directing horrendous torture and beatings. So intense was the mistreatment that each prisoner had finally acquiesced to Fidel's enraged demand to surrender. He broke each one of the 11 and some never came home.

Now, there is a man named Robert Destat, who has worked for years in and out of the Pentagon's missing Americans office. He had the gall, the effrontery, the treachery to put in writing recently that these men were interpreters only. It is a plausible Cuban story, he says. I am going to attempt to bring this man up on charges under the law that when Clinton signs it will be stripped out of the books soon over the next few weeks while it is on the books. It is only 5 months old, since February 10. I am going to bring him up on charges for willfully and knowingly lying to our families, and I understand he owns property in Hanoi, that he is marrying into that system over there, and that he has been allowed for years to disgracefully manipulate and psychologically torture the families of these men that were tortured by these three Cubans, nicknamed Fidel, Pancho, and Chico.

But he did not break them unconditionally. For example, the senior ranking officer of the group, Air Force Major Jack Bomar, a navigator, when asked to write on the Doppler method of navigating our aircraft, produced two pages of spurious biography on the system's inventor, a German named Erich von Doppler who used to listen to trains. Fidel insisted—actually the Doppler effect was discovered by Christian Johann Doppler, a 19th century Austrian physicist. So the Americans are trying to mislead and fight back in this horrible deadly chess game of pitting our wills as the most pathetic of all people.

Christ points this out, the Pope pointed it out to me, Pope Paul VI, when I had eight POW wives in his presence alone, just the Holy Father, BOB DORNAN, a young radio TV talk show host and the eight wives that I had raised money to take around the world in January of 1970.

We are on our way to Hanoi—to Moscow. Clinton is already there, young student, being thanked for his leading and organizing, treacherous help for Hanoi, encouragement, sustenance, assistance, all the words of synonyms for comfort or other words like aid because you get in a little debate on what words you can use out of the Constitution of the United States.

I took four of those wives to Moscow, a few days after we met with the Pope, and we were arrested at the airport on fake document charges, put in a hotel with no heating, 26 degrees below zero. One strong wife did not get sick, and I and the other three wives got near pneumonia. Pope Paul VI, in good English said, never have wives traveled to the battlefields just simply asking, are our men alive or dead. Some of these wives did not know their men were alive and going through this type of medieval torture.

Fidel insisted that the American criminals become more self-sufficient. Therefore, he said they would raise their own fish. They were made to dig two breeding ponds, each about 10 feet long and 4 feet wide. When each hole was filled with water, Fidel produced a supply of approximately 350 tiny fish, each perhaps an inch and a half long. These fish, Fidel explained, would grow to a length of 3 feet and would weigh 12 pounds.

When Fidel finished speaking, someone noticed that in the water the ponds were so muddied that the fish could not swim. They were clustering at the surface dying. At Fidel's frantic commands, the prisoners tried to use mosquito nets to lift the fish out of their muddy mud bath vats. It did not work. The netting engulfed the fish in sticky mud and there soon was mud over all the prisoners, the guards, Fidel and the

yards. Wash tubs were brought out. The prisoners descended in the mud pits with pails and bailed out the mud. They picked fish out of the mud, cleaned them off, threw them into the wash tubs and about 120 fish were salvaged. Like the American prisoners whom the fish were eventually supposed to nourish, the fish were soon to find themselves occupied mainly with survival. They were to do none of the spectacular growing Fidel predicted, and no American was ever to taste any of the fish.

Fidel was full of ideas for prisoners self-sufficiency. He decided that the inmates should build a bakery and bake their own bread. Two of his criminals, Norman Dautry, who told me some of these stories in my office way back in the 1970's, and Ed Hubbard immediately represented themselves as bakery building experts and were placed in charge of construction. The project consumed two months.

A sort of mud adobe oven was built with a chimney about 8 feet high.

He goes on to tell the story of how the strange Fidel went through all of these processes of trying to build a prison system, not knowing that he came from Cuba where prisoners had already been held by this time in solitary confinement for better than a decade, stark naked, in totally darkened rooms with spatial disorientation, and what he was trying to do here they never figured out with the ovens and the fishes and all these things.

Finally he begins to get deadly. One day, Fidel, clearly frustrated, turned to Colonel Jack Bomar. Every time you want to talk about something important, you talk secret. Everything else is loud. For the most important, life with Fidel was more than grim. Once the prisoners were divided into small groups and taken off to different work projects, Bomar and Dautry found themselves listening to the sounds of awful beatings being administered outside a stall in a small bath area.

It went on and on, amid shrieks of unrestrained rage and sounds of fists and other things smashing against flesh and bone. The noise chilled the blood and spirit.

After a time, Fidel emerged from the stall and spotting Bomar shouted, we have got a, the F word, that is faking. Nobody is going to fake and get away with it.

The Latin launched on a lengthy tirade describing how the prisoner had pretended illness and injury to avoid interrogation and work. I am going to teach you all a lesson, he vowed. I am going to break this guy in a million pieces. He is going to eat. He is going to bow. He is going to work. He is going to do everything we say. He is going to surrender like all of you surrendered.

A Vietnamese guard brought the man from the stall. The sight of the prisoner stunned Colonel Bomar. He stood transfixed, trying to make himself believe that human beings could so batter another human being. Bob Destat, on your payroll, as taxpayers, says this is all lying. I want this Destat by subpoena in front of my committee. I want him in a court of law.

The man could barely walk. He shuffled slowly, painfully, his clothing was torn to shreds. He was bleeding everywhere, terribly swollen, and a dirty, yellowish, black and purple from head to toe. The man's head was down. He made no attempt to look at anyone.

He was taken into the cell the Fidel prisoner shared, and Fidel grabbed Bomar by the arm and hustled him in, ordering him, shake hands with your comrade. Bomar introduced himself, offering his hand. The man did not react. He stood unmoving, head down.

Fidel smashed a fist into the man's face, driving him against the wall. Then he was brought to the center of the room and made to get down on his knees. Screaming in rage, Fidel took a length of black rubber hose from a guard and lashed it as hard as he could into the man's face. The prisoner did not react.

He did not cry out or even blink an eye. His failure to react seemed to fuel Fidel's rage and again he whipped the rubber hose across the man's face. Bomar was nearly physically ill at what he saw happening, and he was helpless to stop it.

Again and again, a dozen times Fidel smashed the man's face with the hose. Not once did the fearsome abuse elicit the slightest response from this Air Force major. Bomar began to realize that the man was not really there, that somehow his brain had turned out the pain and the damage and everything else. At last Fidel ordered, take him down and clean him up.

Bomar helped the battered pilot to a bath stall. In the stall was a concrete tank containing some dirty water and a pale. Bomar got some soap. He undressed the man and found that he had been through much more than the day's beatings. His body was ripped and torn everywhere. Hell cuffs appeared to have severed the wrist; strap marks still wound around the arms all the way to the shoulders. Slivers of bamboo were embedded in the bloodied shins, and there were what appeared to be treadmarks from the hose across the chest, the back, the legs.

Horrified, Bomar was afraid to touch him for fear of causing him more pain. He spoke softly, trying to comfort the man, to let him know that he was now in friendly hands and that he wanted to help him and make him comfortable. The man did not react. He did not open his eyes or say anything. He simply sat, head down. Gently, Bomar cleaned him as best he could.

□ 1830

Then suddenly Fidel burst into the stall, grabbed Bomar, slammed him out of the place, out of the way, and began beating the man again. He kept driving his fist into his face, slamming him against the wall, down on to his knees. Then he stalked away, leaving Bomar to get them both back to the cell.

The other Fidel prisoners returned from their work detail. And one of them, Norlan Daughtrey, told me in my office—and as he began to recall these memories, tears streamed down his face as he relived it—the way you will see a rape victim or a family member from a murder on the witness stand, and you can see the visceral images flood into what Shakespeare called our mind's eye and then the tears begin to flow. This is what happened to Norlan in my office, reliving. He witnessed these beatings also of other men, including Colonel Bomar, but also of Major Early Kobeal, only identified in this great work of history as the Faker.

The other Fidel prisoners came back from the detail. As Bomar described what had happened, the new man remained mute, his head down, his eyes closed, his teeth clenched tightly together. It was as though he was alone in a world of his own. None of the others knew him or anything about him. All that was known was that he was an Amercian, that unspeakable horrors had been done to him and that he needed all the solace and help he could get. Conaboy, Trowbridge, distraught people on our payroll denying this type of ugly history, of our chained eagles being destroyed.

His belongings were delivered. His blankets and clothing were soaked with dried blood, puss, and waste matter. A bed was made for him and he was made to lie down. The others discussed what to do. Somehow he had to be brought back from wherever it was that Fidel and his colleagues had driven him. He needed to be kept clean, to be fed, and to be nursed back to physical and mental health.

The bowing program was in full swing, meaning breaking men to bow in front of these stupid, uneducated guards. Guards were opening cells dozens of times daily just for the pleasure of seeing the Americans bow to them. The Fidel prisoners lost no time coming to their feet and bending to obedience, because of their torture, but the new arrival would not so much as acknowledge that the cell door had opened. Unfailingly, an offended guard would stride to his bunk, grab him by the neck of his shirt, pull him up, and slap him hard across the face. The others winced with every blow; some muttered fears for their own sanity if the assault on the man continued. If they stepped in the way, they would be tortured to death.

The man would say nothing and do nothing. The others took turns feeding him, talking to him, soothing him, and offering him encouragement. He ate, and at length he opened his eyes. But he kept his head down, staring blankly, and kept his silence, keeping his teeth clenched tightly when he was not eating.

Then, suddenly, he spoke. Somehow, someone had come by a banana and proposed to feed it to him. Through teeth that remained clenched, he said,

''There is a microphone in the banana.''

The others gathered round, certain that a turning point had been reached and that important ground was about to be gained. Eagerly they broke the banana open in front of him, showing that there was no microphone in it. He refused to accept this, and refused to eat the banana. Again he fell silent, unresponsive.

Days later, he spoke again muttering as if to himself, that the room seemed to be full of people who ''look like Americans.''

''We are Americans,'' Colonel Bomar assured him. ''We have gone through a lot of what you have gone through. We are all in the same boat.''

''They changed your hands,'' the man replied. ''They changed your face. They needed your face and hands. There are gas jets in the wall.''

''Our hands are all right.''

''You are Russians, Russian actors on a stage,'' the man said. ''The sun goes too fast. There it goes, across the sky.''

Now he refused to eat totally. Bomar and the others could get nowhere. Only occasionally would this tortured figure say, ''I know what you are doing. I know you want my hands. I know you are going to kill me. Why won't you go ahead and do it? Kill me.''

In comes Fidel. ''He's faking.'' The Latin took the man out into the porch of the Stable—a prison section name—along with Bomar, to warn him that the man had to stop faking. The man would not answer. He stared downward, behaved as if Fidel were not present. Fidel's rage mounted. He ranted at the man, screaming every obscenity. ''He's faking, I know he's faking, and I'm gonna prove it.''

The man was removed to a hospital.

The events of March 31—interesting, the very day that LBJ, this man's Commander in Chief, throws in the towel and quits the presidential race to pursue a solution to the war in Vietnam, more on-and-off bombing, more treachery, more betrayal of kids. No called up reserves or guard or international guard in this war except for 6 F–100 squadrons, only farm kids, African-American kids, Hispanic and American kids, sons of military families like mine, sons of conservative families like mine.

And as I read this to you, my older brother is in heart surgery today. He has been in surgery for 5 hours. Half an hour to go. My brother, Don.

If you are listening, you identify with me over this mess. Please send prayers for my brother Don, Mr. Speaker.

The events of March 31, 1968, Johnson bug-out day, the halting of the American air campaign against North Vietnam and President Johnson's announcement that he would not seek another term in the White House, were trumpeted to the American POWs as evidence that Hanoi's Communist cause was prevailing. The antiwar movement was succeeding.

Bill Clinton spoke: We are winning, exceeding beyond expectation. There was no secret Soviet money coming into American student groups. All they had to do was reward them with occasional trips to Moscow. They were ahead of the curve, way ahead of any other student group that was pro-Hanoi in Europe.

Generally, however, the American prisoners interpreted the news differently. Most took it for granted that the Communists had come to terms with Johnson. Hope springs eternal, I guess, and the torture goes on.

Jack Bomar found himself speaking freely to one whom the prisoners called Pancho. Pancho, too, was Latin, average height, but powerfully built and with a big, shaggy black beard.

We have him identified too. He got away with these war crimes. Whatever his purpose in Hanoi, he was not an interrogator.

And Bob, to stop, I want you. Hear me. He was not an interpreter. He merely wanted to talk to Americans, and sought Bomar's reaction to the bombing halt. General Wald, do something about this act, I beg you. You are a war hero, Jim. Do something about these people.

''The President didn't stop the bombing without concessions,'' Bomar told him. ''There is no doubt in my mind about that. And I don't know what the other concessions are but the release of the POW's is primary.'' Five more years in this hell hole. ''We'll be out of here within 90 days.''

Fidel entered the room where Pancho and Bomar were talking as the American uttered the word ''concessions.'' He grabbed Bomar by the shoulder, threw him to the floor, roared furiously, ''Concessions? Never. The Vietnamese have absolutely defeated the United States. You will never leave here.''

The next morning Bomar was summoned from his cell. The long stable porch was crammed with Vietnamese, armed guards, and men and women who worked around the camp. Bomar knew he was in for a brutal session. He was made to kneel on the ground, hands in the air. Fidel strode before him, delivering a long, angry lecture on ''concessions.'' At last he said, ''Now, we are going to teach you what concessions really are.'' With that he drove a roundhouse blow straight into Bomar's face, sending him sprawling. Guards brought him back up to his knees.

This is really brave, punching a man with eight guards holding him.

Again Fidel smashed him in the face.

Brigadier General Fernandez of Cuba, allowed to dine and wine in New York City for 2 years not a decade after this.

And again the spectators appreciated the show. They laughed, probably drooled, shouted encouragement to Fidel.

Now the Latin stepped behind Bomar—remember this guy is about 6′1″ or 6′2″—with the length of a rubber hose and lashed him hard, just below the kidneys. Then a second blow. Bomar was down, writhing in the dirt, wondering how much of the rubber hose he could stand. He was yanked up on to his knees again. Now Fidel was screaming for Norlan Daughtrey.

Daughtrey was made to kneel in the dirt beside Bomar. Fidel smashed his fist into his face, guards pulled him back, and Fidel lashed him across the back with the hose. Then the Latin stood behind Bomar and lashed him with the hose, and screamed for Navy Ens. Charles D. ''Chuck'' Rice, captured on October 26, 1967.

What do you know? The same day, the day before John McCain was shot down.

Rice was smashed in the face, lashed with a hose. Then again Fidel stood behind Bomar and laid the hose across his back.

By the way, some Senators put this all behind them. They said, ''Oh the freedom bird, the day I left, I put all this war behind me.'' Others, like Senator Jeremiah Denton, and like this noble hero we have the honor of serving with, SAM JOHNSON, we do not forget this. We must never forget this any more than Simon Weisenthal allows the world to forget Nazi torture of prisoners.

I remember I put my hands on the rack at Auschwitz. The torture rack is still there, where they would stretch men across in front of groups of 300 and 400, God loved but seemingly forsaken Jewish prisoners, all to die in the gas chambers. They would scourge and beat men hundreds of times to break their will, not for escape attempts, just for the sadistic pleasure of the guards.

The first time I visited there the Vietnam war was going on. I was a newsman heading to Vietnam and I thought to myself, thank God in this modern age with a superpower, the United States of America, behind our Navy, Marines, and Air Force pilots and our Green Berets and ground guys getting captured on the ground, they will all be returned. We are not suffering this way in the prison camp of Hanoi. But my brother's pilots were suffering this way. It is incredible.

So now he begins beating four prisoners at one time.

One by one, the Fidel prisoners, 12 of them, before the crowd made to kneel, smashed in the face, lashed with the rubber hose. Each time Bomar was lashed once again.

So the first guy takes multiple punishments for all the rest.

At last the punishment ended. The Americans were all on their knees, their hands high. Down the steps came Lump—the prisoners' bravado nickname for one of these sadistic pigs, the zoo camp commander. He walked to Bomar, poked a finger at his face and shouted, ''Jackasses, these are your concessions.''

I wonder what Lyndon, the great Texas boot-wearing tough President, would have done if he had known this was happening. We knew by then it was

happening because of the early release programs of the slipperies, the slimies, and the sleezies.

He says the prisoners were kept on their knees for a half hour while Fidel harangued them, warned them to put out of their minds any thoughts that they might be leaving soon. Then all but Bomar were ordered back to their cell. Bomar was treated to additional histrionics, and finally Fidel smashed him sprawling one last time and ordered him dragged back to his cell.

After most of 2 weeks, the man whom Fidel said was faking was returned from the hospital—kept alive for torture.

Only the Nazis and the Japanese war criminals of Manchuria did this kind of sickly stuff. I now have gotten the top secret documents declassified of a Communist-built hospital in North Korea where American young farm kids were used as guinea pigs in medical experiments in North Korea in the early 1950's, the way that it had been done to Australians, British, Americans, hundreds of Soviet prisoners and thousands of Chinese prisoners in Harbin in unit 731, tortured to death in every conceivable way, using Dr. Mengele's playbook from Auschwitz.

Every conceivable, when-Hell-was-in-session type of torture took place in North Korea and our secret agencies in this country did nothing to debrief a defecting Czech general of their joint chiefs of staff named Senya who told us all this in 1968, the very year this is happening, and he was told, ''We are not interested in a hospital built in Korea to experiment on captured POW's until they were dead.''

Nothing like this has ever been discussed on the floor of this House or in the other body.

Within a few weeks many of the group were covered with boils. When they brought back the so-called faker he was unkempt, a malodorous mess.

That means stinking to high heavens.

He had several huge boils on his back and hips. The camp medic, a Vietnamese whom the prisoners called Slasher, tore the cores out of the boils using some kind of rusty instrument.

□ 1845

He cut in deeply, drawing blood, ripping off patches of skin, draining the pus. The prisoner never even winced. When the medic left, the others ground up sulfur pills they had begged and stashed away and dusted the powder into his gaping wounds.

I have to jump here, Mr. Speaker, and tell the listeners, if they have suffered through to this point, this man was not returned. He was kept back as a live prisoner. When the other people, including some Senators-to-be and current Senators and a couple of House Members now, all came home on the freedom birds, this man and others like J.J. O'Connell, another naval aviator, they were held behind because they were zombies. They were beaten until they had lost their senses. They were held back.

Any man who suffered a slight amputation, had any bad head wounds, they were held back and allowed to die in camp. Then they were buried in the ground, dug up months later, all the fleshy material cut away, their bones put in a box, stuck in a warehouse. There are still 200 boxes of these heroes' remains there at this moment, as I speak on the floor of the U.S. House of Representatives.

Then they would, like they did to the French, trade in 30 pieces of silver, giving us back our heroes' remains, and we still grovel for our heroes' remains, and we still put up money, millions of it, a third of it lost to our taxpayers, in this gruesome relived French Vietnam game of trafficking in heroes' dust and bones, while ignoring the stories of live sightings.

Good God almighty, what has happened to my country, with this corruption in the White House and this lack of focus on justice and history?

The man, Major Cobiel, could not move now. Ed Hubbard had removed more than 2,300 boils from the top of his head, from the soles of his feet. He was in terrible agony and it worsened when he moved. He could not walk, he could not sit, he could not lie down.

The Cubans are all enjoying this.

It was causing himself terrible pain. Still he kept moving, helping with the cleanup chores, trying to take care of himself.

Bomar, the Colonel, Air Force Colonel, had 44 boils, including four in one armpit, and an especially painful one in one of his fingers; using a bamboo self-made needle, he opened this one to drain it. Soon angry red streaks painted the arm, signaling blood poisoning.

Do you know how we panic with our children and grandchildren over one infection on their body, one little red line going up an are or leg?

He became horribly ill. Slasher, the Vietnamese guard, carved into the little finger. The poison flew out of it. Amazingly, Larry Spencer, who was waiting hand and foot on the faker, developed no boils. He scrubbed the major's clothing.

I am inserting his rank and his name on occasion.

He bathed and stayed close to him, tending to his every need, but remaining free of infection. He kept looking after the man in the face of enormous frustration.

The bowing programs remained in effect and the guards enforced it with what the prisoners called fan belts, actually rubber whips cut out of old tires. One day the door to Fidel's his special prisoners cell, the 12 of them, opened 39 times, requiring 78 bows, one each time a guard entered, a second when he indicated he was leaving.

Imagine, we had college kids, privileged kids dodging the draft, all of them demonstrating across this country and calling these men, to use Jane Fonda's quotes, liars, hypocrites, and professional killers; men fighting for the liberty of a faraway land.

Back to the faker.

Each time all delivered these bows except the faker, Maj. Earl Cobiel. Each time he failed to bow the offended guard would punch him, slap him, kick him, lash the rubber whip across his face. His face and head were ripped bloody, but he never once gave the slightest indication that he felt any of these blows. The others kept caring for the Major, worrying about him, worrying about their own abilities—he was probably a young captain when he was captured—while being forced to witness such grizzly treatment and wondering how to stop the slow murder.

SRO—that means the prisoner camp designated leader—Bomar pleaded with Fidel time and again to make the Latin believe the truth, the man was not faking; that no one who was faking could suffer such a brutally insane punishment without reacting. Give up on him, Bomar urged. Let us take care of him.

Fidel would have none of them. ''The F'er is faking,'' and the horror continued. Apparently Fidel needed some victories. He remained determined to break the faker to win his total surrender.

Now the story switches to Korean war ace Jim Kasler who had led the first strikes against Hanoi's oil depots 2 years earlier, in 1966. He studied Spot, another guard who had a big lack of pigment, a spot on his cheek. He knew him to be a sadist. He judged him to be a homosexual sadist. He hated him with a quiet, intense hatred and knew that the feeling was mutual. He wondered Why Spot was attempting to be friendly, why the smile and the inane conversation.

Suddenly Spot, are you listening Bob Destat, are you listening, Connaboy, and suddenly Spot announced, ''My major has directed me to find a man to meet a delegation and make a TV appearance on the occasion of the downing of the 3,000th enemy airplane.''

That is more fighters than we have on active duty now. But Robert Strange, the most morally corrupt man to ever serve in public office in my lifetime, this arrogant, conceited, and not as bright as people thought, this evil, truly evil man, Robert Strange McNamara, had ground up 3,000 of our aircraft, a superpower, into the ground, accomplishing very little.

''So who should I think of but you, of course, which is an honor for you,'' this is Spot, the creepy sadist talking. B.S., Barbara Streisand, as Rush Limbaugh would say.

''I am not going to see any g-d delegation.''

Of course, the men are fighting back with small ''g'' blashemies.

''You have no choice. You are in our hands now. We have kept you alive. Now you owe this to us.''

I owe you nothing, says this ace pilot, Kasler, terribly ill from infections in his legs. Nonetheless, he had

been subjected to prolonged brutal torture and beatings. He had almost died like MCCAIN in his bail-out with his body savagely ripped apart.

Only recently Spot had beaten him to a pulp. He kept him on his knees the rest of the day allowing him a 5-minute break each hour because of his leg infections. This the sadist said was in keeping with the humane and lenient treatment. That was their little mantra and chant. You got humane and lenient treatment. Spot got up to leave the room. Handing Castro an English language paper, the Vietnamese Courier. Kasler read of the assassination of Senator Robert Kennedy. He tired to digest this shocking news when Spot returned to demand his final decision.

Kasler advised that he had already said it. he would make no appearances before people or cameras. Spot clapped him in the Ho Chi Minh room; again, bravado, fighting back; designating of rooms and brutal torture masters with Americana names. The filthy darkened cell in the auditorium.

The next day he was summoned again to interrogation. This is a 78-victory ace from Korea. The tables laden with torture paraphernalia, ropes, leg irons, three different sets of cuffs in all different sizes. ''You can torture me, you can drag me before that delegation,'' Kasler said, ''but I am not going to say a goddamned word when I get there. And I'm not making a TV appearance.''

Spot supervised the torture. Lump came in to observe, As the guards lashed Jim Kasler's arms behind him so that the backs of his wrists met, and hell cuffs were ratcheted on down to the bones. then the ropes were pulled on, bone tight, from the elbows to the shoulder and his arms were pulled tightly together. The prisoner suffered this excruciation in silence. Spot kept urging him to put an end to his discomfort. All he need do was agree to meet a delegation.

''Kasler tried to concentrate on not thinking about the awful pain in his wrists. Other prisoners he knew found the pain in the shoulders and chest to be the worst. For him, the hell cuffs were the worst. After perhaps 45 minutes, the cuffs and reasons were removed and Kasler was made to kneel for another beating. Then another smaller set of hell cuffs were ratcheted on.''

I do not think 99 percent of Americans listing tonight out of this audience of 100,000 have a clue that this went on, not with the idiocy that you hear coming out of this administration, and the groveling to Hanoi that goes on today.

Tbe pain was worse this time. After about an hour it was absolutely intolerable. Kasler lost consciousness. When he awakened the cuffs were removed. He was allowed 15 minutes rest. Then another beating. Then hell cuffs reapplied. This time, somehow the pain intensified. He passed out within a few minutes.

''Do you surrender? Do you surrender?'' Spot was asking when he regained consciousness. Sick, bathed in pain, he could take no more. He muttered ''Okay. I surrender.'' Abruptly the torture guards pulled him up to his knees, his arms behind him, ratcheted the cuffs back into his wrist down to the bones; in other words, not accepting his surrender. Again he passed out. When he came to: ''Do you surrender?'' Again, ''I surrender,'' but again it was as though he had not spoken. Again he was tortured to unconsciousness.

''This went on and on. At last the torture guard pulled him up on his knees, threw a rope around his neck, and began garotting him to death. Unable to breathe, he lost consciousness.'' Are you listening, Bob Destat? ''He awakened to find the guards slapping his face, and Spot continued to ask, do you surrender? Yes, yes. Finally it ended.'' And it goes on and on and on.

''Who captured you? Mostly unarmed women and children. And what have you observed since you have been in this camp? I have seen hundreds of new prisoners arrive in this camp, and it is obvious that our bombing has been fruitless because Vietnamese production is up on all fronts. We now get fruit, sugar''. They are asking him. They are giving him the answers he is supposed to give in this performance. The torture of Kasler goes on and on.

Yes, my friends, Mr. Speaker, listening, I am going to mercifully skip through some of Jim's awful torture. In one photograph Kasler spotted two elderly gentlemen wearing American Legion caps who had worked their way into the middle of the howling antiwar mob. They smilingly held up a placard inscribed ''drop the bomb.''

Grinning, Kasler repeated that he would not be cooperative in any appearance he was forced to make, reassured by a couple of World War II vets in the middle of these screaming hippies: drug-using, free-sex idiots betraying the cause of freedom. There, a little image, months before Chicago, someone maybe gave him heart, and he fought back, to be tortured some more.

It goes on and on. Jim got the Air Force cross for this. He should have gotten the Medal of Honor like my friend, Bud Day, suffered this type of hell, of like Jeremiah Denton or—excuse me, he got the Navy Cross, should have gotten the Medal of Honor, Senator Jerry, should have. Or like James Bond Stockdale, what a courageous leader. I think our guy here, the gentleman from Texas, SAM JOHNSON, should have gotten the Medal of Honor, Jim Gaskin.

Torture guards stuffing rags, not into his mouth but down his throat. He could not cry out, but how many did in torture? The Vietnamese did not like it. He kept spitting the rags out on the floor, the guards kept stuffing them down his mouth. After a while, he had still not screamed, they stopped trying to gag him, so he would hold his screams in a natural impulse to torture, because if he did not they would choke him to death.

Why are you doing this, you Mother F? Why won't you cooperate? You are not gong to make a traitor out of me, Kasler says. Some guys betray their country, like Edison Miller, like Eugene Wilbur, without even being yelled at. Other men go through this, and some went through it to their death. They died under torture for our freedom in this House, in that Senate, in this country. It is all forgotten. As Ronald Reagan said, where is our memory for Normandy, Anzio, Guadalcanal, and this torture in Hanoi?

He says ''After a while Fidel ordered the cuffs removed and the ropes. He sat Kasler at the table before him. Who knows you have been here? The Latin asked. Nobody. Then why are you pulling this shit? You don't have to go through this. You will go through this peace delegation of scummy American traitors. I refuse, Kasler said. Shifting psychological gears, Fidel asked, do you want a drink of water? Yes. Having sweated through the tortures, he was completely dehydrated. He was probably shedding what is called urea. I learned this in studying Jesus' passion, where sweat mixes with bodily fluids and blood that comes from places unknown inside your musculature under this horrible torture.

Guards brought the water. Fidel turned on a table fan and Kasler gave him a cigarette. OK. When are you going before the delegation? Forget it, said Colonel Kasler. I'm not doing anything. Back on your knees. More beatings. He recited the Lords' prayer to himself, thinking through the meaning of each word. If anybody knows Kasler, Mr. Speaker, I hope they are calling him to watch today. Somebody has not forgotten, Jim.

Yes, are you going to surrender? No. Taken out of torture. Back to the bath area, cleaned up. You smell like a pig, Fidel says. And then he takes the lash across Kasler's buttocks. I skipped two horrible paragraphs here. Strike the enemy first before he has a chance to hit you, they scream. Another lash. More quotes from various newspapers, bringing back Kasler's interviews prior to his capture.

Lost in pain, he paid no heed to what the torturer was saying. Thirty-six lashes, Fidel asked. Are you going to surrender? No. I will talk to you tomorrow, you son of a bitch. Kasler's buttocks, lower back, and legs hung in shreds. The skin had been completely whipped away and the whole area was a bluish, purplish, greenish mass of bloody raw meat. Are you listening, listening Bob Destat? I want you in front of my subcommittee.

Lump came in to watch. Tomorrow we show you the determination of Vietnamese people, but the next day was the Fourth of July, 1968, and in deference to the American holiday, Fidel gave Kasler a respite.

Another paragraph of torture. After a long time he turned to his cell, made

him strip down to the shorts. He was locked in the leg irons and made to sit on the bed pallet. His hands were left free but they were useless now. The wrists, torn and bloody, looked as if though they had been almost served by the hell cuffs, and the discolored hands and fingers remained so swollen that he could not move them.

□ 1900

Another page of torture. Another whole page of torture. Another whole page of torture. Now we are getting back to the Faker.

Fidel departed sometime in August. He was not seen back again. The Vietnamese had finally concluded that the Faker, Maj. Earl Cobiel, was not faking. Frequently they would deliver a few cookies to him. When the other prisoners would urge these extras upon him, he would sometimes accept them, only to fire back at his fellow prisoners who had proffered them. The Vietnamese seemed increasingly frightened over the man's condition. Lump kept asking the other Americans, ''What do you want us to do? What is needed?''

Because the Cuban torture masters had gone on to glory at the U.N. and back to Fidel, the first-degree, murdering torture master, who was put in an NBC special in the middle of the Olympics.

What is the matter with you people at NBC? Why would you ruin every Cuban American's enjoyment of those wonderful games by putting this first-degree killer Castro in our face? Why would you glorify this raw evil? Because you know nothing about the history of your country.

I cannot even read this one, it is so bad.

One of the group, Navy Lt. Al Carpenter, captured November 1, 1966, not to be confused with Capt. Air Force Joe Carpenter who was released on August 2, 1968, along with Jim Low and Maj. Fred Neale Thompson. This Carpenter stayed to the bitter end. He would not take an early release.

''Release him,'' Carpenter suggested. They had a plan which another man who suffered savage medieval torture, Larry Guarino, another hero, another camp commander, an SRO, senior ranking officer. He went down to 90 pounds; an average weight of about 160. Said, ''Release him. See that he gets back to the United States where he will receive proper medical treatment, care, psychiatric help. Do that and we'll see the story never gets out about what we saw happen to him here.''

The plan was rejected. It seemed clear the man's captors did not want him on view to the world. The guard Lump kept badgering Bomar to write of the good treatment that Cobiel, and I am inserting his name in the Reader's Digest Book POW.

Bomar kept producing such unsatisfactory statements as ''He received two oranges after they stopped beating him with a fanbelt''; or ''He was allowed a cookie after they stopped beating him and hitting him for hours''; or ''Since the beating stopped he's been given a banana.''

Dissension began to seethe within the Fidel group. Oh, I am sorry, Fidel is gone but not the others.

Some of the men, sick and weary themselves, reached the end of patience and their deranged compatriot. This is sad.

Tired of trying to cope with Major Cobiel, they urged Bomar to demand that he be taken back to the hospital. Bomar agreed that hospital care was in order. The man has now lost his senses, and he is fighting his friends trying to help him.

He thought it vital that the group retain physical possession of the man. Bomar felt certain that if the man were removed from the company of other Americans, he would never be seen again.

That, Mr. Speaker, is what happened, until his bones came back to Arlington or maybe to some local graveyard that has a marker, Maj. Earl Cobiel, U.S. Air Force, the year of his birth, the year of his death. I hope we gave him the Distinguished Flying Cross or something so it could be dug into the marble of his earthly reminder that he lived.

He thought it vital, Colonel Bomar, that the group keep the man. I repeat.

Still, for the sake of some of the others and their sanity, Bomar wanted him in another cell, preferably nearby, with some Americans who would look after him. Larry Spencer and Ed Hubbard volunteered for the job. Bomar, having divined that all good ideas must originate in his captors' heads, tried to implant this one in Lump's cranium. It didn't take. The disaster continued.

POW, Mr. Speaker. Every student of America who loves freedom of speech should read it. They paid for our speech with their blood.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BUNNING of Kentucky (at the request of Mr. ARMEY), for today after 2 p.m., on account of being inducted into the Baseball Hall of Fame.

Mrs. MORELLA (at the request of Mr. ARMEY), for today after 2 p.m., on account of a death in the family.

Mrs. MEEK of Florida (at the request of Mr. GEPHARDT), for today after 1:30 p.m., on account of personal business.

Mr. BISHOP (at the request of Mr. GEPHARDT), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. WISE) to revise and extend their remarks and include extraneous material:)

Mrs. COLLINS of Illinois, for 5 minutes, today.

Mr. LAFALCE, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Ms. DELAURO, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. FIELDS of Louisiana, for 60 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Ms. KAPTUR, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

(The following Members (at the request of Mr. CAMPBELL) to revise and extend their remarks and include extraneous material:)

Mr. METCALF, for 5 minutes, today.

Mr. CAMPBELL, for 5 minutes, today.

Mr. WOLF, for 5 minutes, today.

Mr. LONGLEY, for 5 minutes, today.

Mr. RIGGS, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. LONGLEY, for 5 minutes, today.

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 by the Speaker:

H.R. 3603. An act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on this day present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H.R. 3215. An act to amend title 18, United States Code, to repeal the provision relating to Federal employees contracting or trading with Indians.

H.J. Res. 166. Joint resolution granting the consent of Congress to the Mutual Aid Agreement between the city of Bristol, Virginia, and the city of Bristol, Tennessee.

ADJOURNMENT

Mr. DORNAN. Mr. Speaker, pursuant to House Concurrent Resolution 203, 104th Congress, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore (Mr. KOLBE). Pursuant to the provisions of House Concurrent Resolution 203, 104th Congress, the House stands adjourned until noon on Wednesday, September 4, 1996.

Thereupon (at 7 o'clock and 5 minutes p.m.), pursuant to House Concurrent Resolution 203, the House adjourned until Wednesday, September 4, 1996, at 12 noon.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports concerning the foreign currencies and U.S. dollars utilized by various committees, U.S. House of Representatives, during the 2nd quarter of 1996 in connection with official foreign travel, pursuant to Public Law 95–384, are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Dennis Hastert	4/8	4/9	Mexico		210.00		[3]				210.00
	4/9	4/11	Panama		278.00		[3]				278.00
	4/11	4/11	Colombia				[3]				0.00
	4/11	4/13	Bolivia		282.00		[3]		[4] 1,557.18		1,839.18
	4/13	4/15	Peru		504.00		[3]				504.00
Hon. John Mica	4/9	4/11	Panama		139.00		317.00				456.00
	4/11	4/11	Colombia				[3]				0.00
	4/11	4/13	Bolivia		282.00		[3]				282.00
	4/13	4/15	Peru		504.00		[3]				504.00
Hon. William Zeliff	4/9	4/11	Panama		139.00		317.00				456.00
	4/11	4/11	Colombia				[3]				0.00
	4/11	4/13	Bolivia		282.00		[3]				282.00
	4/13	4/15	Peru		504.00		[3]				504.00
Judith Blanchard	4/8	4/9	Mexico		210.00		[3]				210.00
	4/9	4/11	Panama		278.00		[3]				278.00
	4/11	4/11	Colombia				[3]				0.00
	4/11	4/13	Bolivia		282.00		[3]				282.00
	4/13	4/15	Peru		504.00		[3]				504.00
Robert Charles	4/8	4/9	Mexico		210.00		[3]				210.00
	4/9	4/11	Panama		278.00		[3]				278.00
	4/11	4/11	Colombia				[3]				0.00
	4/11	4/13	Bolivia		282.00		[3]				282.00
	4/13	4/15	Peru		504.00		[3]				504.00
Jane Cobb	4/8	4/9	Mexico		210.00		[3]				210.00
	4/9	4/11	Panama		278.00		[3]				278.00
	4/11	4/11	Colombia				[3]				0.00
	4/11	4/13	Bolivia		282.00		[3]				282.00
	4/13	4/15	Peru		504.00		[3]				504.00
Michele Lang	4/8	4/9	Mexico		210.00		[3]				210.00
	4/9	4/11	Panama		278.00		[3]				278.00
	4/11	4/11	Colombia				[3]				0.00
	4/11	4/13	Bolivia		282.00		[3]				282.00
	4/13	4/15	Peru		504.00		[3]				504.00
Kevin Sabo	4/8	4/9	Mexico		210.00		[3]				210.00
	4/9	4/11	Panama		278.00		[3]				278.00
	4/11	4/11	Colombia				[3]				0.00
	4/11	4/13	Bolivia		282.00		[3]				282.00
	4/13	4/15	Peru		504.00		[3]				504.00
Sally Dionne	4/8	4/9	Mexico		210.00		[3]				210.00
	4/9	4/11	Panama		278.00		[3]				278.00
	4/11	4/11	Colombia				[3]				0.00
	4/11	4/13	Bolivia		282.00		[3]				282.00
	4/13	4/15	Peru		504.00		[3]		69.52		573.52
Hon. Mark Souder	4/8	4/9	Mexico		210.00		[3]				210.00
	4/9	4/11	Panama		278.00		[3]				278.00
	4/11	4/11	Colombia				[3]				0.00
	4/11	4/13	Bolivia		282.00		[3]				282.00
	4/13	4/15	Peru		504.00		[3]				504.00
Committee total					12,042.00		634.00		1,626.70		14,302.70

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.
[4] Expenses incurred by CODEL group.

BILL CLINGER,
Chairman, July 25, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON RESOURCES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
David Whaley	6/23	7/1	Scotland		1,250.00		1,056.45		300.00		2,606.45
Karen Steuer	6/22	6/29	Scotland		1,435.00		1,520.15		350.00		3,305.15
Committee total					2,685.00		2,576.60		650.00		$5,911.60

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DON YOUNG,
Chairman, July 29, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON RULES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Kristi E. Walseth	5/9	5/11	France		530.00						530.00
Commercial airfare							3,684.65				3,684.65
Committee total					530.00		3,684.65				4,214.65

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JERRY SOLOMON,
Chairman, July 31, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SECURITY AND COOPERATION IN EUROPE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Michael Amitay		6/29	United States				3,662.95				3,662.95
	6/30	7/6	Turkey		696.00				120.00		816.00
	7/6	7/9	Sweden		762.00						762.00
John Finerty		6/9	United States				3,407.35				3,407.35
	6/10	6/20	Russia		2,600.00						2,600.00
Chadwick Gore		4/19	United States				4,687.25				4,687.25
	4/20	4/21	Turkey		212.00						212.00
	4/21	4/21	Georgia		1,065.00				340.00		1,405.00
	4/26	4/29	Azerbaijan		711.00						711.00
	4/29	5/1	Turkey		212.00						212.00
Robert Hand		4/20	United States				2,375.25				2,375.00
	4/21	4/28	Serbia-Montenegro		1,321.50				442.00		1,763.00
	4/28	4/28	Austria		222.50						222.50
		5/22	United States				3,051.35				3,051.35
	5/22	5/23	Austria								0.00
	5/23	5/28	Albania		641.00				20.00		661.00
	5/28	5/29	Austria		203.00						203.00
Janice Helwig		4/10	United States				2,763.15				2,763.15
	4/10	4/21	Austria		2,233.00						2,233.00
	4/21	4/29	Serbia-Montenegro		1,120.00		441.12				1,561.12
	4/29	5/22	Austria		4,466.00						4,466.00
	5/22	5/28	Albania		768.00		773.83				1,541.83
	5/28	7/25	Austria		9,420.59						9,420.59
Michael Ochs		4/19	United States				3,926.25				3,926.25
	4/20	4/21	Turkey		212.00						212.00
	4/21	4/26	Georgia		1,065.00				230.00		1,295.00
	4/26	4/29	Azerbaijan		711.00						711.00
	4/29	5/1	Turkey		212.00						212.00
		6/29	United States				3,250.95				3,250.95
	6/30	7/6	Russia		1,750.00						1,750.00
Samuel Wise		4/15	United States				1,604.55				1,604.55
	4/16	4/19	Poland		611.00						611.00
	4/19	4/21	Austria		367.00						367.00
	4/21	4/26	Serbia-Montenegro		451.00						451.00
	4/26	4/29	Italy		165.00						165.00
Committee total					32,197.59		29,944.00		1,152.00		63,293.59

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CHRIS SMITH,
July 30, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, PERMANENT SELECT COMMITTEE ON INTELLIGENCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APRIL 1 AND JUNE 30, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Bill Richardson	5/25	5/29	Asia		923.00						923.00
Commercial airfare							6,911.95				6,911.95
Ken Kodama	5/25	5/29	Asia		923.00						923.00
Commercial airfare							6,911.95				6,911.95
Committee total					1,846		13,823.9				15,669.9

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LARRY COMBEST,
Chairman, July 18, 1996.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4510. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Avacados Grown in South Florida; Assessment Rate [Docket No. FV96–915–1 FIR] received August 2, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4511. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Florida Grapefruit, Florida Oranges and Tangelos, and Florida Tangerines; Grade Standards [Docket No. FV–96–301] received August 2, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4512. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Papayas Grown in Hawaii; Assessment Rate [Docket No. FV96–928–1 FIR] received August 2, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4513. A letter from the Chief, Programs and Legislation Division, Department of the Air Force, transmitting notification that the Commander of Laughlin Air Force Base [AFB], TX, has conducted a comparison study to reduce the cost of operating the base operating support [BOS], pursuant to 10 U.S.C. 2304 note; to the Committee on National Security.

4514. A letter from the Assistant Secretary for Legislative Affairs and Public Liaison, Department of the Treasury, transmitting a copy of the 15th monthly report as required by the Mexican Debt Disclosure Act of 1995, pursuant to Public Law 104–6, section 404(a) (109 Stat. 90); to the Committee on Banking and Financial Services.

4515. A letter from the Administrator, Wage and Hour Division, Department of Labor, transmitting the Department's final rule—Amendments to Federal Contract Labor Laws by The Federal Acquisition Streamlining Act of 1994 (RIN: 1215–AA96) received July 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Economic and Educational Opportunities.

4516. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—National Oil and Hazardous Substances Contingency Plan; National Priorities List Update (FRL–5454–1) received August 2, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4517. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—Amendment to the List of Proscribed Destinations [22 CFR Part 126] received August 1, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

4518. A letter from the Executive Director, Committee For Purchase From People Who Are Blind or Severely Disabled, transmitting the Committee's final rule—Additions to the Procurement List (41 U.S.C. Sec. 47(a)(2)) received August 2, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

4519. A letter from the Assistant Secretary for Administration, Department of Commerce, transmitting a report of activities under the Freedom of Information Act for the calendar year 1995, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

4520. A letter from the Acting Director, Fish and Wildlife Service, transmitting the Service's final rule—Endangered and Threatened Wildlife and Plants; Endangered Status for the Hawaiian Plant *Pritchardia aylmer-robinsonii* (wahane) (RIN: 1018–AB88) received August 1, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4521. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to renew and improve certain activities of the National Highway Traffic Safety Administration [NHTSA] for fiscal year 1997; to the Committee on Transportation and Infrastructure.

4522. A letter from the Regulatory Policy Officer, Bureau of Alcohol, Tobacco and Firearms, transmitting the Bureau's final rule—Implementation of Public Law 103–322, the Violent Crime Control and Law Enforcement Act of 1994—Importation of Ammunition Feeding Devices With a Capacity of More Than 10 Rounds (94F–022P) (RIN: 1512–AB35) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4523. A letter from the Federal Register Certifying Officer, Department of the Treasury, transmitting the Department's final rule—Management of Federal Agency Disbursements (RIN: 1510–AA56) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4524. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Definition of Pooled Income Fund (Revenue Ruling 96–38) received August 1, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4525. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Request for Comments on Procedures Relating to Voluntary and Involuntary Changes in Method of Accounting (Notice 96–40) received July 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4526. A letter from the Chief, Regulations Branch, U.S. Customs Service, transmitting the Service's final rule—Centralized Examination Station; Immediate Suspension or Permanent Revocation as Operator Upon Indictment for Any Felony (RIN: 1515–AB83) received August 2, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4527. A letter from the Director, Corporate Audits and Standards, General Accounting Office, transmitting a corrected report entitled, ''Financial Audit: Resolution Trust Corporation's 1995 and 1994 Financial Statements'' (GAO/AIMD–96–123), July 1996, pursuant to 31 U.S.C. 9106(a); jointly, to the Committees on Government Reform and Oversight and Banking and Financial Services.

4528. A letter from the Comptroller General of the United States, transmitting a report entitled, ''Financial Audit'' Capitol Preservation Fund for Years Ended September 30, 1995 and 1994'' (GAO/AIMD–96–97) July 1996, pursuant to 40 U.S.C. 188a–3; jointly, to the Committee on House Oversight and Government Reform and Oversight.

4529. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to provide for adjustments to capital and operating assistance grants for the public transit program, and for other purposes; jointly, to the Committees on Transportation and Infrastructure and Ways and Means.

4530. A letter from the Fiscal Assistant Secretary, Department of the Treasury, transmitting the Department's June 1996 ''Treasury Bulletin,'' pursuant to 26 U.S.C. 9602(a); jointly, to the Committees on Ways and Means and Transportation and Infrastructure.

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. CLINGER: Committee on Government Reform and Oversight. Laws Related to Federal Financial Management (Rept. 104–745). Referred to the Committee of the Whole House on the State of the Union.

Mr. CLINGER: Committee on Government Reform and Oversight. Protecting the Nation's Blood Supply from Infectious Agents: The Need for New Standards to Meet New Threats (Rept. 104–746). Referred to the Committee of the Whole House on the State of the Union.

Mr. CLINGER: Committee on Government Reform and Oversight. Health Care Fraud: All Public and Private Payers Need Federal Criminal Anti-Fraud Protections (Rept. 104–747). Referred to the Committee of the Whole House on the State of the Union.

Mr. CLINGER: Committee on Government Reform and Oversight. A 2-year review of the White House Communications Agency reveals major mismanagement, lack of accountability, and significant mission creep (Rept. 104–748). Referred to the Committee of the Whole House on the State of the Union.

Mr. CLINGER: Committee on Government Reform and Oversight. Investigation into the activities of Federal law enforcement agencies toward the Branch Davidians (Rept. 104–749). Referred to the Committee of the Whole House on the State of the Union.

Mrs. MEYERS: Committee on Small Business. H.R. 3719. A bill to amend the Small Business Act and the Small Business Investment Act of 1958; with an amendment (Rept. 104–750). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLILEY: Committee on Commerce. H.R. 3056. A bill to permit a county-operated health insuring organization to qualify as an organization exempt from certain requirements otherwise applicable to health insuring organizations under the Medicaid Program notwithstanding that the organization enrolls Medicaid beneficiaries residing in another county (Rept. 104–751). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLILEY: Committee on Commerce. H.R. 3871. A bill to waive temporarily the Medicaid enrollment composition rule for certain health maintenance organizations (Rept. 104–752). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLILEY: Committee on Commerce. H.R. 447. A bill to establish a toll free number in the Department of Commerce to assist consumers in determining if products are American-made; with an amendment (Rept. 104–753). Referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

(Omitted from the Record of August 1, 1996)

H.R. 1816. Referral to the Committee on Commerce extended for a period ending not later than October 4, 1996.

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. LONGLEY:

H.R. 3950. A bill to amend title 38, United States Code, to reorganize the veterans health system; to improve access to, and the quality and efficiency of, care provided to the Nation's veterans; to operate the veterans health system based on the principles of managed care, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. WALKER:

H.R. 3951. A bill to permit duty-free treatment for certain structures, parts, and components used in the Gemini Telescope Project; to the Committee on Ways and Means.

By Mr. WALKER (for himself, Mr. BROWN of California, Mr. SENSENBRENNER, Mr. BOEHLERT, Mrs. MORELLA, Mr. WELDON of Pennsylvania, Mr. ROHRABACHER, Mr. SCHIFF, Mr. BARTON of Texas, Mr. CALVERT, Mr. BAKER of California, Mr. BARTLETT of Maryland, Mr. EHLERS, Mr. STOCKMAN, Mr. GUTKNECHT, Mr. LARGENT, Mrs. SEASTRAND, Mr. CRAMER, Ms. LOFGREN, Mr. MCHALE, and Mr. GORDON):

H.R. 3952. A bill to clarify that certain components of certain scientific instruments and apparatus shall be provided duty-free treatment; to the Committee on Ways and Means.

By Mr. SHUSTER (for himself, Mr. HYDE, Mr. DUNCAN, and Mr. MCCOLLUM):

H.R. 3953. A bill to combat terrorism; to the Committee on Transportation and Infrastructure, and in addition to the Committee on 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. FOX:

H.R. 3954. A bill to restrict the access of youth to tobacco products, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Government Reform and Oversight, 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.

H.R. 3955. A bill to amend the Internal Revenue Code of 1986 to allow a refundable credit to businesses which recycle office wastes; to the Committee on Ways and Means.

By Mr. CHRISTENSEN:

H.R. 3956. A bill to eliminate automatic pay adjustments for Members of Congress, and for other purposes; to the Committee on House Oversight, and in addition, to the Committee on Government Reform and Oversight, 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. FIELDS of Texas (for himself and Mr. DINGELL):

H.R. 3957. A bill to amend the Communications Act of 1934 to require the Federal Communications Commission to streamline its management, to eliminate unnecessarily burdensome regulatory provisions, and for other purposes; to the Committee on Commerce.

By Mrs. JOHNSON of Connecticut:

H.R. 3958. A bill to permit individuals to continue coverage under Federal health care programs of services while participating in

approved clinical studies and to require the Secretary of Health and Human Services to make publicly available information on clinical trials; to the Committee on Commerce, and in addition to the Committees on Ways and Means, National Security, Veterans' Affairs, and Government Reform and Oversight, 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.

H.R. 3959. A bill to establish a demonstration project to study and provide coverage of routine patient care costs for Medicare beneficiaries with cancer who are enrolled in an approved clinical trial program; to the Committee on Ways and Means, and in addition to the Committee on Commerce, 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. HYDE (for himself, Mr. CONYERS, Mr. MCCOLLUM, Mr. SCHUMER, Mr. CANADY, and Mr. HEINEMAN):

H.R. 3960. A bill to combat terrorism; to the Committee on the Judiciary.

By Mr. BILBRAY (for himself, Mr. BARTON of Texas, Mr. HUNTER, Mr. CUNNINGHAM, Mr. CALVERT, Mr. BONO, Mr. RADANOVICH, and Mr. MCKEON):

H.R. 3961. A bill to provide that customs officers and immigration officers have the authority to deny entry into the United States of certain foreign motor vehicles that do not comply with applicable laws governing motor vehicle emissions, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on 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. ABERCROMBIE (for himself and Mr. KIM):

H.R. 3962. A bill to establish a visa waiver pilot program for nationals of Korea who are traveling in tour groups to the United States; to the Committee on the Judiciary.

By Mr. ENGLISH of Pennsylvania (for himself, Mr. RAMSTAD, Mr. TALENT, and Mr. FOX):

H.R. 3963. A bill to amend section 8 of the United States Housing Act of 1937 to prohibit the owner of a rental dwelling unit from receiving Federal rental subsidy amounts for rental of the dwelling unit to a member of the owner's family; to the Committee on Banking and Financial Services.

By Mr. LAZIO of New York:

H.R. 3964. A bill to amend title IV of the Stewart B. McKinney Homeless Assistance Act to consolidate the Federal programs for housing assistance for the homeless into a block grant program that ensures that States and communities are provided sufficient flexibility to use assistance amounts effectively; to the Committee on Banking and Financial Services.

By Mr. LEACH:

H.R. 3965. A bill to amend the Internal Revenue Code of 1986 to increase the amount which may be contributed to defined contribution plan; to the Committee on Ways and Means.

By Mr. MCHALE (for himself, Mr. CUNNINGHAM, Mr. SPENCE, Mr. SKELTON, Mr. BLUTE, Mr. KING, Mr. ABERCROMBIE, Mr. ACKERMAN, Mr. BACHUS, Mr. BAESLER, Mr. BAKER of California, Mr. BALDACCI, Mr. BARCIA of Michigan, Mr. BARRETT of Wisconsin, Mr. BECERRA, Mr. BONIOR, Mr. BORSKI, Mr. BREWSTER, Ms. BROWN of Florida, Mr. BUYER, Mr. CARDIN, Mr. CLEMENT, Mr. CLINGER, Mr. COBLE, Mr. COYNE, Mr. CRAMER, Mr. DAVIS, Ms. DELAURO, Mr. DEUTSCH, Mr. DICKEY, Mr. DOOLEY, Mr. DORNAN, Mr. DOYLE, Mr. DUNCAN, Mr. EDWARDS, Mr. EHRLICH, Mr. ENGLISH of Pennsylvania, Mr. FARR, Mr. FATTAH, Mr. FAWELL, Mr. FOGLIETTA, Mr. FOX, Mr. FRANKS of New Jersey, Mr. FROST, Mr. PETE GEREN of Texas, Mr. GILMAN, Mr. GORDON, Mr. GREEN of Texas, Mr. HALL of Texas, Mr. HASTINGS of Washington, Mr. HEFNER, Mr. HOLDEN, Mr. HORN, Mr. HUNTER, Ms. JACKSON-LEE, Mr. JACOBS, Mr. JONES, Mr. KANJORSKI, Mrs. KELLY, Mr. KENNEDY of Rhode Island, Mr. KLINK, Mr. KLUG, Mr. LAFALCE, Mr. LAUGHLIN, Mr. LAZIO of New York, Mr. LONGLEY, Mr. MASCARA, Mr. MCDERMOTT, Mr. MCHUGH, Mr. MCINNIS, Mr. MCKEON, Mr. MONTGOMERY, Mr. MORAN, Mr. NEAL of Massachusetts, Mr. MEEHAN, Mr. OLVER, Mr. ORTIZ, Mr. PALLONE, Mr. PARKER, Mr. PASTOR, Mr. PICKETT, Mr. POMEROY, Mr. QUINN, Mr. REED, Mr. ROEMER, Mr. ROSE, Mr. SAXTON, Mr. SHAYS, Mr. SISISKY, Mr. SOLOMON, Mr. SPRATT, Mr. STUMP, Mr. TALENT, Mr. TANNER, Mr. TAYLOR of Mississippi, Mr. TEJEDA, Mr. TORKILDSEN, Mr. TRAFICANT, Mr. VISCLOSKY, Mr. WATTS of Oklahoma, Mr. WELDON of Pennsylvania, Mr. WICKER, Mr. WILSON, Mr. WISE, and Mr. ZIMMER):

H.R. 3966. A bill to authorize and request the President to award the Congressional Medal of Honor posthumously to Theodore Roosevelt for his gallant and heroic actions in the attack on San Juan Heights, Cuba, during the Spanish-American War; to the Committee on National Security.

By Mr. MENENDEZ:

H.R. 3967. A bill to provide for a judicial remedy for disputes arising under certain agreements with foreign entities; to the Committee on the Judiciary.

By Mr. MOORHEAD (for himself and Mrs. SCHROEDER):

H.R. 3968. A bill to make improvements in the operation and administration of the Federal courts, and for other purposes; to the Committee on the Judiciary.

By Mr. SKAGGS (for himself, Mr. MCINNIS, and Mrs. SCHROEDER):

H.R. 3969. A bill to amend the Colorado Wilderness Act of 1993 to extend the interim protection of the Spanish Peaks planning area in the San Isabel National Forest, CO; to the Committee on Resources.

By Mr. STUPAK (for himself, Mr. UPTON, and Mr. KNOLLENBERG):

H.R. 3970. A bill to amend the Act of October 21, 1970, establishing the Sleeping Bear Dunes National Lakeshore to permit certain persons to continue to use and occupy certain areas within the lakeshore, and for other purposes; to the Committee on Resources.

By Mrs. VUCANOVICH:

H.R. 3971. A bill to assist in the conservation and stabilization of water quantity and quality for fish habitat and recreation in the Walker River Basin consistent with Decree C–125, issued by the U.S. District Court for the District of Nevada; to the Committee on Resources.

By Ms. WATERS (for herself and Ms. BROWN of Florida):

H.R. 3972. A bill to amend title 38, United States Code, to improve health care services provided by the Department of Veterans Affairs to women veterans; to the Committee on Veterans' Affairs.

By Mr. YOUNG of Alaska:

H.R. 3973. A bill to provide for a study of the recommendations of the Joint Federal-State Commission on Policies and Programs Affecting Alaska Natives; to the Committee on Resources.

By Mr. ZIMMER:

H.R. 3974. A bill to amend the Foreign Assistance Act of 1961 to prohibit the provision of assistance to foreign governments that provide assistance to Cuba; to the Committee on International Relations.

By Mr. BACHUS (for himself, Mr. BARR, Mr. MCCOLLUM, and Mr. LEACH):

H.R. 3976. A bill to amend the Federal Credit Union Act and the Federal Deposit Insurance Act to prohibit removal of members of the National Credit Union Administration Board and the Board of Directors of the Federal Deposit Insurance Corporation except for cause, and for other purposes; to the Committee on Banking and Financial Services.

By Mr. BILBRAY (for himself, Mr. MATSUI, and Mr. THOMAS):

H.R. 3977. A bill to suspend temporarily the duty on certain chemicals used in the formulation of an HIV protease inhibitor; to the Committee on Ways and Means.

By Mr. DICKS (for himself, Mr. DE LA GARZA, Mr. ROBERTS, Mr. MCDERMOTT, and Mr. NETHERCUTT):

H.R. 3978. A bill to authorize the Secretary of Agriculture to purchase commodities under the Emergency Food Assistance Act of 1983 using State funds; to the Committee on Agriculture.

By Mr. FOX:

H.R. 3979. A bill to amend the Internal Revenue Code of 1986 to allow a refundable credit for the contribution of books to any library; to the Committee on Ways and Means.

By Mr. FRANK of Massachusetts:

H.R. 3980. A bill to amend the Cuban Liberty and Democratic Solidarity [LIBERTAD] Act of 1996 relating to the exclusion from the United States of certain aliens; to the Committee on the Judiciary.

By Mr. FRANKS of New Jersey:

H.R. 3981. A bill to provide that a person may use private express for the private carriage of certain letters and packets without being penalized by the Postal Service, and for other purposes; to the Committee on Government Reform and Oversight.

By Mr. FRANKS of New Jersey (for himself, Mr. HERGER, Mr. HOKE, Mr. KASICH, Mr. KOLBE, Mr. MEEHAN, Mr. SMITH of Michigan, and Mr. SMITH of TEXAS):

H.R. 3982. A bill to establish a Permanent Performance Review Commission; to the Committee on Government Reform and Oversight, and in addition to the Committee on Rules, 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. GUTIERREZ:

H.R. 3983. A bill to amend title 18, United States Code, to prohibit false statements in the offering of adoption services and to prohibit certain persons from soliciting or receiving compensation for placing a child for adoption, and to express the sense of the Congress that there should be civil remedies for victims of fraudulent adoption practices; to the Committee on the Judiciary.

By Mr. HUNTER:

H.R. 3984. A bill to amend the Internal Revenue Code of 1986 to provide for a child tax credit and a deduction for taxpayers with whom a parent or grandparent resides, and for other purposes; to the Committee on Ways and Means.

By Mr. JOHNSON of South Dakota:

H.R. 3985. A bill to authorize the construction of the Fall River Water Users District Rural Water System and authorize the appropriation of Federal dollars to assist the Fall River Water Users District, a nonprofit corporation, in the planning and construction of the water supply system; to the Committee on Resources.

H.R. 3986. A bill to authorize the construction of the Perkins County Rural Water System and authorize the appropriation of Federal dollars to assist the Perkins County Rural Water System, Inc., a nonprofit corporation, in the planning and construction of the water supply system; to the Committee on Resources.

By Ms. KAPTUR:

H.R. 3987. A bill to establish an emergency Commission to end the trade deficit; to the Committee on Ways and Means.

By Mrs. KELLY (for herself, Mr. BOEHNER, Mr. CLINGER, Mr. CUNNINGHAM, Mr. HOEKSTRA, Mr. KLUG, Mr. LONGLEY, Mr. MOORHEAD, Mr. SENSENBRENNER, Mr. THOMAS, Mr. WELLER, and Mr. DICKEY):

H.R. 3988. A bill to provide for mandatory prison terms for possessing, brandishing, or discharging a firearm or destructive device during a Federal crime that is a crime of violence or a drug trafficking crime; to the Committee on the Judiciary.

By Mr. LAFALCE:

H.R. 3989. A bill to amend the Small Business Act, and for other purposes; to the Committee on Small Business.

By Mr. LAFALCE (for himself, Mr. FLAKE, Mr. MEEHAN, Ms. VELAZQUEZ, Mr. BENTSEN, Mr. BALDACCI, Mr. JACKSON, Ms. MILLENDER-MCDONALD, and Mr. BLUMENAUER):

H.R. 3990. A bill to encourage the formation of private sector projects to promote the development of women's business enterprise; to the Committee on Small Business.

By Mrs. LOWEY:

H.R. 3991. A bill to assure equitable treatment in health care coverage of prescription drugs; to the Committee on Commerce, and in addition to the Committees on Ways and Means, 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 Ms. MCCARTHY (for herself, Mr. LUTHER, Ms. RIVERS, Mr. CARDIN, Mrs. KENNELLY, Mr. WARD, Mr. FAZIO of California, Ms. LOFGREN, Mr. KENNEDY of Rhode Island, Mr. FROST, Mr. MASCARA, Mr. PALLONE, Mr. DOOLEY, Mr. DOYLE, Mr. DURBIN, Mr. FATTAH, Mr. JACKSON, Ms. MILLENDER-MCDONALD, Ms. JACKSON-LEE, Mr. CUMMINGS, and Mr. BLUMENAUER):

H.R. 3992. A bill to establish the National Commission on the Long-Term Solvency of the Medicare Program; to the Committee on Ways and Means, and in addition to the Committees on Commerce, and Rules, 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. METCALF (for himself, Mr. MCCOLLUM, Mr. GONZALEZ, Mr. BAKER of Louisiana, Mr. LAZIO of New York, and Mr. ORTON):

H.R. 3993. A bill to allow depository institutions to offer negotiable order of withdrawal accounts to all business, to repeal the prohibition on the payment of interest on demand deposits, and for other purposes; to the Committee on Banking and Financial Services.

By Mrs. MEYERS of Kansas:

H.R. 3994. A bill to amend the Small Business Act to provide comprehensive and structured business development assistance to emerging small business concerns owned by economically disadvantaged individuals to foster their entrepreneurial potential and marketplace success, without relying on preferential award of Government contracts, and for other purposes; to the Committee on Small Business.

By Mrs. MYRICK (for herself, Mr. LIPINSKI, and Mr. ENGLISH of Pennsylvania):

H.R. 3995. A bill to direct the Federal Trade Commission to impose civil monetary penalties against persons disseminating false political advertisements; to the Committee on Commerce.

By Mrs. MYRICK:

H.R. 3996. A bill to amend title 18, United States Code, to punish false statements during debate on the floor of either House of Congress; to the Committee on the Judiciary, and in addition to the Committee on Rules, 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. NEAL of Massachusetts (for himself and Mr. MATSUI):

H.R. 3997. A bill to amend the Internal Revenue Code of 1986 to repeal the 1990 tax increase on beer; to the Committee on Ways and Means.

By Mr. NETHERCUTT (for himself, Mr. WICKER, and Mr. BARRETT of Wisconsin):

H.R. 3998. A bill to provide that individuals otherwise entitled to receive payments from the Federal Government may specify that a portion of those payments be used for deficit reduction; to the Committee on Ways and Means, and in addition to the Committees on National Security, Veterans' Affairs, and the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. OBEY:

H.R. 3999. A bill to ensure that the States have sufficient funds to assure the effectiveness of the work requirements of the program of block grants for temporary assistance for needy families, to provide such funds through tax reforms, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Science, 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. DORNAN (for himself, Mr. GILMAN, Mr. SAM JOHNSON, Mr. TALENT, Mr. ALLARD, Mr. ARCHER, Mr. ARMEY, Mr. BACHUS, Mr. BAKER of California, Mr. BAKER of Louisiana, Mr. BALLENGER, Mr. BARR, Mr. BARRETT of Nebraska, Mr. BARTLETT of Maryland, Mr. BARTON of Texas, Mr. BASS, Mr. BATEMAN, Mr. BEREUTER, Mr. BILBRAY, Mr. BILIRAKIS, Mr. BLILEY, Mr. BLUTE, Mr. BOEHLERT, Mr. BOEHNER, Mr. BONILLA, Mr. BONO, Mr. BREWSTER, Mr. BROWNBACK, Mr. BRYANT of Tennessee, Mr. BUNN of Oregon, Mr. BUNNING of Kentucky, Mr. BURR, Mr. BURTON of Indiana, Mr. BUYER, Mr. CALLAHAN, Mr. CALVERT, Mr. CAMP, Mr. CANADY, Mr. CASTLE, Mr. CHABOT, Mr. CHAMBLISS, Mrs. CHENOWETH, Mr. CHRISTENSEN, Mr. CHRYSLER, Mr. CLINGER, Mr. COBLE, Mr. COBURN, Mr. COLLINS of Georgia, Mr. COMBEST, Mr. CONDIT, Mr. COOLEY, Mr. COSTELLO, Mr. COX, Mr. CAMPBELL, Mr. CRAMER, Mr. CRANE, Mr. CRAPO, Mr. CREMEANS, Mrs. CUBIN, Mr. CUNNINGHAM, Mr. DAVIS, Mr. DEAL of Georgia, Mr. DELAY, Mr. DIAZ-BALART, Mr. DICKEY, Mr. DOOLITTLE, Mr. DREIER, Mr. DUNCAN, Ms. DUNN of Washington, Mr. EHLERS, Mr. EHRLICH, Mr. ENGLISH of Pennsylvania, Mr. ENSIGN, Mr. EVERETT, Mr. EWING, Mr. FAWELL, Mr. FIELDS of Texas, Mr. FLANAGAN, Mr. FOLEY, Mr. FORBES, Mrs. FOWLER, Mr. FOX, Mr. FRANKS of New Jersey, Mr. FRANKS of Connecticut, Mr. FRELINGHUYSEN, Mr. FRISA, Mr. FUNDERBURK, Mr. GALLEGLY, Mr. GANSKE, Mr. GEKAS, Mr. PETE GEREN of Texas, Mr. GILCHREST, Mr. GILLMOR, Mr. GOODLATTE, Mr. GOODLING, Mr. GOSS, Mr. GRAHAM, Ms. GREENE of Utah, Mr. GREENWOOD, Mr. GUNDERSON, Mr. GUTKNECHT, Mr. HALL of Texas, Mr. HANCOCK, Mr. HANSEN, Mr. HASTERT, Mr. HASTINGS of Washington, Mr. HAYES, Mr. HAYWORTH, Mr. HEFLEY, Mr. HEINEMAN, Mr. HERGER, Mr. HILLEARY, Mr. HOBSON, Mr. HOEKSTRA, Mr. HOKE, Mr. HOLDEN, Mr. HORN, Mr. HOUGHTON, Mr. HOSTETTLER, Mr. HUNTER, Mr. HUTCHINSON, Mr. HYDE, Mr. INGLIS of South Carolina, Mr. ISTOOK, Mrs. JOHNSON of Connecticut, Mr. JONES, Mr. KASICH, Mr. KIM, Mr. KING, Mr. KINGSTON, Mr. KLUG, Mr. KNOLLENBERG, Mr. KOLBE, Mr. LAHOOD, Mr. LATOURETTE, Mr. LARGENT, Mr. LATHAM, Mr. LAUGHLIN, Mr. LAZIO of New York, Mr. LEACH, Mr. LEWIS of California, Mr. LEWIS of Kentucky, Mr. LIGHTFOOT, Mr. LINDER, Mr. LIVINGSTON, Mr. LOBIONDO, Mr. LONGLEY, Mr. LUCAS, Mr. MCCOLLUM, Mr. MCCRERY, Mr. MCDADE, Mr. MCHALE, Mr. MCHUGH, Mr. MCINNIS, Mr. MCINTOSH, Mr. MCKEON, Mr. MCNULTY, Mr. MARTINI, Mr. MANZULLO, Mr. METCALF, Mrs. MEYERS of Kansas, Mr. MICA, Mr. MILLER of Florida, Mr. MINGE, Ms. MOLINARI, Mr. MONTGOMERY, Mr. MOORHEAD, Mrs. MORELLA, Mr. MYERS of Indiana, Mrs. MYRICK, Mr. NETHERCUTT, Mr. NEUMANN, Mr. NEY, Mr. NORWOOD, Mr. NUSSLE, Mr. OBERSTAR, Mr. OXLEY, Mr. ORTIZ, Mr. PACKARD, Mr. PARKER, Mr. PAXON, Mr. PETERSON of Minnesota, Mr. PETRI, Mr. PICKETT, Mr. POMBO, Mr. PORTER, Mr. PORTMAN, Ms. PRYCE, Mr. QUILLEN, Mr. QUINN, Mr. RADANOVICH, Mr. RAMSTAD, Mr. REED, Mr. REGULA, Mr. RIGGS, Mr. ROBERTS, Mr. ROGERS, Mr. ROHRABACHER, Ms. ROS-LEHTINEN, Mr. ROTH, Mrs. ROUKEMA, Mr. ROYCE, Mr. SALMON, Mr. SANDERS, Mr. SANFORD, Mr. SAXTON, Mr. SCARBOROUGH, Mr. SCHAEFER, Mr. SCHIFF, Mrs. SEASTRAND, Mr. SENSENBRENNER, Mr. SHADEGG, Mr. SHAW, Mr. SHAYS, Mr. SHUSTER, Mr. SISISKY, Mr. SKEEN, Mr. SKELTON, Mr. SMITH of New Jersey, Mr. SMITH of Texas, Mrs. SMITH of Washington, Mr. SMITH of Michigan, Mr. SPENCE, Mr. SOLOMON, Mr. SOUDER, Mr. STEARNS, Mr. STOCKMAN, Mr. STUMP, Mr. TATE, Mr. TAUZIN, Mr. TAYLOR of North Carolina, Mr. TAYLOR of Mississippi, Mr. TEJEDA, Mr. THOMAS, Mr. THORNBERRY, Mrs. THURMAN, Mr. TIAHRT, Mr. TRAFICANT, Mr. TORKILDSEN, Mr. UNDERWOOD, Mr. UPTON, Mrs. VUCANOVICH, Mr. WALKER, Mr. WALSH, Mr. WAMP, Mr. WATTS of Oklahoma, Mr. WELDON of Pennsylvania, Mr. WELDON of Florida, Mr. WELLER, Mr. WHITFIELD, Mr. WHITE, Mr. WICKER, Mr. WOLF, Mr. YOUNG of Alaska, Mr. ZELIFF, and Mr. ZIMMER):

H.R. 4000. A bill to amend title 10, United States Code, to restore the provisions of chapter 76 of that title, relating to missing persons as in effect before the amendments made by the National Defense Authorization Act for fiscal year 1997; to the Committee on National Security.

By Mr. PAYNE of New Jersey (for himself, Mr. CAMPBELL, Mr. FLAKE, Mr.

FOGLIETTA, Mr. LEWIS of Georgia, Mr. HASTINGS of Florida, Mr. OWENS, and Ms. NORTON):

H.R. 4001. A bill to impose sanctions on the governments who violate the arms embargo, participate in the exchange of weapons for resources, for aiding and abetting the civil war in Liberia, and to bring to justice Liberian war criminals; to the Committee on International Relations, and in addition to the Committees on the Judiciary, and Banking and Financial Services, 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. POMEROY (for himself, Mr. JOHNSON of South Dakota, Mr. WILLIAMS, and Mr. PETERSON of Minnesota):

H.R. 4002. A bill to amend the Agricultural Market Transition Act to provide equitable treatment for barley producers so that 1996 contract payments to the producers are not reduced to a greater extent than the average percentage reduction in contract payments for other commodities, while maintaining the level of contract payments for other commodities, and for other purposes; to the Committee on Agriculture.

By Mr. RAMSTAD:

H.R. 4003. A bill to provide for the temporary suspension of duty on certain plastic web sheeting; to the Committee on Ways and Means.

By Mr. SCHUMER:

H.R. 4004. A bill to amend the Internal Revenue Code of 1986 to provide that no loan may be made from a qualified employer plan using a credit card or other intermediary and that loans from qualified employer plans shall be taxed as a distribution unless the loan is used to purchase a first home, to pay higher education or financially devastating medical expenses, or during periods of unemployment; to the Committee on Ways and Means.

H.R. 4005. A bill to amend title I of the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to promote availability of private pensions upon retirement; to the Committee on Economic and Educational Opportunities, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of Michigan:

H.R. 4006. A bill to reform the coastwise, intercoastal, and noncontiguous trade shipping laws, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on National Security, 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. SMITH of New Jersey:

H.R. 4007. A bill to amend title 38, United States Code, to provide a presumption of service connection for injuries classified as cold weather injuries which occur in veterans who while engaged in military operations had sustained exposure to cold weather; to the Committee on Veterans' Affairs.

By Mr. SOLOMON:

H.R. 4008. A bill to prohibit health insurers and group health plans from discriminating against individuals on the basis of genetic information; to the Committee on Commerce, and in addition to the Committee on 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. SPRATT:

H.R. 4009. A bill to amend the Solid Waste Disposal Act to improve public accountability and public safety in the management of hazardous waste facilities; to the Committee on Commerce.

By Mr. STARK:

H.R. 4010. A bill to provide for the removal of abandoned vessels; to the Committee on Transportation and Infrastructure.

By Mr. TATE (for himself, Mr. HORN, Mr. MILLER of Florida, Mr. BALDACCI, Mrs. KELLY, Mr. HAYWORTH, Mr. SANFORD, Mr. COBLE, Mr. FUNDERBURK, Mr. WELDON of Florida, Mr. METCALF, Mrs. SMITH of Washington, Mr. BROWNBACK, Mr. INGLIS of South Carolina, Mr. COBURN, Mr. BARRETT of Wisconsin, Mr. HAYES, Mr. LINDER, Mr. WELLER, Mr. CHRISTENSEN, Mr. GREENWOOD, Mr. MCKEON, Mr. TAYLOR of North Carolina, Mr. LOBIONDO, Mr. SOUDER, Mrs. MEYERS of Kansas, Mr. POMEROY, Mr. RAMSTAD, Mr. LAZIO of New York, Mr. REED, Mr. FOX, Mr. FRELINGHUYSEN, Mr. FOLEY, Mr. BEREUTER, Mr. PORTER, Mr. GOSS, Mr. MCCOLLUM, Mr. KLUG, Ms. RIVERS, Mr. DORNAN, Mrs. MYRICK, Mr. HOEKSTRA, Mr. SHAYS, Mr. BLILEY, Mr. PACKARD, Mr. FRANKS of New Jersey, Mr. MCINTOSH, Mr. NEUMANN, Mr. LARGENT, Mr. SENSENBRENNER, Mr. CHRYSLER, Mr. ENSIGN, Mrs. VUCANOVICH, Mrs. FOWLER, Mr. JOHNSON of South Dakota, Mr. CANADY, Mr. WATTS of Oklahoma, Mrs. SEASTRAND, and Mr. HUTCHINSON):

H.R. 4011. A bill to amend title 5, United States Code, to provide that if a Member of Congress is convicted of a felony, such Member shall not be eligible for retirement benefits based on that individual's service as a Member, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committee on House Oversight, 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. UPTON (for himself, Mr. DINGELL, Mr. CAMP, Mr. LEVIN, and Mr. CONYERS):

H.R. 4012. A bill to waive temporarily the Medicare enrollment composition rules for the Wellness Plan; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WALKER (for himself, Mr. BROWN of California, Mr. SCHIFF, Mr. BAKER of California, Mr. EHLERS, Mr. STOCKMAN, Mr. HALL of Texas, Mr. TRAFICANT, Mr. TANNER, Mr. ROEMER, Mr. CRAMER, Mr. DAVIS, and Ms. LOFGREN):

H.R. 4013. A bill to amend section 2118 of the Energy Policy Act of 1992 to extend the Electric and Magnetic Fields Research and Public Information Dissemination Program; to the Committee on Commerce, and in addition to the Committee on Science, 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. WELDON of Pennsylvania (for himself, Mr. CLAY, Mr. QUINN, Mr. MCHUGH, Mr. STEARNS, Mr. TRAFICANT, Mr. ENGLISH of Pennsylvania, Mr. REGULA, Ms. KAPTUR, and Mr. GOODLING):

H.R. 4014. A bill to require the President to certify whether the commitments made in the side agreements on the environment and on labor to the North American Free-Trade Agreement are being met, and to remove certain benefits from a country that is certified as not meeting those commitments; to the Committee on Ways and Means, and in addition to the Committees on International Relations, and Banking and Financial Services, 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. WYNN:

H.R. 4015. A bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of 50 percent if the recipient dies during the first 15 days of such month, and for other purposes; to the Committee on Ways and Means.

By Mr. ZELIFF:

H.R. 4016. A bill to amend the Elementary and Secondary Education Act of 1965 to provide funds to States to carry out drug and violence prevention programs; to the Committee on Economic and Educational Opportunities.

By Mr. ZELIFF (for himself, Mr. HASTERT, Mr. BURTON of Indiana, Mr. SOUDER, Mr. BARTON of Texas, and Mr. SCARBOROUGH):

H.R. 4017. A bill to amend the Americans with Disabilities Act of 1990 with respect to safety-sensitive employment functions and individuals who have a record or history of the habitual or regular use of illegal drugs or of the abuse of alcohol, or of clinical alcoholism, and for other purposes; to the Committee on Economic and Educational Opportunities.

By Mrs. MYRICK:

H.J. Res. 188. Joint resolution proposing an amendment to the Constitution of the United States regarding the liability of Members of Congress for false statements made in carrying out their official duties; to the Committee on the Judiciary.

By Mr. THOMAS:

H. Con. Res. 208. Concurrent resolution directing the Clerk of the House of Representatives to make a correction in the enrollment of H.R. 3103; considered and agreed to.

By Mr. RAHALL (for himself, Mr. DINGELL, Mr. LAHOOD, and Mr. HOKE):

H. Con. Res. 209. Concurrent resolution expressing the sense of the Congress regarding the territorial integrity, unity, sovereignty, and full independence of Lebanon; to the Committee on International Relations.

By Mr. STUPAK (for himself and Mr. RAMSTAD):

H. Con. Res. 210. Concurrent resolution expressing the sense of the Congress that a postage stamp should be issued to honor law enforcement officers killed in the line of duty; to the Committee on Government Reform and Oversight.

By Mr. ARMEY:

H. Res. 509. Resolution electing Representative FUNDERBURK of North Carolina to the Committee on Agriculture; considered and agreed to.

By Mr. BARTON of Texas (for himself, Mr. ZELIFF, Mr. SHAYS, Mr. COBURN, Mr. SOLOMON, Mr. CAMP, Mr. STEARNS, Mr. GRAHAM, Mr. TRAFICANT, Mrs. FOWLER, Mr. MCINTOSH, Mr. LAUGHLIN, Mr. MANZULLO, Mr. SOUDER, Mr. PORTMAN, Mr. WAMP, Mr. WELDON of Pennsylvania, Mrs. MYRICK, Mr. DAVIS, Mr. CLINGER, Mr. FOLEY, Mr. SAM JOHNSON, Mr. HANSEN, Mr. HANCOCK, Mr. BLILEY, Mr. RAMSTAD, Mr. BACHUS, Mr. SHADEGG, Mr. SALMON, and Mr. SHAW):

H. Res. 510. Resolution providing for mandatory drug testing of Members of the House

of Representatives; to the Committee on House Oversight.

By Mrs. COLLINS of Illinois (for herself, Mr. CLAY, Ms. NORTON, Miss COLLINS of Michigan, Mr. STOKES, and Mr. TOWNS):

H. Res. 511. Resolution expressing the sense of the House of Representatives that a commemorative postage stamp should be issued in honor of Paul Robeson; to the Committee on Government Reform and Oversight.

By Mr. SOLOMON:

H. Res. 512. Resolution to amend House Rules to require the random drug testing of officers and employees of the House; to the Committee on Rules.

By Mr. FARR (for himself, Mr. COLEMAN, Mr. PALLONE, Mr. BRYANT of Texas, Mr. PETERSON of Minnesota, Mr. BONIOR, Mr. FROST, Mr. LEWIS of Georgia, Mr. PORTER, Mrs. MORELLA, Mr. EVANS, Mr. YATES, Ms. LOFGREN, Ms. SLAUGHTER, Mr. OLVER, Ms. ROYBAL-ALLARD, Mr. BECERRA, Ms. WOOLSEY, Mr. DINGELL, Mr. FATTAH, Ms. ESHOO, Mr. BLUMENAUER, Mr. TORRES, Mrs. CLAYTON, Mr. CUMMINGS, Ms. NORTON, Mr. WALSH, Mr. VENTO, Mr. ABERCROMBIE, Mr. SANDERS, Mrs. LINCOLN, Mr. DEUTSCH, Mr. SHAYS, Mr. PAYNE of Virginia, Mr. FRANK of Massachusetts, Mrs. MALONEY, Ms. JACKSON-LEE, of Texas, Mr. MURTHA, and Mr. MINGE):

H. Res. 513. Resolution providing for the mandatory implementation of the Office Waste Recycling Program in the House of Representatives; to the Committee on House Oversight.

By Mr. SOLOMON:

H. Res. 514. Resolution amending the Rules of the House of Representatives to reduce the number of programs covered by each general appropriation bill; to the Committee on Rules.

By Mr. WOLF (for himself, Mr. SMITH of New Jersey, Mr. RAMSTAD, Mr. TOWNS, and Mr. HEFLEY):

H. Res. 515. Resolution expressing the sense of the House of Representatives with respect to the persecution of Christians worldwide; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

By Mrs. MEYERS of Kansas introduced a bill (H.R. 3975) for the relief of Lt. Col. (retired) Robert L. Stockwell, U.S. Army; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 65: Ms. NORTON and Mr. LONGLEY.

H.R. 303: Mr. LONGLEY.

H.R. 608: Mr. DAVIS.

H.R. 739: Mr. METCALF.

H.R. 878: Mr. MORAN.

H.R. 893: Mr. FRANK of Massachusetts, Mr. CONYERS, Mr. KILDEE, Ms. DELAURO, Mr. TOWNS, Miss COLLINS of Michigan, Mr. FRAZER, Mr. NEY, Mr. STUPAK, Mr. DE LA GARZA, Mr. HORN, Mr. SAXTON, Mr. EHLERS, Mr. KASICH, Mr. SMITH of Michigan, Mr. HALL of Ohio, Mr. WILSON, and Mr. BARCIA of Michigan.

H.R. 895: Mr. FROST, Mr. HUTCHINSON, Mr. BLUTE, and Mr. VOLKMER.

H.R. 1010: Mr. ENGEL.

H.R. 1050: Mr. ENGEL and Mr. LANTOS.

H.R. 1073: Mrs. FOWLER.

H.R. 1074: Mrs. FOWLER.

H.R. 1090: Ms. FURSE.

H.R. 1100: Mr. GONZALEZ, Mr. KLECZKA, Mr. BROWDER, Ms. ESHOO, Mr. MASCARA, Mr. ENGLISH of Pennsylvania, Mrs. MORELLA, Mr. JOHNSTON of Florida, Mr. DEFAZIO, Mr. TAYLOR of Mississippi, Mrs. THURMAN, Mr. CLEMENT, Mr. HALL of Ohio, and Mr. LUTHER.

H.R. 1161: Mr. BURR, Mr. DE LA GARZA, Mr. STUPAK, Mr. SMITH of Michigan, and Mr. YATES.

H.R. 1281: Mr. VENTO, Mr. WAMP, and Ms. FURSE.

H.R. 1404: Mr. RICHARDSON.

H.R. 1406: Mr. FILNER.

H.R. 1496: Mr. ROEMER.

H.R. 1568: Mr. TOWNS and Mr. ABERCROMBIE.

H.R. 1591: Mr. ENGEL.

H.R. 1796: Mr. CAMPBELL.

H.R. 1805: Mr. MORAN.

H.R. 1876: Mr. BROWN of Ohio.

H.R. 2006: Mr. HORN and Mr. HAYWORTH.

H.R. 2011: Mr. HOLDEN, Mr. COBURN, and Mr. GORDON.

H.R. 2090: Mr. INGLIS of South Carolina.

H.R. 2128: Ms. GREENE of Utah and Mr. HORN.

H.R. 2138: Mr. QUINN.

H.R. 2185: Mr. LEWIS of Georgia, Mr. DIXON, Mr. DURBIN, Mrs. THURMAN, and Mr. CUNNINGHAM.

H.R. 2237: Mr. GEJDENSON, Mr. GUTIERREZ, Mr. LAFALCE, Mr. GILMAN, Mr. ACKERMAN, Mr. MILLER of California, and Ms. FURSE.

H.R. 2244: Mr. LAZIO of New York.

H.R. 2247: Mr. BAESLER and Mr. POMEROY.

H.R. 2476: Mr. JOHNSTON of Florida.

H.R. 2582: Mrs. SCHROEDER and Mr. CUNNINGHAM.

H.R. 2654: Ms. BROWN of Florida and Mr. STUPAK.

H.R. 2727: Mr. DORNAN and Mr. RADANOVICH.

H.R. 2911: Mr. CAMP and Mr. FOX.

H.R. 2976: Ms. ESCHOO, Mrs. LOWEY, and Ms. PRYCE.

H.R. 3012: Mr. PETE GEREN of Texas, Mr. STOCKMAN, Mr. LUCAS, Mr. DICKS, Mrs. MEEK of Florida, Mrs. SMITH of Washington, Ms. PRYCE, Mr. ANDREWS, Mr. HEINEMAN, Mr. ENGEL, Mr. TAYLOR of North Carolina, and Mr. SCHAEFER.

H.R. 3089: Mr. BARRETT of Wisconsin.

H.R. 3106: Mr. SANDERS.

H.R. 3142: Mr. SANDERS.

H.R. 3189: Ms. NORTON.

H.R. 3195: Mr. SHADEGG, Mr. STOCKMAN, and Mr. BRYANT of Tennessee.

H.R. 3200: Mr. FAWELL, Mr. HAYWORTH, Mr. SHUSTER, Mr. SALMON, Mr. BAKER of Louisiana, Mr. WAMP, Mr. CASTLE, Mr. WELLER, Mr. BAESLER, Mr. ANDREWS, Mr. LINDER, Mr. BUNNING of Kentucky, Mr. BONO, Mr. SENSENBRENNER, Mr. SMITH of Michigan, Mrs. ROUKEMA, Mr. DUNCAN, and Mr. EHLERS.

H.R. 3201: Mr. SMITH of Texas, Mr. CRANE, Mr. LONGLEY, and Mr. BONILLA.

H.R. 3202: Mr. OWENS and Ms. FURSE.

H.R. 3217: Mrs. CLAYTON.

H.R. 3223: Ms. GREENE of Utah.

H.R. 3226: Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 3244: Mr. CONYERS and Mr. FOGLIETTA.

H.R. 3274: Mr. STEARNS.

H.R. 3311: Mr. SANDERS Mr. VENTO, Mr. FATTAH, and Mrs. CLAYTON.

H.R. 3337: Mr. RAHALL.

H.R. 3338: Mr. MATSUI.

H.R. 3355: Mr. DELLUMS.

H.R. 3374: Mr. BROWN of Ohio.

H.R. 3391: Mrs. THURMAN.

H.R. 3424: Mr. SCHIFF.

H.R. 3426: Mr. MILLER of California, Mr. GREEN of Texas, and Mr. POMEROY.

H.R. 3508: Mr. WICKER.

H.R. 3511: Mr. GEJDENSON, Mr. FLAKE, Mr. DEUTSCH, Mr. FROST, Mr. LIPINSKI, Ms. WOOLSEY, Mrs. MALONEY, Mr. FILNER, Mr. MILLER of California, Mrs. KENNELLY, Mr. TORRES, and Mr. ACKERMAN.

H.R. 3518: Mr. BONO, Mr. HUNTER, Mr. CAMPBELL, and Mr. LEWIS of Georgia.

H.R. 3527: Mr. WILSON.

H.R. 3565: Mr. BEREUTER and Mr. PAXON.

H.R. 3584: Mr. YATES, Mr. WYNN, Mr. LIPINSKI, Mr. FROST, Mrs. MALONEY, Mr. CHRYSLER, and Mr. ACKERMAN.

H.R. 3618: Mr. LANTOS.

H.R. 3631: Mr. BOEHLERT, Mr. HALL of Texas, and Mr. PETE GEREN of Texas.

H.R. 3646: Mr. OLVER, Mr. FLAKE, Mr. WYNN, Mr. FILNER, Mr. KILDEE, Mr. STARK, and Ms. FURSE.

H.R. 3690: Mr. CALVERT, Mr. MCCRERY, and Mr. ROHRABACHER.

H.R. 3693: Mr. JOHNSTON of Florida, Mr. THOMPSON, Mr. FROST, Mr. TOWNS, and Ms. NORTON.

H.R. 3708: Ms. WOOLSEY, Mr. DEFAZIO, Mr. STUPAK, and Miss COLLINS of Michigan.

H.R. 3710: Mr. WISE and Mr. ENGEL.

H.R. 3713: Mrs. MALONEY.

H.R. 3714: Mr. HOLDEN, Mr. GILMAN, Mr. REGULA, Mr. GUTIERREZ, Mr. DEUTSCH, Mr. MCHUGH, Mr. SPRATT, Ms. DUNN of Washington, Mr. GILLMOR, Mr. BAESLER, and Mr. LEWIS of Kentucky.

H.R. 3716: Mr. MCCOLLUM.

H.R. 3722: Mr. ENGEL, Mr. QUINN, Mr. NADLER, and Ms. SLAUGHTER.

H.R. 3724: Mrs. THURMAN.

H.R. 3732: Mr. BARCIA of Michigan.

H.R. 3736: Mr. LARGENT, Mr. DORNAN, Mr. PETE GEREN of Texas, Mr. CANADY, Mrs. KELLY, Mr. TAUZIN, Mr. GILLMOR, Mr. HERGER, Mr. SENSENBRENNER, Mrs. VUCANOVICH, Mr. DEAL of Georgia, Mr. JACOBS, Mr. SPENCE, Mr. NEY, Mr. HASTINGS of Washington, Mr. COLLINS of Georgia, Mr. LATOURETTE, Mr. HANCOCK, and Ms. DUNN of Washington.

H.R. 3745: Mr. HAYES and Mr. CUNNINGHAM.

H.R. 3748: Mr. JOHNSTON of Florida.

H.R. 3752: Mr. RADANOVICH and Mr. KIM.

H.R. 3757: Mr. MASCARA.

H.R. 3775: Mr. NEUMANN, Mr. HEFNER, and Mr. TANNER.

H.R. 3783: Mr. EVANS, Ms. RIVERS, and Mrs. THURMAN.

H.R. 3785: Mr. LANTOS, Mr. CONDIT, Mr. PETERSON of Minnesota, Mr. BARRETT of Wisconsin, Mr. KANJORSKI, Miss COLLINS of Michigan, Mr. SPRATT, and Ms. NORTON.

H.R. 3795: Mrs. LINCOLN.

H.R. 3803: Mr. ROTH, Ms. MOLINARI, Mr. WALSH, Mr. STOCKMAN, Mr. PORTER, Mr. CLINGER, Mr. STUMP, Mr. CAMP, Mr. ENGLISH of Pennsylvania, Mr. WELDON of Pennsylvania, and Mr. REGULA.

H.R. 3807: Mr. WYNN.

H.R. 3817: Mr. BLUTE and Mr. ROHRABACHER.

H.R. 3821: Mr. JOHNSTON of Florida, Ms. NORTON, and Ms. FURSE.

H.R. 3830: Mr. CHAPMAN, Mr. PASTOR, Ms. LOFGREN, Mrs. THURMAN, Mr. FROST, Mr. HILLIARD, and Mr. BONIOR.

H.R. 3849: Mr. QUILLEN and Mr. NEY.

H.R. 3856: Mr. JOHNSTON of Florida.

H.R. 3863: Mr. EHLERS, Mr. KANJORSKI, Mr. EVANS, and Mr. KENNEDY of Massachusetts.

H.R. 3878: Mr. UPTON.

H.R. 3881: Mr. DIAZ-BALART.

H.R. 3896: Mr. GILCHREST, Mr. JACOBS, Mrs. SEASTRAND, Mr. WATTS of Oklahoma, Mr. JOHNSTON of Florida, Ms. LOFGREN, and Mrs. MORELLA.

H.R. 3901: Mr. FROST, Mr. NEY, Mrs. KELLY, Mr. ZIMMER, Mr. LEWIS of Kentucky, Mr. DORNAN, Mr. FRANKS of Connecticut, Mr. FLANAGAN, Mr. GILMAN, Mr. DEUTSCH, Mr. HOBSON, Mr. PARKER, Mr. BLUTE, Mr. HOLDEN, Mrs. MYRICK, Mr. WYNN, Mrs. VUCANOVICH, Mr. REGULA, Mr. TEJEDA, Mr. SPRATT,

MR. MANTON, Mr. PASTOR, Mr. BILIRAKIS, Mr. JOHNSTON of Florida, Mr. GREEN of Texas, Mr. BONO, and Mr. DOYLE.

H.R. 3905: Mr. SHAW, Mrs. MORELLA, Mr. NETHERCUTT, Mr. JACOBS, and Mr. GREEN of Texas.

H.R. 3927: Mr. SPRATT, Mr. GREEN of Texas, Ms. MILLENDER-MCDONALD, Mrs. MINK of Hawaii, Mr. CUMMINGS, Mr. CLEMENT, and Mr. LARGENT.

H.R. 3928: Mrs. MINK of Hawaii, Mr. SERRANO, and Mr. PASTOR.

H.R. 3939: Mr. ZIMMER, Mr. LATOURETTE, Mr. FUNDERBURK, Mr. COOLEY, Mr. HUNTER, Mr. QUINN, Mr. KING, Mr. EVERETT, Mr. DEAL of Georgia, and Mrs. KELLY.

H.J. Res. 114: Ms. ESHOO.

H. Con. Res. 63: Mr. HEFLEY.

H. Con. Res. 100: Mr. ARCHER, Mr. BREWSTER, Mr. COBLE, Mr. DREIER, Mr. EVERETT, Mr. FRANKS of Connecticut, Mr. FUNDERBURK, Mr. GALLEGLY, Mr. PETE GEREN of Texas, Mr. GRAHAM, Mr. ROBERTS, Mr. SHADEGG, Mr. SMITH of Texas, Mr. STENHOLM, Mr. TANNER, Mr. TAUZIN, Mr. WATTS of Oklahoma, Mr. MYERS of Indiana, Mr. GUNDERSON, Mr. SOUDER, Mr. WALKER, Mr. FROST, Mr. STOCKMAN, Mrs. MEYERS of Kansas, Mr. WAMP, and Mr. KOLBE.

H. Con. Res. 120: Mr. TORRICELLI.

H. Con. Res. 136: Mr. PALLONE, Mr. LEWIS of Georgia, Mr. OLVER, Mr. ENGEL, and Mr. HINCHEY.

H. Con. Res. 200: Mr. WELDON of Florida, Mr. BARRETT of Wisconsin, Ms. PRYCE, and Mr. NEY.

H. Res. 39: Mr. WILLIAMS.

H. Res. 346: Mr. ZIMMER.

H. Res. 470: Mr. PAYNE of Virginia and Mr. ZIMMER.

H. Res. 478: Mr. OXLEY and Mr. NADLER.

H. Res. 484: Mrs. LOWEY.

H. Res. 490: Mr. BARTON of Texas, Mr. BOEHLERT, Mr. CUNNINGHAM, Mr. EVANS, Mr. GEJDENSON, Mr. HINCHEY, Mr. MCINTOSH, and Mr. MENENDEZ.

H. Res. 491: Mrs. MORELLA, Mr. KENNEDY of Rhode Island, and Mr. BERMAN.

DISCHARGE PETITIONS— ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 15 by Mr. BONILLA on House Resolution 466: Duncan Hunter, J. Dennis Hastert, Mel Hancock, and Jon Christenson.

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Senate

The Senate met at 10:30 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, our hearts are filled with gratitude. We are thankful that You have chosen to be our God and chosen us to know You. Your love embraces us and gives us security, Your joy uplifts us and gives us resiliency, Your peace floods our hearts and gives us serenity, Your Spirit fills us and gives us strength. You have blessed us with the privilege of prayer so that we could receive Your wisdom and guidance. With never-failing faithfulness You hear and answer our prayers as we seek first Your will and the courage to do it. During the intensely busy past few weeks, You have been with the Senators through long days and late evenings. You have honored their commitment to hard work. Thank You for the magnitude of legislation that has been accomplished. Grant the Senators and all who work with them the perspective of taking victories and defeats in stride. Our best efforts are incomplete so we press on; our steps in each day are only part of the long journey of progress, so we do not lose heart.

We commit this day to You and ask that You will grant us a second wind of renewed energy and vision for the challenges ahead of us today. In the name of our Lord. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. Our able majority leader, Senator LOTT, is recognized.

SCHEDULE

Mr. LOTT. Mr. President, this is the day we can accomplish an awful lot for the American people in passing conference reports which are completed and ready to go to the President for his signature. Truly monumental accomplishments can be achieved today—or tomorrow. We have a lot of work to do, but it is work that we can finish, I think, in a responsible and agreeable way.

For the information of all Senators, there are a number of important matters that are available for consideration that I hope the Senate will be able to proceed to and complete action on today. I understand at this time that the D.C. appropriations conference report, the military construction appropriations conference report, the Department of Defense authorization conference report, the legislative appropriations conference report and the health care reform conference report are available for Senate action. I hope all my colleagues will cooperate in allowing the Senate to do its business and complete action on these measures prior to recess.

It is also still my intention to consider the Veterans' Administration, Housing and Urban Development appropriations matter this week. We need to get that bill completed so we can get into conference. Our veterans and people who seek the American dream of home ownership are dependent, in many instances, on this very important legislation. This is a bill I believe we can get completed, get it into conference, and then move it on to the President early in September.

I will, once again, remind my colleagues there is a lot of work to be done and not a lot of time to accomplish it if we want to get out sometime today or tomorrow to go be with our constituents in our respective States. Therefore, Members can expect a full day and evening with rollcall votes throughout that time. Also, it may be necessary for the Senate to convene tomorrow, if we are unable to complete action on these important matters.

Mr. President, if I could continue, I am prepared now to ask consent to approve the nomination of Ann Montgomery to be a district judge for Minnesota. I would like to do that. I am also, though, then going to move to approve the Commodities Futures—CFTC nominees. I believe there is a Republican nominee and a Democratic nominee. That has been held up for weeks and weeks and weeks. After a lot of effort and serious consideration we have cleared that. We are ready to go with that.

We need desperately to have the Chief of Naval Operations in place. It has been a very slow but very careful consideration of the next admiral to be the Chief of Naval Operations, Admiral Johnson. His nomination is ready to be moved, along with a long list of other military personnel that deserve the opportunity to have their nominations completed. I would like to do that.

We have a number of other very noncontroversial actions that we can take, including the naming of Federal buildings and a list—I mentioned some of them last night that we can get approved. So I am prepared to get started with that. I hope that would break through the logjam and get things started in the right direction.

I am prepared also to begin discussing the D.C. appropriations conference report, the military construction appropriations report, the legislative appropriations conference report, and also to begin discussion on the all-important health insurance reform package. Is it perfect? No. Is it everything we want? I know it is not. But it is a major, major step forward for the women and men and children of this country—the guarantee of available and affordable health care. Could we leave this building tonight, not having done that?

After a lot of fuss and carrying on yesterday and complaining and grousing, the House voted 417 to 2 for genuine, responsible, affordable health care reform that will make it available to people, with choice of the medical savings account. Senator KENNEDY, Senator KASSEBAUM, Congressman HASTERT, Congressman ARCHER, have worked heroically to bring this to conclusion. Can we not begin debate and come to conclusion on this important legislation now? Why not?

Who among us here today, for whatever reason, wants to stop funding for the District of Columbia, as desperately as it is struggling to survive and stand on its feet? And we are going to walk off and leave this conference report uncompleted? I do not believe that will happen.

Are we going to walk away from safe drinking water? Safe drinking water?

Mr. FORD. It's not here yet.

Mr. LOTT. I am a little worried that that bill would not be completed. I live in the District of Columbia. I worry about the water.

It is not here yet. The distinguished minority whip makes that point. It will be here today.

I am just racking them up, as to what we can do today. I urge my colleagues to come on over and let us get started. Let us not wait until the Sun goes down. Let us show them the Senate does not have to be nocturnal. While it may look dark here, it is light outside. We can bring some sunshine to this institution by doing these very important pieces of legislation.

I am prepared to go to the first nomination, but I see at least two or three Senators who appear to be wishing to make some comments. I would be glad to yield the floor.

Why do I not yield the floor and then, if Senators would like to comment, then I will move these nominations when they are prepared to do that.

I yield the floor.

Mr. WELLSTONE. I am prepared.

Mrs. HUTCHISON addressed the Chair.

The PRESIDENT pro tempore. The Senator from Texas.

THE STALKING BILL

Mrs. HUTCHISON. Mr. President, I would like to just get a little clearer idea of where we are. I feel like there has been a mixture of issues here.

I did object to Judge Montgomery's going forward, because I wanted to finish looking at this. There are a number of people who have been concerned about the nominations that had gone through and want to look at the overall record. I am not prepared—I will object until I know a clear field and have a better idea of where we are going. But I am not saying that I will keep the objection on Judge Montgomery.

But in the rhetoric that has been flying around on the floor I think the stalking bill has been brought up. I did not put them together. But in his statement the night before last, when I objected, the distinguished leader of the Democratic Party said that I should be grateful to him for his help on the stalking bill and, therefore, not use my right to object to a judge. And I was just very concerned about that, because I have worked on this stalking bill since Memorial Day. I have tried to pass a bill that would protect the stalking victims of this country since Memorial Day. I have been held up by a Senator, whose sincerity I do not doubt, but, nevertheless, he knows that the amendment that he wanted to put on had some problems. He knew that it might cause a problem.

I suggested that if he would just put his amendment on another bill, mine then could go forward to the President and we could have the protection for the stalking victims of this country today, because the President, I believe, will sign it very quickly.

All the indications are it passed unanimously in the House. We wanted it to be passed unanimously in the Senate without amendment so it could go straight to the President. We wanted that on Memorial Day. But nevertheless, the minority leader says I should be very pleased he helped me pass my bill, and my bill is dying in the House right now because of the amendment that he forced me to take in order to move on another issue.

So I don't doubt anyone's sincerity here, but I do want to have a clear picture of when we are going to take up the stalking bill. I said I would be happy to work with the Senator, whose amendment is causing the problem, to do it on another issue. But since they have been joined—not my me—I do think that it is fair for us to take a little time and let me see what the clear picture is on the stalking bill, and then I think we can—I am sorry that they were joined. I didn't join them. But now that they are, I would like to have a clear picture. I don't want rhetoric to continue to get out of control here, but I would like an answer.

So, 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. LOTT. 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. LOTT. Mr. President, I was talking when I should have been listening. If I can ask the Senator from Texas, I heard you at the beginning of your remarks indicate that you were perhaps not prepared to allow this consent to go forward at this time. I am sure you heard some of the discussion last night. I was one of the ones who mentioned it in some way had been attached to the stalking bill, and the minority leader had talked about how he had tried to be helpful to the Senator.

I am very much committed to the stalking bill which the Senator from Texas has been working diligently on for months now. I was here the night it was all cleared right up to the last minute, and all of a sudden something happened and it was objected to.

There is not a Senator who thinks we should not pass the stalking bill. If you really care about women and children and how they are treated across State lines, being harassed and stalked, this bill should be done. But it was held up for quite some time by a Senator that had an amendment he wanted to offer.

There was a lot of cooperation from the Senator from Texas, the Senator from New Jersey, the Senator from Idaho, Senator CRAIG. It was worked out. It was sent to the House. It looks like it may not get through the House now. The understanding was if it got tangled up, we would bring it back freestanding without the amendment.

Mrs. HUTCHISON. If the Senator will yield.

Mr. LOTT. I yield.

Mrs. HUTCHISON. I think it is important to know the arrangement that was given, because I have not mentioned that because I did not want to jeopardize the ability of the amendment to stay on the bill in the House. I have been in good faith. I supported the amendment. I have tried to get House support for the amendment. But I did not mention that we had an agreement with the minority leader, with the majority leader, with myself, with the Senator from New Jersey, that, in fact, if it got bogged down that they would let us pass it clean in the Senate. It has gotten bogged down.

Now I want to have an assurance that everyone's word is going to be kept here, and then I will certainly get out of this picture. But it has now become clouded, not of my making, but it has been. That is why I was trying to have the opportunity to see what the commitment will be to see if we cannot have help for the stalking victims starting right now.

Mr. LOTT. Mr. President, if I could respond to that, I want to assure the Senator from Texas, I am absolutely committed to working with her on this very important legislation. I am committed to doing whatever is necessary to get it through with amendment, without amendment, clean, and I commit right here today, after you have had a chance to see what will happen in the other body—I am talking frankly about what is involved here because I don't think we have time to deal in nuances. We need to get right upfront as to what is happening and what we can do to solve it.

We will bring that bill back up by unanimous consent. We will move it, if we have to. We will do it when the Senator from Texas is satisfied that it is not going to move in the House, and it may.

Mrs. HUTCHISON. If the Senator will yield.

Mr. LOTT. I will be glad to yield.

Mrs. HUTCHISON. It was attempted to be brought up last night in the

House, and it was thwarted. So it has now had an opportunity and it was to be brought up in a way that the amendment would not be on it.

I have supported the amendment. I would like to see the amendment stay on it. But nevertheless, it is not one person in the House, it was several who have objected to it. And when it was to be brought up in that way, Members of the New Jersey delegation objected, and, of course, I understand that. I am not being critical. That is everyone's right, but nevertheless, I have been told I should be grateful for the help in passing my bill, which is now dying, and I am trying to see where we can make an agreement on this in order to free the business of the Senate.

Mr. LOTT. Mr. President, if the Senator will yield further, I commit to her I will stalk this bill across party lines, across State lines.

Mrs. HUTCHISON. Mr. President, I am not worried about the majority leader being committed.

Mr. LOTT. Let me go one step further. I want to assure her of my own commitment. I will be prepared to try to get unanimous consent to do it this night if that will be helpful.

Let me say, before I yield to the Democratic whip, the Democratic leader and I work together. We try very hard, in our trusting relationship. I think we have that. Sometimes we hope we can do things, we hope to achieve, but we have to deal with 98 other people. Every now and then, we get a little further out on the limb, and we have to back off.

The minority leader is a man of his word, and he has assured the Senator from Texas that he will work with us to try to get this done at the earliest time that the Senator from Texas would like to get that done. I don't want to speak for him or put words in his mouth, but I know him and I know, as he has already worked with me and with the Senator from Texas, that he is for this stalking bill, and he is going to work with us to try to get it done. He has another Senator, or Senators, who have an interest. We have to work through all that, but we will work through that.

Would the whip like to say something? I yield to the whip.

Mr. FORD. Mr. President, I was not privileged to the agreement among the distinguished Senator from Texas and New Jersey and our leader. So I am somewhat in a difficult spot here this morning. I will have to wait until the leader has arrived. He is not here at the moment, and we all understand why he is not, and also the Senator from New Jersey.

Two things happened. I remember the distinguished Senator from Texas making a statement on the floor about how much stronger her bill was after the Lautenberg amendment was attached, and you made a very strong statement about the bill as it left here.

The bill was only passed last week. We have been trying to get bills passed for 8, 9, and 10 months. So it was just passed last week. The problem in the House, as I understand, was they tried to strip the Lautenberg amendment from the stalking bill, and that is where it ran into trouble.

The day is not over and tomorrow is not over, as the majority leader has said. Maybe things can work out. I am willing to help in any way I can, but I am somewhat at a disadvantage, if I may use that as a tool here. I will work with the majority leader, as Senator DASCHLE has.

So I think what I am saying is correct here, that attempting to take the Lautenberg amendment off the stalking bill last night caused the problems, and that was the reason it was not brought up. Today is another day.

Mr. LOTT. Mr. President, if I could seek recognition again.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Before I press the Senator or give assurances to the Senator from Texas even further, could I inquire of the Democratic whip—I was under the impression that, if we could work out the difficulties with the nomination of Ms. Montgomery, we could also move the CFTC nominations, which are Republican and Democrat, we could move the military nominations, and we could begin to move the appropriations conference reports.

I am informed that maybe that is not the case if I move forward in good faith on the nomination of the judge from Minnesota. Have I been informed correctly we are not going to move these other nominations?

Mr. FORD. That depends. That would be my position as of this time, that only the one judge. We can do judges, and that is plural. We can do safe drinking water. We can do the small business minimum wage conference report.

Mr. LOTT. Oh, yes.

Mr. FORD. We could do health care and those sorts of things.

Mr. LOTT. Can we do the health care conference report?

Mr. FORD. Yes, we could. But, I mean, we have a little problem with that bill. As the majority leader knows, we want to have a striking provision relating to a drug patent that was put into the conference report. We would like to have an opportunity to remove that before we move to it.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. FORD. You have the floor.

Mr. LOTT. We are going to have to have some good faith and cooperation. If the Democrats are going to hold up all the legislation until we get agreement on all the judges, then I think that is exceeding anybody's expectations. It is not going to happen. I have acted in good faith. I continue to act in good faith. I have been here before everybody trying to work out one more. But if you are going to hold up agreed-to CFTC nominations and health insurance legislation and all these other bills until there is some agreement on all of the judges here today, then I think that is just not going to be possible.

POINT OF PERSONAL PRIVILEGE

Mr. LOTT. I want to say one other thing, Mr. President, because I have been waiting for an opportunity to rise on a point of personal privilege.

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

Mr. LOTT. My integrity has been questioned by a Member of the House of Representatives. The Congressman from California, PETE STARK, alleged that I had committed an ethical violation because, as the majority leader in the U.S. Senate and as a conferee on the conference with the House on the health insurance legislation, I urged consideration of the conference on a specific issue, this drug that was just mentioned.

Mr. FORD. Drug patent.

Mr. LOTT. The drug patent. That tells you how much I know about this. First of all, I resent the fact that my integrity was impugned. I do not act that way. This is not an issue that I have a direct personal interest in, even though I understand, I have been told, that this is intended to be a dagger aimed at my heart, that we are going to take out this drug patent to get at the majority leader.

Why? This is a product for arthritic patients. It is not produced in my State. There is no plant in my State. I do not have a vested interest in this. I act at the request of my colleagues in the Senate, Republicans and Democrats, Senate and House, as a conferee.

I was presented this issue as a fairness issue. I talked to a lot of different Congressmen and Senators. I talked to Congressman WALKER of Pennsylvania. He is the first one that mentioned it to me. I did not know what he was talking about. There are Democratic Congressmen who spoke up in defense of this issue yesterday.

I remind you, after questioning my integrity, Congressman STARK was one of only two—two—House Members who voted against that health insurance reform package. He is totally out of order, and I resent it. I am not going to tolerate that sort of thing.

Also, Senators came to me from all over America, Republicans and Democrats, saying this is something that ought to be done—Senator GORTON of Washington, I do not know what his interest is; Senator SPECTER of Pennsylvania; Senator SANTORUM. These are good and honorable men who made a case for it.

I have a staff member who is an expert tax lawyer, a woman. We discussed it. It seemed like the right thing to do. I urged, if it were possible, that this be included in the package.

That is the whole story. If you are aiming a dagger at my heart, you better pick another issue. I ''ain't got no

dog in this fight.'' I am just trying to help work it out with Senator KASSEBAUM and Senator KENNEDY and Democrats and Republicans, House and Senate, to get important legislation done for the women and children and the sick and the elderly in this country. A drug for arthritis, for Heaven's sake. So, you know, take it out; it is OK with me. But before you do it, you better check with a lot of Senators, Republicans and Democrats, that say they wanted that. But, in conclusion, Mr. President, if this is to get at the majority leader, you missed. I yield the floor.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, the argument of the majority leader is not with us here on this side. It is with Representative STARK over there, because we are not in—as he said, our dog is not in that fight. We do believe, however, that this drug for arthritis is one that, if you keep this language in the bill, will be manufactured for 2 more years and the price will be up. It will not be a generic drug.

That is our legislative problem with this and not an argument between the majority leader and Representative STARK. I think they should not jump on us. I think we will come together on it.

But the other side of the coin is there is a legislative problem that we would like to try to work out if we could as it relates to the bill. If that is possible, we will try to do that. I do not like personalities at all. I do not like this, taking another Member on in the press. I think it is wrong. I will defend myself. I am just as political as the next person, but I try, as best I can, not to be personal. I think it is unfortunate.

Mr. WELLSTONE. Will the Senator yield for a question?

Mr. FORD. Yes. I will be delighted.

The PRESIDING OFFICER. The Senator from Minnesota.

NOMINATION OF ANN D. MONTGOMERY

Mr. WELLSTONE. It is in the form of a question, if my colleagues would be tolerant for just a moment. The first question or comment is, again, I understand what the Senator from Texas has said. I do want to point out that Judge Montgomery does not have anything to do with what is going on in the House of Representatives or anywhere else. She is just back in Minnesota waiting to be confirmed.

I say to the majority leader, whom I have worked with in good faith and appreciate all that he is doing, that a long time ago we discussed Judge Montgomery. We were going to do it judge by judge. I hope she just does not get held up in this big puzzle, and we can please go forward with her.

The last point I want to make is just to follow up on the minority whip. Since then I talked to the majority leader yesterday about Lodine. I said this was something I would challenge on the floor. But I understand exactly what the majority leader had to say, and I, in no way, shape, or form, believe this should have anything to do with any kind of personal attack or anything like that. I am opposed to that. When we have this discussion and I have a point of order, I will stay far away from that.

The majority leader has been someone I have enjoyed knowing and enjoyed working with, and I want him to know that, as somebody who will be on the floor later on in that debate. But could we please—Judge Montgomery is just waiting back in Minnesota for us to move this. Could we please do that for her? I have told her that Senators, Democrats and Republicans, are good people, that we all have a big heart. Could we please move her forward?

Mr. FORD. Mr. President, I yield the floor.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

HEALTH INSURANCE REFORM

Mrs. KASSEBAUM. Mr. President, first I would just like to say, it has been a year ago today that the health insurance reform legislation passed unanimously in the Labor Committee. So, it has been a bumpy road to achieve what has been achieved, and, I think, a very important piece of legislation. One of the reasons it is on the floor today has been the active participation and support of the majority leader.

The Senator from Mississippi has been insistent that we achieve the passage of this bill, the conference be successful. I just want to say that I think any differences that may have arisen because of the patent extension provision, which was added late, can be addressed.

But certainly the majority leader is one of the reasons we have before us today the health insurance reform bill, and it is my hope that we can bring it up and we can address this and not put it off to the point that we are going to lose an opportunity to pass this, which is a small but historic step for health insurance reform. I yield the floor, Mr. President.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

LAUTENBERG AMENDMENT TO THE STALKING BILL

Mr. LAUTENBERG. Mr. President, I regret that I was not here at the time this debate began because we are now engaged in a discussion about what it is that is holding up the progress of the U.S. Senate on behalf of the American people. We have a most extraordinary situation here in the Senate. I think it is important the public understand what has happened.

The public is being victimized by procedural gridlock that is going to cost thousands of people across this country an opportunity to have their cases heard, to see justice dispensed, and fairness dealt with.

Last night, the U.S. Senate was thrown into gridlock once again, although an agreement had been reached between the respective leaders to move forward with several important judicial nominations. That agreement was undermined at the last minute when one Member of this body objected unexpectedly, and much contrary to the rules and protocol here—courtesy, if you will—when the minority leader, the Democratic leader, asked the Senator what was her objection, she turned on her heel and walked out. I have never seen that in the 14 years I have been in the U.S. Senate. Usually, there is a courtesy that says, ''Well, I object for the following reasons,'' and that makes sense. That is the way this body operates.

Now the basis of the objection has become clear. It is truly remarkable. The Senate is being held hostage and so is the American public for one reason, and one reason only: So that we do not take away guns from wife beaters and child abusers. We want to make sure they can get their gun if they want it. That is why some 2,000-plus women a year get killed by men who have already beat them up, have been hauled into court, and in many cases convicted of misdemeanors, and then they want their gun back. Around here, we want to make sure those nice boys can get their guns.

Mr. President, the situation is too absurd. It would almost be a comedy, but it is too serious, a matter of life and death for thousands of women and children whose futures are being threatened by a narrow faction of extremists.

I want to take a moment to explain. Mr. President, for months I have been trying to get an amendment included in the bill that deals with the problem of stalking. Stalking is a terrible thing for anyone to have to endure. We see it in New Jersey. We see it across the country. I am sure all 50 States have the problem. I support the bill. In fact, I am cosponsor of the legislation.

I wanted to make it even more effective. That is the right that we have here. When you have an opportunity to add a piece of legislation you think has merit, you put it on a piece of legislation that has already been introduced. I have been working to include an amendment that would prohibit anyone convicted of domestic violence from possessing a firearm. It is pretty simple. My amendment stands for the simple proposition that if you beat your wife, if you beat your kid, you should not have a gun. It says ''beat your wife, lose your gun; abuse your child, lose your gun.'' It is pretty simple. It is little more than common sense.

Mr. President, for months I tried to include my proposal as part of the

stalking bill. Finally, on July 25, after agreeing to several changes at the request of my Republican colleagues, my legislation passed the Senate by a voice vote. The compromise, Mr. President, that was worked out was supported by even the most ardent progun Members of this body. Even those Members were not willing to go on record and stand up here and vote to say that someone accused of wife abuse, child abuse should have to have a gun.

They did not want to vote on it, because it would have been a shameful experience. Maybe they would have pleased some, but they would not have pleased all. So our sense was that with the changes that were made at their request, the stalking bill, which was here with my amendment attached, should be able to move quickly and easily through the House.

It was my understanding that the majority party here was going to help work it through the House. Well, Mr. President, it looks like the extremists are back. Although the House passed a large number of noncontroversial bills earlier this week, this legislation was not among them. Now we hear that there is a move afoot among Republican leaders in the House to eliminate my proposal, the proposal that wife beaters should not get guns.

I think, Mr. President, the American people would share my outrage at this. Every year thousands of women and children die at the hands of a family member, and 65 percent of the time those murderers use that gun. There is no reason why wife beaters and child abusers should have guns, and only the most progun extremists could possibly disagree with that. Unfortunately, these same extremists seem to have veto rights in the House of Representatives.

Mr. President, I made it clear that if the stalking bill comes back from the House with my proposal gutted I will not just sit back and take it. The lives of thousands of women and children are at stake. We are not just talking about the use of a gun in a murder; we are talking about a gun that is used in intimidation, to threaten and to strike fear and harass. Imagine what a child must think when he sees a man holding a gun, threatening a woman, even if he does not pull the trigger. What kind of a society are we that says by law we should not remove the gun from the hands of that individual? I will fight for this every step of the way.

Now we have the progun extremists dictating how this body is going to function. It is across the Capitol, but we are willing to do it here. Things like judicial appointments, so that justice can be administered, so that we can move the process that this country has in its very foundation, a country of laws.

''No, no,'' the Senator from Texas says. ''No, no, you are not getting those judges. I don't care how good they are.'' What she is saying is, ''Unless you take off the denial of a convicted wife abuser to own a gun, I am not letting judges go through.'' What a contrast. It is perfect. Want to control the law, not let the judges go through, not let other important legislation go through? Tie the place up in a knot.

Well, maybe that is where we are going to be, but I hope the American public hears it. I hope they understand what is being said here, that you can have a gun even though you may have beaten your wife. It reminds me of the story I repeated on this floor now a few times about the judge in Baltimore County, not far from here, who, faced with a sentencing of a man who murdered his wife, sentenced him to 18 months, time to be done on weekends, because he said he ''didn't like giving a noncriminal a criminal sentence.'' In other words, murdering a wife is not the same as murdering a stranger.

Those who want to shut this place down are ignoring what the consequences are of this, not to let us consider noncontroversial judicial appointments. So eager that we protect the rights of child abusers that they will not let us consider a bill to fund veterans health care, environmental protection; so eager not to deprive a wife beater of a gun that they are willing to grind the Senate to a halt on all appropriations bills.

Mr. President, this is extremism run amok. It is outrageous, almost unbelievable. So I hope the people and the press will tell the American people what is going on here. It is quite an amazing story, stranger than fiction. It is unbelievable, in my view. It says a lot about this Congress and the power of the National Rifle Association. It says a lot about our values, priorities, and about our commitments to people victimized by domestic violence.

Mr. President, I am hoping that we can overcome the extremism on this issue, because special interests may have a lot of power in Washington. Extremism may have a lot of power in Washington, but, at the end of the day, the real power in this country rests—and so it should—with the American people. I am convinced that the overwhelming majority of Americans would agree with these basic principles: Wife beaters should not have guns. Child abusers should not have guns.

It is time for Congress to put these principles into law.

Mr. President, I just want to refer to the RECORD of July 25, 1996, when the Senator from Texas [Mrs. HUTCHISON], said:

> Senator Lautenberg is to be commended for working with us to make his amendment a good amendment, and it is a good amendment, and I applaud him for it. I think it adds to the bill. He was willing to work with us, and I think we now have a very strong bill. Because of Senator Lautenberg's amendment, we are also going to be able to keep people who batter their wives or people with whom they live from having handguns. So I think it is going to be a great bill that will give the women and children of this country some protection that they do not now have, and I am very pleased to be supportive of the compromise.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I am pleased that Senator LAUTENBERG has come to the floor, because I think that he is partially correct in his scenario of July 25, and that is that he and I and the leader of the Democratic side and the leader of the Republican side came together and made an agreement, and it was an agreement that I was concerned about but, nevertheless, was willing to work with all of my colleagues to make happen. That was the following: I do agree with his amendment. I think it is a good amendment. That was never the question. The question is, do we hold up a good bill that protects the stalking victims of this country with an amendment that might bog the bill down because it has to go back to the House?

Now, I supported his amendment, but I asked, ''Could we put it on another bill? Could we make the agreement that Senator LAUTENBERG would get his vote on another bill?'' The distinguished leader of the Democratic Party said, ''Well, they can take it up on a suspension in the House. It really won't delay the bill if they will do that.'' And I said, ''What if it runs into opposition in the House?'' at which time the Senator from New Jersey and the Senator from South Dakota agreed that they would let the Senate pass a clean bill that could go directly to the President, pass the same bill clean so it could go directly to the President, to get relief for the stalking victims, with the agreement of the distinguished majority leader that Senator LAUTENBERG would be able to go to another forum, another bill for his amendment.

So when we talk about the extremists that are for wife beaters having guns, that is really not the issue. The issue is, are we going to have the stalking bill, which is a good bill, which passed unanimously in the House of Representatives, if we can't get Mr. LAUTENBERG's amendment on the bill? That is the question.

Now, the Senator from New Jersey and the Senator from South Dakota gave their word that if it ran into trouble in the House, they would help pass a clean bill so that we could do that much and give the Senator from New Jersey another opportunity on another bill for his amendment. So that is the issue here. Now it has run into trouble in the House.

The distinguished Senator from Kentucky says, ''It has only been passed for a week.'' We got the bill Memorial Day. I had hoped that we could have it passed before Memorial Day. It has been 2 months since the bill came from the House, and we have had this opportunity.

I am certainly in sympathy with the Senator from New Jersey in wanting to have his amendment. But he did make

an agreement that he would not hold up one good bill for his amendment having to go just on that bill. We have other options. There will be other bills. The majority leader, whose word is good, will find another opportunity for the Senator from New Jersey. But we must know that we are going to have the stalking bill at some reasonable time. I would like to see it before the recess so that we can put this law into place. It has been pending since Memorial Day. So I would like to ask if we could work on having this bill out and work with the Senator from New Jersey for his amendment to go on another bill. It is really quite simple. If everyone is in agreement that the underlying stalking bill is good, then I think we should move forward on that.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

VA–HUD APPROPRIATIONS BILL

Mr. BOND. Mr. President, while we are talking about bills that need to be moved, I want to return to the matter of the VA–HUD appropriations bill. As Members in this body and those who are observing our actions will recall, last night, proceeding to the bill was objected to by the Senator from Minnesota. This bill is being held hostage for another issue not related to it.

I rise today to point out to my colleagues the importance of passing this bill as quickly as possible. This is an appropriations bill. This is an important appropriations bill that provides money for the Veterans Administration, the Department of Housing and Urban Development, Environmental Protection Agency, National Aeronautics and Space Administration, National Science Foundation, and others.

We not only have to pass that bill, however, to provide funds beginning on October 1, the start of the new fiscal year, there are, at the request of the administration, certain emergency supplemental matters that have to be dealt with now. Let me advise my colleagues that the consequences of continuing to delay action—and the delay last night may already have made it too late to get this bill through—I am ready, however, to stay here and work as long as the leadership wants us to work, because this bill contains a supplemental appropriation for Ginnie Mae, the Government National Mortgage Corporation. This bill provides a $20 billion increase in the current limitation on loan guarantees for mortgage-backed securities needed to finance FHA and Veterans Administration mortgages through September.

If we do not pass this bill, it means that sometime probably in early September, the VA and FHA will no longer be able to sell in the secondary mortgage market the paper that is generated by an issuance of loans to veterans and to those who qualify for the FHA. These people will be without the financing that should be available to them, and it will be the fault of this body and those who have held up this bill if veterans in my State, in the State of California, the State of New York, or the State of Minnesota are not able to get mortgages in September.

The effect will be ultimately increasing mortgage interest rates and constraining home financing availability.

In addition, if this bill is delayed past the signing after October 1, as of September 30 the Federal Emergency Management Agency advises us that they will no longer be able to write flood insurance policies. Property owners in every State in the Nation depending upon Federal flood insurance will no longer be able to get Federal flood insurance. The authority expires. We have been asked to include an extension of the authorization for one more year in this bill. Without this bill, flood insurance will not be available.

There has also been discussion of water projects. Everybody knows that the District of Columbia is suffering from drinking water problems. This bill includes $2 million for water infrastructure funds, including funds that will go ultimately to the safe drinking water revolving fund in every State and the District of Columbia.

That requires some additional explanation. We know that the House has passed the safe drinking water bill. We know also that the appropriations measure which passed both bodies and was signed into law for the current fiscal year had a provision that if the safe drinking water law was reauthorized prior to August 1, there would be roughly $725 million available for that fund. August 1 has come and gone. As a result of the terms of the appropriations bill for this year, that money goes into the clean water fund. Those moneys are in the process of being paid out by the EPA to the State revolving funds.

When this bill is ultimately passed and signed by the President, traditionally the EPA takes about 3 months to get regulations issued so that funds can be paid out to all of the States under the formula for the drinking water revolving fund.

We are prepared in this measure when the President signs the safe drinking water bill, as I hope he will, to credit the safe drinking water fund with the money that is poured over into the clean water fund and provide additional appropriations, reducing the clean water funds for the next fiscal year.

I have assured the authorizing committees that we will make those moneys available as soon as we can approve this bill. As soon as we can send it to the President and get it signed, that money will be there.

The opposition to moving forward to VA–HUD means that we are holding up money to go to drinking water projects and clean water projects. The money that was temporarily set aside until August 1 for the States for the drinking water funds is now in the clean water fund, and the EPA can continue to distribute that money. It can go to the States and the State revolving fund.

So that money is not lost. There have been some irresponsible statements by people who do not understand the process that the money is being lost. The money is not lost. The money can go to work today, tomorrow, this week on the clean water fund, but if it gets passed by both Houses and the President signs the safe drinking water fund at the direction and at the request of the authorizing committees, I will recommend to the committee and to this body that we put an equivalent amount from the 1997 appropriations into the safe drinking water revolving fund so that the District of Columbia and other States—as soon as the Environmental Protection Agency writes the regulations and can hand out the money—will have the dollars available to improve the drinking water supplies. That is another reason this bill must be protected.

In addition, this bill includes the funds needed as of October 1 to send out benefit checks to about 2 million poor and disabled veterans and veterans' widows. When this bill is held hostage, as it was last night, we are threatening the money that goes to the poor and disabled veterans and their widows.

This bill, Mr. President, also has $1 billion to restore FEMA's disaster relief fund so that disaster victims from floods and other disasters across the country may be helped by FEMA. Mr. President, when someone holds up this bill and holds it hostage, it is holding hostage the money that would go to aid victims of disaster.

I ask my colleagues to quit playing games with a vitally important appropriations bill. Deal with the other matters. There are many sensitive matters. There are many things that I have that are being held up, and I am doing my best to work out agreements with those who are holding them up. But I say to you that the appropriations bills need to go forward not only to fund vital programs that begin October 1, but in the instance of the Ginnie Mae loan limitation, the bill has to be enacted as soon as possible so that Ginnie Mae's ability to sell VA and FHA mortgages will not expire.

In addition, as of October 1, there will be no authority for FEMA to write flood insurance.

Mr. President, we have talked enough about all of these problems. I hope that very shortly the majority leader will be able to ask unanimous consent to move forward on some of these vitally important measures that are pending before this body.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Thank you, Mr. President. I say to my colleagues that I will take only 2 minutes.

Look, the Senator from Missouri—we know each other. We work together on the Small Business Committee. If we want to talk about being held hostage, we have a judge who is being held hostage. The Senator knows—he was up here earlier—that there are a lot of discussions going on. And I think the majority leader is confident that this can be worked out very soon.

Nobody is trying to stop everything. This all started with a wonderful judge. You would think she is wonderful. She thought she was going through the other night. Everybody had given their word. It was going to be by unanimous consent. And then, all of a sudden, for a variety of different reasons, it did not.

It does not do any good for anybody to get angry at anybody any longer. It did happen. We are now trying to work this out. Believe me, this really was the judge that was held hostage. But we are beyond that now. We are working hard on an agreement, and that is going to happen.

That is all I would say to my colleague. I think he knows that.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I would say simply that the effect of what has been done is to hold this bill hostage. I am not in here to fight about judges. I have had judges held up before. I sympathize with people who want to move things forward that are held up. I am simply pointing that out for whatever reason. I am not here to judge whether this judge may or may not be important in all the measures and all of the provisions that I have cited.

I want to call attention to everybody in this body the likely consequences of holding up this bill. It was held hostage last night, and until we hear differently, I regret that it apparently is being held hostage, and the consequences.

I yield the floor.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, let me just take 1 minute, and then I will sit down.

The Senator from Missouri is fussing quite eloquently here about not getting his bill up and giving a lot of reasons. The objection this morning came from your side, not from this side. It came from your side to bringing things up over a bill that is in the House, not in the Senate.

Mrs. HUTCHISON. Will the Senator yield? There has been no objection this morning. There has been no offer. There has been no objection. The objection was last night by the Senator from Minnesota on a judgeship.

Mr. FORD. Mr. President, I know what the objection would be. The reason it has been brought up is because there would be an objection, and the objection was made last night.

The finger pointing has gone too far here. I think we need to call a quorum, wipe the sweat off, and try to work things out instead of pointing fingers at each other. We are getting too harsh.

The majority leader is working hard, trying to make this thing work, and then we have people jumping up and down fussing back and forth. It is time it stopped. It is time it stopped.

I yield the floor.

Mrs. HUTCHISON. The Senator is correct. I suggest the absence of a quorum.

Mr. DORGAN. I want to make the same point. The Senator from Missouri makes an appropriate point about the urgency, and we need to move this legislation. I understand that. I accept that. I hope we can do that.

To suggest somehow that one Senator, the Senator from Minnesota, or anyone else in the Chamber is deliberately holding something hostage is not appropriate.

What has happened here is there are a series of issues that get done by consent and by agreement, and the majority leader and minority leader and others have worked hard to put these things together. Some of them become unraveled, and there are a number of reasons that they become unraveled.

The fact is when you start talking about taking hostages, if we wanted to spend some time we could talk about hostagees here for a while, but I do not think it would serve your interests or mine. I just think it is not appropriate to suggest that the Senator from Minnesota or anyone else is holding up this bill. There is a whole series of things that have to be done by agreement here, and when they are done all these things are going to work and happen.

Again, I say that it is appropriate to talk about the urgency of this bill. I do not want to go back and talk about how this started, but I know how it started and so does the Senator from Missouri, and it needs to get unraveled, which includes a whole series of issues including this bill.

I appreciate the Senator yielding.

The PRESIDING OFFICER. The Senator from Vermont.

DISTRICT OF COLUMBIA APPROPRIATIONS

Mr. JEFFORDS. Mr. President, I rise to raise the awareness of the Senate as to the importance of being able to pass the D.C. appropriations bill today.

The reason for that is that we have in this city a serious problem with the drinking water. And I will mention that in a little more detail in a moment. The bill is at the desk. It has passed the House. There is an appropriation in that bill to provide for immediate efforts to clean up the serious circumstances with the city's drinking water. I do not want to alarm anyone too much, but it is a health hazard to certain individuals who have immune problems as well as elderly people.

In order to correct it, it is going to take some effort from private contractors, and it is going to take funds in order to contract with respect to certain pumps that may be broken in the efforts to flush the pumps out.

In addition to that, we also have serious problems right now which need attention immediately, that is, we have public safety funds which have been increased in this bill. We have police cars right now on the blocks; we have fire engines in the shop and computer systems in chaos. There are funds in the bill which will allow us to do that and to get started immediately upon passage of the D.C. appropriations bill.

Let me read to you from the report on the drinking water matter so that everybody is fully aware of the situation the city finds itself in:

> The conferees are deeply concerned about recent violations of Federal drinking water standards and continuing problems that beset the drinking water supply and the distribution systems in District of Columbia. The Federal Environmental Protection Agency recently completed a preliminary investigation of the water quality problems attributed to the District water distribution system and concluded that there is an urgent and immediate need for the District to implement steps to assure the integrity of drinking water quality in the District. Among the most important of these recommended actions is that the District hire a private contractor or contractors to flush the drinking water distribution system completely and to inspect and repair water valves. The conferees agree that there is a strong Federal interest in assuring that those who visit, live, and work in the Nation's Capital have safe drinking water. Accordingly, the conference agreement includes $1 million in Federal funds for this purpose under Amendment No. 2. These funds are provided to the Financial Control Board to contract with a private entity or entities to conduct an inspection, the flushing and repair work recommended by the EPA. The conferees direct the Control Board to consult with the Department of Public Works, D.C. Water and Sewer Authority, and EPA in implementing this activity. Further, the conferees encourage the Control Board to move expeditiously to contract for the work in anticipation of the funds provided.

I just want to point out that if this bill passes, an immediate action will be taken to be able to correct the serious problems we have with the water in the city. So I hope that it would come to a point where we can pass that expeditiously today. The majority leader may or may not wish to call it up, but I want to let everyone know I am ready. It has passed the House. I want to assure all of the citizens of the District as well as those who visit us that we are doing everything possible and any delay would, again, impair the safety of certain individuals in the District, and I hope that does not occur.

In addition, we are ready to move on this, and it is important for the city to get into a position where they know where they stand. There are significant

differences that have been reconciled in favor of the city with respect to the amount of funds that will be available and to other matters.

So I am hopeful that we will be able to take this bill up. It is ready to go. We are ready to act on it now and we could have this down to the President for his signature this afternoon if and when it is brought up there is no objection, and I hope that would be the case.

Mr. President, I just hope that everybody is aware of the serious problem we are dealing with and that any attempt to forestall this would imperil people and I hope that will not occur.

Mr. President, I yield the floor.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

MILITARY CONSTRUCTION APPROPRIATIONS

Mr. BURNS. Mr. President, last night the House of Representatives passed and sent to the Senate the conference report on military construction, and that bill, too, is at the desk to be considered today. We have worked very, very hard with both sides of the aisle to work out our differences—and sometimes on the same side of the aisle.

I applaud my good friend from Vermont, with whom I used to serve on D.C. Appropriations, on the work they have done on the D.C. appropriations bill. And the work that Senator BOND has done in his committee as far as VA–HUD.

We have worked very hard, too, on the thrust of military construction in this particular year, not only dealing with less dollars but also dealing with some very important items which have always been put on the shelf. One of them is the environment because of the Base Closure and Realignment Commission, and the other one is family housing and support services for families that serve this country on our posts around the world.

This bill provides the necessary funding for the planning, the design, the construction, the alteration, and the improvement of military facilities around the world, and included in that, of course, is the appropriation that keeps us strong, the NATO Security Investment Program. It also provides the funding to implement base closures and realignment as called for by law.

Again, let me emphasize that in this bill there is included child development centers. We worry about children. We hear speeches made about children. Repairs are needed also for the damage that was done by Hurricane Bertha. In this bill is funding for family support centers on our bases and environmental compliance projects. I think one of the most important parts of the funding in this bill is environmental cleanup when these bases are closed and, of course, taking new actions where active bases are still in operation; hospitals, public safety such as fire stations.

There is $1.2 billion for the implementation of BRAC, $4 billion for family housing. Out of a $9 billion appropriation, $4 billion will be spent on families and family housing to improve the life of our military people. Just to give you an idea on that: Yuma Marine Air Station in Yuma, AR; Camp Pendleton Marine Corps Base, 202 units, spending $29 million; Lenmoore Naval Air Station in California; Florida, Mayport Naval Station; in Hawaii, almost $60 million being spent for family support and housing; in Maryland, just outside of Washington here, the Naval Testing Center at Patuxent River; Camp Lejeune, community centers; family centers in Texas, Corpus Christi Naval Complex; Kingsville Naval Air Station; in Virginia, Chesapeake, Wallops Island; State of Washington, at Bangor Naval Submarine Base, and Everett Naval Air Station, Puget Sound.

The list goes on of those projects that are started or being planned and started, and all of them in support of families that serve this country. One has to remember that they, too, have to live, and we have started a new project, the Secretary of Defense working with the corporate sector in partnership for private housing off base, which is a new approach. By the way, there is funding in the bill for his program. There is certain types of community impact assistance that has to be provided for our military who face the loss of a sale of private residences due to installation realignments and due to some closures.

So, Mr. President, that is what is in limbo here whenever we start talking about gumming up the process. Here is a bill that we have worked very hard to overcome the objections on both sides of the aisle, to make it through not only committee, subcommittee and full committee and, yes, on the floor to pass a bill, send it to the House and then conference and bring it back and it is ready to pass this body because the House passed it last night and it is ready to be sent to the President for his signature to implement what we think is very important in support of our military families around the globe.

So, I ask, if we could work out this so-called flap and get the process back on the move again, lay aside some of our emotions and do the right thing and allow us to bring the conference report of the military construction to this floor, pass it, and let us send it to the President.

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 assistant legislative clerk proceeded to call the roll.

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

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

ORDER OF PROCEDURE

Mr. LOTT. Mr. President, I think we had some good discussion this morning and I believe we made some progress in talking to Senators on both sides of the aisle, working out problems.

I know several Senators are going to need an opportunity to talk to the minority leader. I know the minority whip will be doing that here in a few minutes. So, hopefully, after those conversations we can get an understanding of how we can move on these very important issues. So, at this time, rather than just keeping the Senate here, what I propose to do is to have the Senate stand in recess until 2:30 p.m., at which time I will again enter into a colloquy with the Senator from Texas and the Senator from New Jersey about how we will deal with the stalking issue and the Lautenberg amendment; and then I would move to get unanimous-consent agreement on Judge Montgomery; and then I would move the CFTC nominees, and then the military nominations, including the new Chief of Naval Operations, which is needed very badly to be on duty. Then I would move to take up the health care issue.

In the meantime, I understand there will be some efforts made to deal with the drug patent issue in a way that, hopefully, is acceptable. And then we would go to the small business tax relief and minimum wage issue, and the safe drinking water conference report; all three of those conference reports.

I would also go to the DOD authorization and I would—of course, we would need to talk to the minority leader about exactly how we deal with that.

I would also attempt to move the three noncontroversial, universally supported military construction appropriations, legislative appropriations and D.C. appropriations. If we could get those issues worked out and completed, we would have made tremendous achievement here today.

If at 2:30 we cannot get an agreement on these, or an agreement on a package of these items, it would be my intent to take the Senate out for the balance of the day and come back tomorrow morning. I see no sense in standing around here waiting or going in and out on recess. So we will have 2½ hours now in which we can consider the situation, decide if we want to pass health insurance reform that so many people labored so hard on, that every voting representative in the House but two voted for just yesterday, the small business tax relief, minimum wage—everybody wants to get this done—and the safe drinking water. Everybody wants these three bills done.

I understand the White House is very anxious for us to get that done. There is no reason why we should not do these three appropriations conference reports. So we will have some time here to work through that and have a chance to talk to the minority leader. I hope to hear from him in the next hour or two. And we will see if we can

get this all worked out. And if we can, it would be really great. If we cannot, we will just go out and come back in the morning. I have had that on my mind all week anyway. So we can do that.

Mr. FORD. Would the Senator yield?

Mr. LOTT. I would be glad to.

Mr. FORD. I have no objection to the recess. But we do have a couple Senators that were on their way to make some remarks on our side. If you could withhold that or set it at the end of the statements by Senator KENNEDY and Senator WYDEN and maybe Senator BAUCUS, because those three would like to make some remarks. That way we would not be wasting the time.

Mr. LOTT. As long as there are Senators who would like to speak, obviously, we want to allow that. If those three are going to speak, we would probably want to have maybe some response on our side. But when we reach the point where Senators are not here speaking, instead of just keeping everybody here waiting, I would propose we recess then until 2:30. But at 2:30, regardless, I will move to get this underway.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak for up to 5 minutes each.

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

Mr. LOTT. When Senators have had their say, I will come back and ask that we stand in recess until 2:30. But we will wait on that.

Mr. FORD. With that understanding, Mr. President, I do not think anybody has any problem with that at all. I do have some colleagues that would like to make some remarks. And listening to the majority leader, you may have somebody that would like to come over and make some remarks too after these three Senators have on our side.

Mr. LOTT. We may eat up the time.

Mr. FORD. With the $435 a page, or whatever it is, it costs to print the RECORD.

Mr. LOTT. I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

HEALTH INSURANCE CONFERENCE REPORT

Mr. KENNEDY. Mr. President, I am very hopeful, and I know the American people are, that we will move ahead this afternoon on the conference report dealing with the Kassebaum-Kennedy bill. As we know, it was a year ago today that we passed that bill out of the Human Resources Committee. It languished for close to 9 months on the Senate calendar before it was considered. Then it was considered. And it has been several more months before we were able to get resolution of the principal items which were at issue, the portability issue, the MSA issue and the other provisions in the legislation. And we saw a successful conclusion of those issues just some 2 days ago. All of us are very eager to get that measure down to the President of the United States.

However, I must say, a number of us were very surprised to find that our staffs, around 10:30 or 11 o'clock the night before last, after a number of us were assured that there were only technical corrections in the legislation, discovered that a special provision had been included into the act at page 76. That special provision, which no one knew about, was a patent extension and special treatment for a drug called Lodine which people take for arthritis. And now that is in the health care legislation that we all want to get to the President of the United States as soon as we can. But, this afternoon we are faced with this special interest provision being put into the whole proposal.

I just want to make it very clear that neither I nor do I understand any other Member of our side, and to the best of my knowledge on the other side, had any idea whatsoever that this special interest provision benefiting a single company had been included in the health care bill. It is a special interest provision for one particular company that has annual revenues from this one drug, Lodine, of some $275 million.

The special interest provision gives that company 2 additional years of patent protection and other special benefits. As I understand it, in return, the company would have to pay $10 million each year for a total of $20 million to the Federal Government and pay the States so they do not have to pay for the increased costs due to the patent extension.

So the question is, Who pays? Well, the answer to that is, everyone else in America will pay more for Lodine. Every senior and every American who uses this arthritis drug will pay more because this special provision says no one else can compete with this drug for 2 more years. This provision eliminates competition and gives this company a monopoly, which means it can charge whatever it wants for its drug. Our seniors and everyone else will be paying the bill for this special interest provision.

The question is, then, How much more? How much more money will people have to pay? We know that generic competitors historically undercut the price of drugs like Lodine by 30 to 50 percent. That means that when a patent expires, other companies can make and sell inexpensive generic versions of the drug to compete. This provision means that there can be no competition for 2 more years and that means Americans will pay between $80 to $130 million more each year for this sweetheart deal.

Now, Mr. President, we all know that this sweetheart deal will cause all the other companies to come in here and ask for special favors also. This deal for one drug will open the floodgates and will cost consumers hundreds and hundreds of millions of dollars.

Mr. President, the claim is made that we ought to go ahead with this special deal because their competitor has received an extension. That a competitor, called Daypro, got a deal stuck into the continuing resolution in April 1996, without any hearings, without any testimony, without any public review by the committees with jurisdictions, does not make this right. It is an old saying, but it is true: Two wrongs do not make a right. Because one snuck through, we cannot do it again and again and again.

It will not stop with Lodine. There are 12 drugs in this class on the market. You do this for Lodine, and the other 10 will be here tomorrow. In fact, in the last 2 weeks alone, three or four of those other companies have already been in this building asking for special treatment like Lodine. It will not stop here. The special interests will be banging at the door.

Mr. President, this is not really a new issue for some Members of the Senate because there was an effort to include a special deal for Lodine in June 1996, in the Defense authorization bill in the Senate as part of the Hatch-Specter GATT loophole closing legislation. But, then the lobbyists started lining up asking for special treatment for other drugs. They claimed that if Lodine gets special treatment, then they we would have to do it for others.

Then there was the Bliley-Dingell letter to the Defense conferees saying, ''Take Lodine out''. And the House Judiciary also objected to Lodine, and the conferees took Lodine out of the Defense authorization bill.

That didn't stop the Lodine special provision. The special deal for Lodine was put into the House agricultural appropriations bill in July. But, Senator PRYOR and Senator CHAFEE drafted a letter dated July 26, 1996 to Senator COCHRAN and Senator BUMPERS saying there was no merit and no basis for a Lodine extension. They said there were no hearings or deliberations of any kind in either the House or the Senate to determine if there were any public purpose served by granting this special extension. They urged that it be taken out of the agricultural appropriations bill.

At about the same time, the Senate health care conferees were appointed on July 25. And on July 30, the Republicans gave the Democrats a draft of this section of the health care bill. That draft was dated June 25, but it had no provision relating to the patent extension.

Then, at about the same time, the agriculture appropriations conferees took the special provision for Lodine out of the bill. That, I believe, was also on July 30.

Now, back to the health care bill. On July 31, there were extensive negotiations on both of the issues of portability and on the MSA issues.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. Mr. President, could I ask for 5 more minutes?

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KENNEDY. Then at 6:30 that night, July 31, after we worked out the portability and the MSA, I remember the call from Senator KASSEBAUM saying that we only had about 10 more minutes to sign. And so this Senator signed on the basis of the representations of what I knew was in the bill and the representations that were made by the various staff and other Members who were familiar with the language. There was never any mention of any special interest provision for Lodine.

We had the press conference announcing the agreement around 8 p.m. that night.

Then, around 10:30 that night, the Democratic staff go to legislative counsel and see the administrative simplification section, which they were being shown for the very first time. And there it was. Stuck in the administrative simplification section was this special provision for Lodine. This is the first time that anyone had seen this provision. Indeed, it was the first time anyone had even heard about it in connection with the health care bill.

They thought they killed it in the Defense authorization. They thought they killed it in the agriculture appropriations bill. But, they didn't. No. It was snuck into the health care bill and no one knew it and the rest is history.

It is interesting that over in the House on August 1, there was a Democratic effort to recommit the bill due to the special patent provision and also because of the nonparity for mental health.

The vote to re-commit in the House was 224 to 198. I have heard from a number of my colleagues that if that motion had only dealt with the patent provision, it would have been rejected and returned to the conference.

Now, Senator LOTT's spokeswoman was quoted in today's CongressDaily. I know Senator LOTT would want to clear up the alleged quote in Congress Daily because it said that this special provision was added with full knowledge of the conferees and was done for fairness. He was either misquoted or wrong on that, because it was not done with the knowledge of the conferees. If it were done with the knowledge of some of the conferees, then I hope they will come over here and explain it. Explain who knew about it. Explain who didn't know about it. Explain why this special provision was slipped into the health care bill without our knowledge.

Now, it certainly was not done for fairness. It was slipped into the bill without telling anyone, because it is not fair, and it is not deserved. Now, Mr. President, I will not take the time now to go into all of the details, but I will draw the Senate's attention to the fact that we have been addressing these kinds of issues for the last 20, 25 years. Because of the series of different requests during the 1970's and 1980's, the Senate and the Congress, in their wisdom, passed the Hatch–Waxman bill in 1984 to deal with issues of justice and fairness that perhaps arose under some circumstances due to the arbitrariness or termination of patent extensions. To avoid this very problem, that law was passed to treat all companies equally and fairly. That system has worked pretty well. As a matter of fact, Lodine itself has already gone through that process and it has already received a 2-year extension.

But it still claimed that it was treated unfairly by the FDA. It still claimed that the FDA delayed its approval and was unfairly denied years of patent protection. But, as everyone knows, the claim that the FDA delayed approval has no merit. Everyone knows this, because this claim was thoroughly reviewed in 1992 and 1993. In fact, the GAO did a full review and published a detailed report in April of 1993. The conclusions were unambiguous and firm: any delay was the company's fault, not the FDA.

I will conclude with this: In 1993, the GAO issued its report specifically about the Lodine patent. GAO concluded there was no basis for recommending a patent term extension. Lodine's approval was delayed because of the company's actions and for public health reasons. I have that GAO report right here. We will have a chance to get into it in greater detail, but for now let me tell you their fundamental conclusions:

(1) it is a ''me-too'' drug which provided no significant public health benefit or therapeutic breakthrough, which would justify expedited review (such as AIDS or cancer drugs);

(2) concerns about Lodine's carcinogenicity were raised both in Canada and the United States, which had to be resolved before the drug could be approved;

(3) FDA found that the Lodine submission was ''piecemeal, voluminous, disorganized and based on flawed clinical studies.''

(4) the Lodine submission to FDA did not contain ''enough data to prove efficacy until September 1989''—almost 7 years after the submission was made to FDA.

It goes on and on. Every single claim made by the company was investigated, reviewed and rejected on the merits. That is why this special interest provision keeps being slipped in under cover of darkness. It can't stand the light of day. There is no merit or basis for special treatment. Indeed, the facts show that this particular drug and this company was already treated fairly and appropriately. Under the rules that everyone else has to abide by, Lodine was treated right. It should have to play by the same rules as its competitors and everyone else.

Mr. President, I had hoped this special interest provision would not be included. It is not the way to do business. It is a special interest provision that was added without the knowledge of the members of the conference. It is bad policy.

Furthermore, it will result in the fact that millions of senior citizens will pay an unwarranted, unjustified additional amount for their prescription drugs because of one particular drug company which refused to follow the rules in terms of going through public hearings, public notice, and to give consumers a right to speak. It is absolutely wrong, Mr. President.

I hope we will have an opportunity to address this more, then move very quickly to the final consideration of the very important health care bill which we have reached resolution on. I see no other reason, if that unjustified special provision was resolved, that we could not resolve the conference report in an hour, or even less, so that it could be on its way to the President of the United States.

But, before we can do that, this special interest slipped into the health care bill will have to be examined. The American consumers deserve better than this type of shabby treatment.

The PRESIDING OFFICER (Mr. KYL). The Senator from Vermont.

MOLLIE BEATTIE REMEMBERED

Mr. LEAHY. I will be very brief, Mr. President. A few weeks ago, one of Vermont's most noted and valued citizens, Mollie Beattie, died. Much was said on the floor of the Senate about her. Much was said in Vermont at her memorial service and again at the Department of Interior when the Secretary of Interior, as well as the Vice President, her husband and others spoke. Much also was written in Vermont.

I noted a commentary by Jim Wilkinson in one of our Vermont newspapers about Mollie Beattie. Jim Wilkinson is one of those quintessential Vermonters who represents the best values of our State. I have known him for decades, both in his role as the commissioner of Vermont Department of Forest, Parks and Recreation, and more recently as the consulting forester for the tree farm my wife and I have in Middlesex, VT. He is a man of great depth, great honesty, and, frankly, great wisdom.

I ask unanimous consent that what he had to say about Mollie Beattie, reported in the Rutland Daily Herald, be printed in the RECORD.

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

[From the Rutland Daily Herald, July 23, 1996]

MOLLIE BEATTIE REMEMBERED

(By Jim Wilkinson)

Webster defines ''memoir'' as ''a report on an event of significance.'' This memoir is a personal observation on the life of Mollie Beattie, an event of great significance.

Mollie has been proclaimed as a scholar, a forester, a writer, a philosopher—all that and more. She was known as a friend, a public servant, a leader. In all of these roles Mollie's time with us was lived to the fullest, with vitality, commitment, and serenity.

Others have written or spoken of her career in public service to Vermont and to the

nation. Her political savvy and integrity brought professional respect, as well as outstanding accomplishment. The great courage of her final year has been cited as she fought and at last accepted death with confidence, peace and encouragement for others. Not only at death's door was courage so evident. Her professional standards and personal values demanded courage and confidence and determination in reaching the goals she set for herself.

Mollie recognized the importance of maintaining a strong, healthy persona—physically, mentally and spiritually—not a selfish concern for her ego, but the pragmatic acceptance that thus only could she give the most of her life. Carlyle wrote that ''Life is a little gleam of time between two eternities.'' Mollie's life was a great burst of light in that time allotted to her. We have been blessed by it.

She had one unusual and wonderful attribute—that of an unconscious but strong sense of personal presence, not one of power or command, but a presence that, of itself, demanded attention and got it. Hard to describe, but easy to recognize when you were exposed to it. Yet there were occasions when, while looking directly at you, she would leave you dreaming or thinking of some secret, transmundane reality, some mystic other world that only she could know and could not share. Then with a glance and a grin she would return her attention to you.

At the end Mollie could have assured us, ''I own only my name. I've only borrowed this dust.'' Mollie's dust has returned to the earth from which it evolved. But her name will live long in our memories. May those memories serve to guide, strengthen and encourage us in our lives of service.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. I thank the Chair.

BLANKET HOLDS ON ENERGY COMMITTEE BILLS

Mr. MURKOWSKI. I rise today to inform my colleagues of my degree of frustration with the gridlock that has occurred this entire Congress preventing passage of virtually every bill reported by my committee, the Committee on Energy and Natural Resources. As chairman of that committee, I obviously have the obligation of moving the bills out. I have attempted to do that.

I think it was the night before last, Mr. President, that the minority leader, Senator DASCHLE, expressed similar frustration over an objection from this side of the aisle to a judicial nominee. You can imagine my frustration when a few Senators from the Democratic side have prevented passage of all 72 bills from my committee currently pending on the calendar. Those objections, Mr. President, were not based on the merits of the bills being held; they were based on a problem with some other bill. So we have this chain of ''you are not going to support my bill unless your bill passes.''

I think it is fair to note that during part of the last year and a half, all of my committee bills were being held not because of any inaction by the Senate or my committee, but the excuse was the House was not acting quickly enough on some matter of interest. There are many, many items that are very important to Senators. I want to get them cleared and get them out.

For example, Sterling Forest, my good friend Senator D'AMATO has been urging me, clear Sterling Forest. The New York Times has taken up the charge. I certainly want to see Sterling Forest cleared. I want to support the position of my friend, Senator D'AMATO from New York, who responded to the editorial of the New York Times as it affects New Jersey, as it affects New York. We attempted to clear that, along with the Utah ski bill, and a couple of small native items for Alaska.

I cannot recall how many holds—it was like a rabbit trail. You could not keep up with it fast enough. Once we attempted to clear them, one hold would go on, someone would attempt to remove the hold, and, bingo, it is back on. My good friend from Utah, Senator BENNETT, spent endless hours trying to clear that. This is a blatant abuse of the whole process. It has to stop. I know the leadership feels that way. The Members are going to have to recognize a few realities.

Over the past several months, I have been working with my House counterparts to put together a package in conference on the Presidio bill. It has virtually everything in it. Everybody is not going to like everything in it, but there is virtually something in it for every Member. If you want to get behind this bill and get these land issues passed, you are simply going to have to recognize that we will have to keep the bill together.

Due to the holds and the situation of the Senate, the process has become cumbersome, to say the least. Virtually everyone who has a parks or public lands bill introduced in the House or Senate wants to be included in any package that is moving.

On the other hand, if I try to move an individual bill separately, Members think the Presidio package is dying and want to be included in the measure, as well. So what we have, Mr. President, is gridlock. I am not going to point fingers. It is just the reality.

Mr. President, frankly, I have had it. Unless those Members who have blanket holds on Energy Committee bills, unless they lift those holds and allow me, as chairman, to work the system, to start moving individual bills and packages where appropriate, no bills are going to move. That would be a shame, Mr. President, because these bills affect our Nation's parks, public lands, our forests. They are good public policy, and they are good for the environment.

I want to also add one more thing, because there is some confusion about the interests of the Senator from the State of Alaska. The Tongass is not part of this package. There is a proposal to allow an extension, for 15 years, of a competitive timber contract with the Forest Service for Louisiana Pulp Co., Louisiana Pacific Co. The rationale behind that, or the necessity, is that they are prepared and required, under the new laws governing effluent and air quality, to invest roughly $200 million in converting this plant—which, I might add, is our only year-round manufacturing plant—in southeastern Alaska, upon which 2,000 jobs are dependent. They simply must have a contractual commitment from the Forest Service for supply of raw material.

Now, why is that different in Alaska? It is different in Alaska, Mr. President, because we have no other source of timber. There is no private timber. There is no State timber. It is all owned by the Federal Government, and their current contract is about to expire.

I ask unanimous consent to have 1½ more minutes.

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

Mr. MURKOWSKI. If the 15-year contract is not extended, this plant—the only manufacturing plant, with 2,000 jobs—will be lost, and the pulp timber will be exported out of the State, which is really a travesty.

Now, that is the interest of the Senator from Alaska in this package. So, Mr. President, I hope that clears up any doubts in the minds of anybody relative to the environmental aspects of the merits of this contract. This is to provide a chlorine-free new mill to replace the old one. But it can only happen if there is a contractual commitment for timber, because nobody is going to spend $200 million without an assured supply and a contract with the Federal Government.

So I am committed to moving these bills. My committee has held hearings on these bills and held the markups. I have supported and voted for each of these bills. I am not the problem, Mr. President. But unless these holds are lifted, I don't see how I can be part of the solution. So I urge my colleagues—particularly the leadership—to do what they can to end this gridlock. It just has to be stopped.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

EXTENSION OF PATENT FOR LODINE

Mr. WELLSTONE. Mr. President, I will be very brief.

Mr. President, I have sent a letter to my colleagues about the inclusion of the extension for the patent of the drug Lodine in the health insurance conference report and announced my intention to raise a point of order about this, since a similar provision was not included in either the House or the Senate bill. Whatever the intentions of whoever inserted this into conference committee report in the dark of night—and I don't know what their intentions were—certainly the impact of

this provision on consumers will be disastrous. Moreover, granting such an extension in the dark of night is not the way to legislate.

So all of my colleagues have a letter announcing my intent to challenge this provision on a point of order. I am also considering offering a concurrent resolution to delete this provision from the conference report. My hope is that we can get bipartisan support for this effort, in which case, one way or the other, we can knock this special interest giveaway out of conference committee report.

I want to state to my colleagues that this patent extension that we see before us for the manufacturer of Lodine essentially means that for a period of 2 years, and in effect over a period of 5 years because of the way the provision is written, cheaper versions of the prescription drug will not be made available to consumers. People who are suffering from arthritis and are not able to buy a cheaper drug will pay millions of dollars that they should not have to. This is really outrageous.

When I was a college professor, I talked about conference committees, and I knew they were kind of the third House of the Congress, but I had no idea that this type of thing happened all the time, or some of the time. But it should not happen any of the time.

What we have here is a company that sells over a quarter of a billion dollars worth of a drug, willing to pay the Government $10 billion a year for the additional costs that the patent extension will cost the Government in increased Medicaid and health care costs, but not willing to do anything for consumers and seniors. And quite frankly, the payments to the Government are nothing compared to the ripoff of seniors and consumers.

I hope that we may be able to do something about this situation together, in a bipartisan way. I believe that Senator KENNEDY, Senator KASSEBAUM, and many other Senators will be interested in doing that one way or the other. I started talking about this yesterday when I realized that, in the dark of night, this provision had been inserted, and one way or the other I am going to take action as a Senator from Minnesota to do everything I can to knock this provision out.

This provision represents a giveaway to a special interest at the expense of patients and senior citizens, and, quite frankly, the mysterious manner in which it was added to the conference report late at night is not the way we ought to be conducting our affairs here. This is a perfect example of the kind of practice that makes people lose confidence in our political process. Therefore, I hope all Senators, Republicans and Democrats alike, will join me in my effort to knock this provision out.

Mr. DEWINE addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

FAMILY HOUR PROGRAMMING

Mr. DEWINE. Mr. President, earlier this week, the President of the United States gathered the TV networks together to work out a much-trumpeted agreement on quality TV programming for children. I certainly applaud the President's efforts, and I am pleased that the meeting has served to at least spotlight this important issue. But the sad fact remains that this new and improved agreement to bring quality programming to our children is really nothing more than a ratification of the status quo. In fact, two of the major networks announced they already met this agreement. Another said that it is just barely short of compliance now.

So, essentially, the President has come out and said he approves of what the networks are already doing about quality programming; the status quo is OK.

Mr. President, as the father of eight children, and now the grandfather of three, let me just say that I do not approve of what the networks are doing. In fact, I find that some of what you see on television during the so-called family hour, from 8 to 9 o'clock at night, is absolutely outrageous today. I do not approve of it. I can say with assurance that parents I have talked to are clearly frustrated with television programming today. The last thing we want to say to the networks is, ''Just keep on doing what you are doing.''

Parents do not want a measure that has a lot of fanfare and no substance. They want to do something real. Personally, I would like to be able to sit down after dinner with my 13-year-old daughter, Alice, or my 9-year-old son, Mark, or my 4-year-old daughter, Anna, and watch a half an hour or an hour of TV without having to always be in some sort of high state of alert for things that might not be appropriate for any one of them to see.

You know, Mr. President, it was not that many years ago that we did not have this problem. We could all watch TV with our children between 8 and 9 o'clock at night without having to worry about them. While every show between 8 and 9 wasn't a great show, at least you could find one show between 8 and 9 o'clock at night that was appropriate for a child to watch with a parent.

Mr. President, I think we should take advantage of the attention that the White House has focused on this issue, and I think we should use it to call for some measures that really would make a difference.

Our distinguished colleague from Connecticut, Senator LIEBERMAN, has recently proposed a resolution that I think would do a great deal to accomplish this goal. His resolution would call upon the networks, on a strictly voluntary basis, to restore the idea of family hour programming.

That, Mr. President, would make a real difference in the lives of America's families. I would guess that, on this issue, my experience is not unique or unusual. Who among us—among all the parents in this country—has not been very worried about what their children might suddenly be exposed to on TV?

Just a few years ago, during the family hour, you did not have to do that. I am not talking about just the 1950's or the 1960's; I am talking about as recently as less than a decade ago. I think many of us in politics do not fully realize how much and how fast TV has changed just in the last few years. That is why I think my colleagues will be interested in seeing a comparison of the TV Guide listings for the hour between 8 and 9 o'clock as they have changed over the years.

I ask unanimous consent that this very interesting document be printed in the RECORD at the conclusion of my remarks, and I recommend it to the attention of my colleagues.

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

(See Exhibit 1.)

Mr. DEWINE. This was put together by Dan Wewers, a young man who interned in my office. He researched the TV Guides going back to 1954 and looked at a typical week. We take it every so many years, in 1954, in 1960, all the way up through July 14 through the 20th of 1996. People are not going to approve or like every program on here. They weren't all great shows. But the point is, I think there were very few times where you could not at least find one program between 8 and 9 o'clock that was suitable to watch with your children.

Mr. President, the networks recognize, at least in principle, that they have a responsibility to the public. As parents and citizens, we have both the right and the duty to tell the networks what we think they should do—the little changes they can make that we believe will make a positive difference in the lives of our children and our families.

Scheduling 1 hour of programming in the early evening that is appropriate for parents to watch with their children would be a very big positive step, and it would be a great change from the status quo. That is why I support the Lieberman initiative, and I think my colleagues, if they look at the document I am submitting today, which I asked be printed in the RECORD, they will come to the same conclusion.

I think the President should talk to Senator LIEBERMAN about this idea. It is a good idea, and it would make a real difference.

I yield the floor.

EXHIBIT 1

FAMILY HOUR PROGRAMMING

(8:00–9:00 p.m.)

TV GUIDE LISTINGS

New York Metropolitan Area[1]

Major Network Stations

(CBS, NBC, ABC, and FOX)

For the dates of:
APRIL 2–8, 1954

[1] Washington, D.C. Metropolitan Area

APRIL 2–8, 1960
APRIL 4–10, 1964
APRIL 4–10, 1970
APRIL 5–11, 1975
APRIL 5–11, 1980
APRIL 6–12, 1985
APRIL 4–10, 1992
JULY 14–20, 1996

WEEK OF APRIL 2–8, 1954

TV GUIDE

New York Metropolitan Area

Friday, April 2, 1954

8:00 p.m.
CBS Mama—Peggy Wood
NBC Dave Garroway—Variety
ABC Ozzie & Harriet—Comedy
8:30 p.m.
CBS Topper—Comedy
NBC Life of Riley—Bendix
ABC Playhouse—Anita Colby

Saturday, April 3, 1954

8:00 p.m.
CBS Jackie Gleason—Comedy
NBC Spike Jones—Variety
ABC My Hero—Comedy
8:30 p.m.
CBS Amateur Hour—Mack
ABC The Unexpected—Film

Sunday, April 4, 1954

8:00 p.m.
CBS Toast of the Town
NBC Comedy Hour—Variety
ABC The Mask—Drama

Monday, April 5, 1954

8:00 p.m.
CBS Burns & Allen—Comedy
NBC Name That Tune—Quiz
ABC Sky King—Kirby Grant
8:30 p.m.
CBS Talent Scouts—Godfrey
NBC Concert—Barlow
ABC Movie—''World Without End''

Tuesday, April 6, 1954

8:00 p.m.
CBS Gene Autry—Western
NBC Milton Berle—Comedy
ABC The Mask—Drama
8:30 p.m.
CBS Red Skelton—Comedy

Wednesday, April 7, 1954

8:00 p.m.
CBS Godfrey & Friends
NBC I Married Joan—Comedy
ABC Film Drama
8:30 p.m.
NBC My Little Margie—Comedy
ABC Into the Night—Mystery

Thursday, April 8, 1954

8:00 p.m.
CBS Meet Mr. McNutley—Film
NBC Groucho Marx—Quiz
ABC Boston Blackie—Film
8:30 p.m.
CBS Four Star Playhouse
NBC Justice
ABC Ray Bolger—Comedy

WEEK OF APRIL 2–8, 1960

TV GUIDE

New York Metropolitan Area

Saturday, April 2, 1960

8:00 p.m.
CBS Perry Mason—Mystery
NBC Bonanza—Western
ABC High Road—Gunther
8:30 p.m.
CBS Wanted—Dead or Alive—Western
NBC Man and the Challenge
ABC Leave It to Beaver

Sunday, April 3, 1960

8:00 p.m.
CBS Playhouse 90—Drama
NBC Hollywood Sings—Variety
ABC Maverick—Western
8:30 p.m.
ABC Lawman—Western

Monday, April 4, 1960

8:00 p.m.
CBS Texan—Western
NBC Riverboat—Adventure
ABC Cheyenne—Western
8:30 p.m.
CBS Father Knows Best
NBC Wells Fargo—Western
ABC Bourbon Street Beat

Tuesday, April 5, 1960

8:00 p.m.
CBS Dennis O'Keefe
NBC Laramie—Western
ABC Bronco—Western
8:30 p.m.
CBS Dobie Gillis—Comedy
NBC Startime—Drama
ABC Wyatt Earp—Western

Wednesday, April 6, 1960

8:00 p.m.
CBS Be Our Guest—Variety
NBC Wagon Train—Western
ABC Spring Night—Music
8:30 p.m.
CBS Men Into Space—Adventure
NBC Price Is Right—Contest
ABC Ozzie and Harriet

Thursday, April 7, 1960

8:00 p.m.
CBS Betty Hutton—Comedy
NBC Bat Masterson—Western
ABC Donna Reed—Comedy
8:30 p.m.
CBS Johnny Ringo—Western
NBC Producers' Choice—Drama
ABC Real McCoys—Comedy

Friday, April 8, 1960

8:00 p.m.
CBS Rawhide—Western
NBC Troubleshooters
ABC Walt Disney—Cartoon
8:30 p.m.
CBS Hotel De Paree
NBC Art Carney—Drama Special
ABC Man From Blackhawk

WEEK OF APRIL 4–10, 1964

TV GUIDE

New York Metropolitan Area

Saturday, April 4, 1964

8:00 p.m.
CBS Jackie Gleason
NBC Lieutenant—Drama
ABC Hootenanny—Songs
8:30 p.m.
CBS Defenders—Drama
NBC Joey Bishop—Comedy
ABC Lawrence Welk

Sunday, April 5, 1964

8:00 p.m.
CBS Ed Sullivan—Variety
NBC Walt Disney's World
ABC Empire—Drama
8:30 p.m.
NBC Grindl—Imogene Coca
ABC Arrest and Trial

Monday, April 6, 1964

8:00 p.m.
CBS I've Got a Secret—Panel
NBC Movie—''The Virgin Queen''—Biography
ABC Outer Limits—Drama
8:30 p.m.
CBS Lucille Ball—Comedy
ABC Wagon Train—Western

Tuesday, April 7, 1964

8:00 p.m.
CBS Red Skelton—Comedy
NBC Mr. Novak—Drama
ABC Combat!—Drama
8:30 p.m.
NBC You Don't Say!—Kennedy
ABC McHale's Navy

Wednesday, April 8, 1964

8:00 p.m.
CBS CBS Reports
NBC Virginian—Western
ABC Patty Duke—Variety
8:30 p.m.
CBS Suspense—Mystery
ABC Farmer's Daughter

Thursday, April 9, 1964

8:00 p.m.
CBS Rawhide—Western
NBC Temple Houston—Western
ABC Donna Reed—Comedy
8:30 p.m.
NBC Dr. Kildare—Drama
ABC My Three Sons

Friday, April 10, 1964

8:00 p.m.
CBS Great Adventure
NBC International Showcase
ABC Destry—Western
8:30 p.m.
CBS Route 66—Drama
NBC Ernie Ford—Variety
ABC Burke's Law—Mystery

WEEK OF APRIL 4–10, 1970

TV GUIDE

New York Metropolitan Area

Saturday, April 4, 1970

8:00 p.m.
CBS Jackie Gleason
NBC Andy Williams
ABC Newlywed Game
8:30 p.m.
CBS My Three Sons
NBC Adam–12
ABC Lawrence Welk

Sunday, April 5, 1970

8:00 p.m.
CBS Ed Sullivan
NBC World of Disney
ABC FBI
8:30 p.m.
NBC Bill Cosby

Monday, April 6, 1970

8:00 p.m.
CBS Gunsmoke
NBC Laugh-In
ABC ABC News Special
8:30 p.m.
CBS Here's Lucy
ABC Movie—''An Eye for an Eye''—Western

Tuesday, April 7, 1970

8:00 p.m.
CBS Lancer
NBC NBC White Paper
ABC Mod Squad
8:30 p.m.
CBS Red Skelton
NBC Julia
ABC Comedy Special

Wednesday, April 8, 1970

8:00 p.m.
CBS Hee Haw—Variety
NBC Virginian
ABC Nanny
8:30 p.m.
CBS Beverly Hillbillies
ABC Room 222

Thursday, April 9, 1970

8:00 p.m.
CBS Jim Nabors
NBC Daniel Boone
ABC That Girl
8:30 p.m.
NBC Ironside
ABC Bewitched

Friday, April 10, 1970

8:00 p.m.

CBS Adventure
NBC High Chaparral
ABC Tales From Muppetland (Regularly, the Brady Bunch)
8:30 p.m.
CBS Hogan's Heroes
NBC Name of the Game
ABC Ghost/Mrs. Muir

WEEK OF APRIL 5–11, 1975

TV GUIDE

New York Metropolitan Area

Saturday, April 5, 1975

8:00 p.m.
CBS All in the Family
NBC Emergency!
ABC Kung Fu
8:30 p.m.
CBS The Jeffersons

Sunday, April 6, 1975

8:00 p.m.
CBS Cher—Variety
NBC World of Disney
ABC Jacques Cousteau—Documentary
8:30 p.m.
CBS Kojak—Crime Drama
NBC McCloud
ABC Movie—''Man in the Wilderness''—Adventure

Monday, April 7, 1975

8:00 p.m.
CBS Gunsmoke
NBC Carl Sandburg's Lincoln
ABC Rookies

Tuesday, April 8, 1975

8:00 p.m.
CBS Good Times—Comedy
NBC Adam–12
ABC Happy Days—Comedy
8:30 p.m.
CBS M*A*S*H
NBC Cavalcade of Champions Awards
ABC Movie—''Guess Who's Sleeping in My Bed?''

Wednesday, April 9, 1975

8:00 p.m.
CBS Tony Orlando and Dawn—Variety
NBC Little House on the Prairie—Drama
ABC That's My Mama—Comedy
8:30 p.m.
ABC Movie—''The Story of Pretty Boy Floyd''—Drama

Thursday, April 10, 1975

8:00 p.m.
CBS The Waltons
NBC Movie—''Conspiracy of Terror''—Comedy-Drama
ABC Barney Miller—Comedy
8:30 p.m.
ABC Karen—Comedy

Friday, April 11, 1975

8:00 p.m.
CBS Comedy Special—''Rosenthal and Jones''
NBC Sanford and Son
ABC Night Stalker—Drama
8:30 p.m.
CBS We'll Get By
NBC Chico and the Man—Comedy

WEEK OF APRIL 5–11,1980

TV GUIDE

New York Metropolitan Area

Saturday, April 5, 1980

8:00 p.m.
CBS Tim Conway—Variety
NBC B.J. and the Bear
ABC Easter Bunny is Comin to Town—Cartoon

Sunday, April 6, 1980

8:00 p.m.
CBS Archie Bunker's Place
NBC Chips—Crime Drama
ABC Movie—''The Ten Commandments''—Biography
8:30 p.m.
CBS One Day at a Time

Monday, April 7, 1980

8:00 p.m.
CBS WKRP in Cinicinnati
NBC Little House on the Prairie
ABC That's Incredible
8:30 p.m.
CBS Stockard Channing

Tuesday, April 8, 1980

8:00 p.m.
CBS White Shadow
NBC Misadventures of Sheriff Lobo
ABC Happy Days
8:30 p.m.
ABC Laverne & Shirley

Wednesday, April 9, 1980

8:00 p.m.
CBS Movie—''A Boy Named Charlie Brown''—Cartoon
NBC Real People
ABC Eight is Enough

Thursday, April 10, 1980

8:00 p.m.
CBS Palmerstown, U.S.A—Drama
NBC Buck Rogers in the 25th Century—Sci Fi
ABC Mork & Mindy
8:30 p.m.
ABC Benson—Comedy

Friday, April 11, 1980

8:00 p.m.
CBS Incredible Hulk
NBC Here's Boomer—Adventure
ABC When the Whistle Blows—Comedy
8:30 p.m.
NBC The Facts of Life.

WEEK OF APRIL 6–12, 1985

TV GUIDE

New York Metropolitan Area

Saturday, April 6, 1985

8:00 p.m.
CBS Daffy Duck—Cartoon
NBC Diff'rent Strokes
ABC T.J. Hooker—Crime Drama
8:30 p.m.
CBS Bugs Bunny—Cartoon
NBC Gimme a Break!

Sunday, April 7, 1985

8:00 p.m.
CBS Murder, She Wrote—Mystery
NBC Movie—''Florence Nightengale''—Drama
ABC Movie—''Superman II''—Fantasy

Monday, April 8, 1985

8:00 p.m.
CBS Scarecrow and Mrs. King
NBC TV's Bloopers and Practical Jokes
ABC Hardcastle and McCormick—Crime Drama

Tuesday, April 9, 1985

8:00 p.m.
CBS Lucie Arnaz—Comedy
NBC A–Team
ABC Three's a Crowd
8:30 p.m.
CBS Movie—''Coal Miner's Daughter''—Biography
ABC Foul-ups, Bleeps & Blunders

Wednesday, April 10, 1985

8:00 p.m.
CBS Double Dare—Crime Drama
NBC Highway to Heaven—Drama
ABC Fall Guy

Thursday, April 11, 1985

8:00 p.m.
CBS Magnum, P.I.—Crime Drama
NBC Cosby Show
ABC Wildside—Western
8:30 p.m.
NBC Family Ties

Friday, April 12, 1985

8:00 p.m.
CBS Detective in the House—Mystery
NBC Knight Rider
ABC Webster
8:30 p.m.
ABC Mr. Belvedere—Comedy

WEEK OF APRIL 4–10, 1992

TV GUIDE

New York Metropolitan Area

Saturday, April 4, 1992

8:00 p.m.
CBS NCAA Basketball
NBC Golden Girls
FOX Cops
ABC Who's the Boss?
8:30 p.m.
NBC Powers That Be
FOX Cops
ABC Billy—Comedy

Sunday, April 5, 1992

8:00 p.m.
CBS Murder, She Wrote
NBC Mann & Machine—Crime Drama
FOX ROC—Comedy
ABC Funniest Home Videos
8:30 p.m.
FOX In Living Color
ABC America's Funniest People

Monday, April 6, 1992

8:00 p.m.
CBS Evening Shade
NBC Fresh Prince
FOX Movie—''Night of the Comet''—Science Fiction
ABC FBI: The Untold Stories
8:30 p.m.
CBS Major Dad
NBC Blossom
ABC American Detective

Tuesday, April 7, 1992

8:00 p.m.
CBS Rescue 911
NBC In the Heat of the Night—Crime Drama
FOX Movie—''Tough Enough''—Drama
ABC Full House
8:30 p.m.
ABC Home Improvement

Wednesday, April 8, 1992

8:00 p.m.
CBS Royal Family
NBC Unsolved Mysteries
FOX Movie—''All the Right Moves''—Drama
ABC Wonder Years
8:30 p.m.
CBS Davis Rules
ABC Doogie Howser

Thursday, April 9, 1992

8:00 p.m.
CBS Top Cops
NBC Cosby Show
FOX Simpsons
ABC Columbo
8:30 p.m.
NBC Different World
FOX Drexell's Class

Friday, April 10, 1992

8:00 p.m.
CBS Tequila and Bonetti—Crime Drama
NBC Matlock
FOX America's Most Wanted
ABC Family Matters
8:30 p.m.
ABC Step by Step

WEEK OF JULY 14–20, 1996
TV GUIDE
Washington, DC. Metropolitan Area

Sunday, July 14, 1996

8:00 p.m.
CBS Murder, She Wrote
NBC Mad About You
FOX Simpsons
ABC Lois & Clark: The New Adventures of Superman
8:30 p.m.
NBC Movie: ''Tequila Sunrise''—Drama
FOX Married . . . With Children

Monday, July 15, 1996

8:00 p.m.
CBS Nanny
NBC Fresh Prince of Bel-Air
FOX Movie: ''So I Married An Axe Murderer''—Comedy
ABC Marshal
8:30 p.m.
CBS Almost Perfect
NBC Fresh Prince of Bel-Air

Tuesday, July 16, 1996

8:00 p.m.
CBS The Client
NBC 3rd Rock From the Sun
FOX Movie: ''Alien Nation: Dark Horizon''—Sci Fi
ABC Roseanne
8:30 p.m.
NBC Newsradio
ABC Drew Carey

Wednesday, July 17, 1996

8:00 p.m.
CBS Dave's World
NBC Dateline
FOX Beverly Hills, 90210
ABC Ellen
8:30 p.m.
CBS Can't Hurry Love
ABC Faculty

Thursday, July 18, 1996

8:00 p.m.
CBS Wynonna: Revelations—Special
NBC Friends
FOX Martin
ABC High Incident
8:30 p.m.
NBC Mad About You
FOX Living Single

Friday, July 19, 1996

8:00 p.m.
CBS Movie: ''National Lampoon's Vacation''—Comedy
NBC Summer Olympic Games: Opening Ceremony
FOX Sliders
ABC Family Matters
8:30 p.m.
ABC Boy Meets World

Saturday, July 20, 1996

8:00 p.m.
CBS Dr. Quinn, Medicine Woman
NBC Summer Olympic Games
FOX Cops
ABC Movie: ''Project ALF''—Comedy
8:30 p.m.
FOX Cops

Mr. WYDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

HEALTH CARE REFORM

Mr. WYDEN. Mr. President, I rise today to discuss for a few moments what will, hopefully, be before the Senate before too long. Also, I will make some comments with respect to the antiarthritic drug, Lodine.

I am particularly pleased that the Senate will have a chance to vote shortly on the Kassebaum-Kennedy legislation, because breaking this political logjam on health care reform means that millions of Americans who are stuck in jobs because they have a preexisting health problem will have a new margin of health security and economic freedom.

This legislation is good for American families. It is good for our workers and our business. What it means is that fear of losing critical health insurance coverage no longer would be a roadblock on the road to a better job and a better life. I want to applaud the bipartisan efforts of the Senate conferees, particularly Senator KENNEDY, Senator KASSEBAUM, and Senator BREAUX, who put long and hard service into this legislation, and it will be an important step forward when adopted.

Besides guaranteeing portability of health insurance coverage, this legislation contains little-noticed provisions that I think are going to make a great difference with respect to expanding health insurance coverage. This legislation, to the bipartisan credit of those Senate leaders, protects State flexibility with respect to State health insurance reforms. States like mine are laboratories for health care reform, and it is essential that we not turn out the laboratories at the State level with unnecessary Federal restrictions.

Senators KASSEBAUM and KENNEDY worked very closely with me so that the exemption language in this legislation will allow Oregon's humane, rational, and far-reaching health insurance reform program to go into effect later this year. It would provide extensive group to individual policy reform in much the same way our Federal legislation envisages, but the approach that Oregon is taking is one that I think other States and possibly the Federal Government will want to emulate in the days ahead.

Mr. President, there are features of this bill and provisions that were not included that I think are unfortunate.

During this debate, I have expressed concern about the possibility of some vulnerable Americans being left behind if medical savings accounts become widespread. Every Senator should want to oppose the balkanization of medicine, where the young, the healthy, and the wealthy get good affordable health coverage at the expense of the sickest, the neediest, and the elderly. It is appropriate to test out the MSA concept, however, and I do believe this conference report offers a reasonable compromise in the form of a limited MSA demonstration project.

I join Senator DOMENICI and Senator WELLSTONE and many of my colleagues in mourning the loss of mental health parity in this legislation. Parity, in my view, is not just fair, it is good health care policy that saves health care dollars in the long run by assuring quality mental health coverage and particularly early intervention. I do not intend to vote against a good, bipartisan bill because of the loss of one provision, but I intend to join with colleagues of both parties to make sure that mental health parity is an issue revisited early in the next Congress.

Finally, as happens often in large conference reports, a few stray cats and dogs find some homes. This bill is no exception. I am going to talk for a moment about a mongrel in this bill that seems to have a pretty bad case of fleas. There is a provision in this legislation that would give the antiarthritic prescription drug Lodine a 2-year patent extension. Supporters of this idea first tried to maneuver it into the 1997 agriculture appropriations bill in the House. It is now in this legislation, page 76, subtitle H.

This is a bad idea, in my view, and it certainly should not be a part of an important bipartisan health reform bill. Lodine has already received one extension under the terms of the 1984 Hatch-Waxman amendments allowing for additional patent life on drugs which become involved in long regulatory approval delays. With that extension, the drug's manufacturers have built sales of $274 million. Many of these purchasers are seniors. Many of those who buy this anti-inflammatory drug are older people, walking on an economic tightrope, balancing their food costs against their fuel costs, their fuel costs against their medical bills, and they are paying for this drug, many of them, out of their pocket.

Mr. President, if Lodine's current extension is allowed to run out in 1997, this drug likely would get a generic competitor, and those consumers, those vulnerable older people would get a price break as a result of the competition. They are not going to get that break with this extension. I think it is unwise for the Senate to take more money out of the pockets of older people in this fashion. There have not been any congressional hearings, have not been any deliberations to look at any public purpose served by another 2-year extension of the Lodine patent. I think granting this extension creates a poor precedent. I am sorry to see this provision in this bill. It is a good bill, a bipartisan bill that needs to be enacted, but it is wrong to have this special-interest provision in this legislation.

Mr. President, I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

MISSOURI WATER RAID OF 1996

Mr. BAUCUS. Mr. President, in the past 2 years, the House of Representatives has made some good decisions, but I must say they have also made some rather questionable ones that is, from the two Government shutdowns not too long ago to the attempted cuts in school lunches, Medicare, and college loans. I think it has left a lot of us not only in the Senate but across the country shaking our heads. But the great water raid they pulled off under

Speaker GINGRICH's leadership last Tuesday may be the worst decision yet.

Let me sum up the water raid very simply. The House, operating under a procedure that allowed no vote in the Chamber, passed a water resources development bill that takes 30 days' worth of water out of Montana, out of Wyoming and the Dakotas and sends it downstream.

This was done to give bargeowners downstream 1 month's worth of extra navigation, bypassing the Army Corps of Engineers, putting scientific and environmental analysis in the trash basket, and ignoring basic economics.

For many years—in fact, ever since Fort Peck Dam went up 60 years ago—the Army Corps of Engineers has discriminated in favor of downstream navigation and against the far more economically valuable recreation and tourism industry upstream. They have done it by draining water out of the Upper Basin States, leaving farmers and dockowners high and dry.

Only in the last 3 years has the Army Corps of Engineers finally begun to make decisions on sound science and good economics rather than special interest pleading. They have limited the navigation season and allowed higher pool levels in our upper reservoirs, and that is good. I hasten to say that the system is still grossly biased against our part of the country. I think the corps need to do better, but we have made some progress.

That was up until last Tuesday, when the House decided to take an extreme step backward and steal 1 month's worth of water from us. That is the water we drink. It is the water farmers use to grow their crops. It is the water ranchers need for their stock. It is the water families, tourists, and sportsmen use for fishing, swimming, and rafting. It is our water. And the House has used a rigged procedure—what my colleague, PAT WILLIAMS, called a midnight slam dunk—to take it away.

This great water raid, I might hasten to add, is not a done deal—far from it. The Senate, acting with considerably more fairness, much more clear thinking, did nothing of the kind. In the overall bill that is now headed to the conference committee, we will iron out the differences between the good bill we passed here—and to use a charitable term—flawed bill passed in the House.

There is a good chance that the conference committee will strip out this water raid provision. As ranking member of the Environment and Public Works Committee and a member of the conference, I will do all I can to assure that we take it out. And I, certainly, will strenuously oppose any conference agreement that contains the water raid.

But I must tell my colleagues that if worse comes to worst, I want to put all of them on notice that there could well be a full discussion of all the ramifications of the Missouri River issue. It is very complicated. It requires a lot of background and a lot of study.

So to prepare the Senate fully, I may read aloud the entire Army Corps' ''Master Water Control Manual.'' This was published in July 1994, and it gives the corps present view of the optimal way to manage the Missouri River.

This manual, even in its present form, is inadequate and unfair to the Upper Basin States—that is, Montana, Wyoming, North Dakota, and South Dakota. But it is a crucial document if one hopes to first understand the genesis and present state of the Missouri River debate and, second, to grasp what management changes we need. That is why I will most likely read the entire manual to the Senate.

Now, for the curious who may be listening in on this little discussion, I must say that the manual comes in nine parts. I will just read off the entire front cover to let Senators know what the manual contains and to give them a little preview.

Volume 1: ''Alternatives Evaluation Report.''

Volume 2: ''Reservoir Regulation Studies: Long-Range Study Manual.''

Volume 3A: ''Low-Flow Studies: Gavins Point Dam to St. Louis, Missouri.''

Volume 3B: ''Low-Flow Studies: Gavins Point Dam to St. Louis, Missouri,'' including Appendix A on ''Ice Impacts'' and Appendix B on ''Water Quality Impacts.''

Volume 4: ''Hydraulic Studies: Upstream from Gavins Point Dam.''

Volume 5: ''Aggradation, Degradation and Water Quality Conditions.''

Volume 6A: ''Economic Studies: Navigation Economics.''

Volume 6B: ''Economic Studies: Water Supply Economics.''

Volume 6C: ''Economic Studies: Recreation Economics.''

Volume 6D: ''Economic Studies: Hydropower Economics, Flood Control Economics, and Mississippi River Economics.''

Volume 6E: ''Economic Studies: Regional Economics.''

Volume 7A: ''Environmental Studies: Reservoir Fisheries,'' including the main report along with Appendix A, ''Description of Resource,'' and Appendix B, ''Reservoir Fish, Reproduction Impact Methodology.''

Volume 7B: ''Environmental Studies: Reservoir Fisheries,'' including Appendix C, ''Coldwater Habitat Model.''

Volume 7C: ''Environmental Studies: Riverine Fisheries,'' including the main report, and Appendix A, ''Description of Resource.''

Volume 7D: ''Environmental Studies: Riverine Fisheries,'' including Appendix B, ''Physical Habitat Analysis Upstream of Sioux City,'' and Appendix C, ''Physical Habitat Analysis Downstream of Sioux City.''

Volume 7E: ''Environmental Studies: Riverine Fisheries,'' Appendix D, ''Assessing Temperature Effects on Habitat.''

Volume 7F: ''Environmental Studies: Wetland and Riparian,'' including the main report along with Appendix A, ''Field and Mapping Methods,'' and Appendix B, ''Plant and Wildlife Species List.''

Volume 7G: ''Environmental Studies: Wetland and Riparian,'' including Appendix C, ''Fate of Wetland/Riparian Types,'' Appendix D, ''Diversity,'' Appendix E, ''Backwater Analysis,'' and Appendix F, ''Value Function Testing.''

Volume 7H: ''Environmental Studies: Least Tern and Piping Plover, Historic Properties, and Mississippi River Environment.''

Volume 8: ''Economic Impacts Model and Environmental Impacts Model.''

And Volume 9: ''Socioeconomic Studies.''

I know my colleagues must be wondering. They must be wondering, ''That is an awful lot of volumes. If the water raid boils down to navigation and taking water from recreation uses, why doesn't the Senator from Montana just read Volume 6A and 6C on recreation and navigation?''

Well, I might say that is the reasonable question. But I believe the water raid issue is so important—it is such a basic, fundamental question of fairness and justice—that each Senator probably deserves the chance to hear the issue in its full context and have the benefits of the entire context of this issue.

So I decided it probably would be more fair and probably more prudent to read the entire manual than it would be, in essence, to cheat Senators by skipping straight to Volumes 6A and 6C and calling it a day.

I might say I have with me just two of the volumes, 6A and 6C. These are the ones that go straight to the heart of matter. They are just two of the total of nine volumes. As I said, I do not want to be unfair to my colleagues. So I feel that they should have the benefit of the entire reading of the entire list of all of the volumes.

Altogether, the manual runs to 21 bound volumes. If we add all of appendices, it comes down to 21, several thousand pages. And having finished the manual, I will then move on to the point of discussing the errors that I believe are contained in the master manual.

I might tell Senators that this probably would take some time. But the conference will be done in September. And if it contains the water raid clause, I will have no alternative. I will be down here each and every day so they can have the benefit of the entire context of all the volumes so they can make a good decision on this issue. And I am pretty confident. I think I can get most of the standards in by September. I may need a couple of weeks in October to get Senators fully informed. But it is, I think, important that we have that.

So I might say, Mr. President, in concluding, I thank my colleagues for allowing additional time. It is my fervent hope and strong intention that the water raid provision will be out before the conference ends, so that it will be in the Senate here and not taking

all of this time to learn the full issue, the ins and outs of it all. I do not look forward to reading it in its entirety, but I am taking this step, Mr. President, because it is very simple. This provision was put in totally unfairly, it is totally wrong, and in a procedure that is totally out of the question.

I might remind Senators that water is our lifeblood in Montana. It does not rain very much west of the 100th meridian. We very much want to stand up for what we think is right. I want Senators to know this issue may come up. I thank my colleagues.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I ask unanimous consent to speak for 20 minutes as in morning business.

The PRESIDING OFFICER. Is there objection to the Senator speaking for 20 minutes? Without objection, it is so ordered.

THE COLORADO DECISION

Mr. FEINGOLD. Mr. President, just a month ago we had a discussion here on the Senate floor about the issue of campaign finance reform. I think a lot of us worked hard on the effort. We have taken a bit of a breather for the last month and assessed the situation, and we are ready to consider resuming the fight for this very important issue. Although the debate was abbreviated, it was a pretty good debate. We certainly did not suffer from any shortage of speakers offering their ideas on how we could best reform our campaign finance laws. In the end, I was pleased the bipartisan reform bill offered by myself and the senior Senator from Arizona was able to receive the support of the majority of this body, actually a bipartisan vote, obtaining 54 votes. So I feel very strongly, although we did not complete the task, we are well on our way.

And even though we fell 6 votes short necessary to ward off a well-staged filibuster, I think it is clear that there is a bipartisan majority in favor of acting on campaign reform, and many of us intend to press forward on this issue in the coming months and into the 105th Congress.

The vast, vast majority of the American people want the Congress to act on campaign finance reform and we cannot allow a small minority of Senators to thwart the will of the American people and wage a stealth attempt to sweep this issue under the rug.

Interestingly, less than 24 hours after the Senate voted against further debating the issue of campaign finance reform, the Supreme Court handed down a much anticipated decision that will undoubtedly affect the Federal election landscape.

The case was Colorado Republican Federal Campaign Committee versus Federal Election Committee. It arose out of a 1986 incident in Colorado, in which the Colorado State Republican Party made some $15,000 worth of expenditures on radio advertisements attacking the likely Democratic candidate for a Senate seat.

The FEC had charged that this expenditure had violated the Federal limits on so-called coordinated expenditures and the tenth Circuit Court of Appeals agreed with the FEC's assessment.

The Federal coordinated expenditure limit is the amount of money the national and State parties are permitted to spend on express advocacy expenditures for the purpose of influencing a Federal election. The coordinated expenditure limit is based on the size of each State.

It is important to understand what the litigants were arguing before the Court, because many people have tried to interpret this decision as something other than what it is.

The Colorado Republican Party, joined by the Republican National Committee, argued that the Federal limits on coordinated expenditures were unconstitutional on their face and an infringement on the First Amendment rights of the political parties to participate in the Federal election process.

In other words, these parties wanted the Federal spending limits on coordinated expenditures tossed out completely, not just the narrow ruling that was handed down.

The FEC, on the other hand, argued that the Federal spending limits helped prevent both actual corruption and the appearance of corruption.

In short, the FEC argued that these spending limits were necessary and valid for the same reasons that the Supreme Court found Federal contribution limits constitutional and necessary in the Buckley decision some 20 years ago.

Who won, Mr. President? Really, no one won. The Court, in a 7 to 2 decision, found that this particular case out in Colorado was a unique situation. At the time the expenditures in question were made, there was neither a Democratic nor Republican nominee for the open Senate seat. Moreover, the expenditures were made some 6 months before the date of the general election.

And finally, and perhaps most importantly in the Court's eyes, there was no demonstrable evidence that there was any coordination between the Colorado State party and any of the Republican candidates vying for that party's nomination.

That is the key.

That, Mr. President, is what these Federal limits on coordinated expenditures are supposed to be about. The word ''coordinated'' implies that there is some sort of cooperation between the party and the candidate in making the expenditure, and in this particular case the Court found that there had been virtually no coordination whatsoever.

The lack of any coordination led the Court to decide that this was an express advocacy, independent expenditure, much like the independent expenditures we see so often made by organizations such as the National Rifle Association, the National Right to Life Committee, and the AFL–CIO.

In the landmark Buckley decision and subsequent decisions such as the 1986 decision in FEC versus Massachusetts Right to Life, the Supreme Court has ruled that the Government cannot limit independent expenditures which the Court found to be pure expressions of political speech protected by the first amendment.

These rulings are the basis for the absence of Federal limits on independent expenditures made by individuals, organizations, and political action committees.

The key determination in the Colorado decision was that the Court found that this particular expenditure was an independent expenditure, and an independent expenditure made by a political party is entitled to the same constitutional protections as an independent expenditure made by anyone else. In short, political parties may make unlimited independent expenditures in Federal elections in the same manner other organizations are free to make such expenditures.

In addition, the Supreme Court, unfortunately, did leave certain key questions unanswered. For example, the Court found the Colorado expenditure to be an independent expenditure largely because it was 6 months before the general election and there was no Democratic nominee and no Republican nominee, to make an express, coordinated attack on.

What would happen if the same expenditure was made 1 month before election day, when both the Democratic and Republican nominees had been chosen?

The Court did not address this question.

Instead, the Court elected to issue an extremely narrow ruling by focusing on the peculiar circumstances relevant in the Colorado decision.

The Court simply ruled that an expenditure made without coordination, made far in advance of an election and before there are any nominees of either party must be treated as an independent expenditure and is therefore not subject to limit.

Mr. President, for the 80 percent of the American people who want us to reduce the role of money in congressional elections, this is not the best news.

What it means is that the parties are free to independently pour millions and millions of dollars into each State months and months before the voters are to go the polls. It will open the door to more expensive campaigns, longer campaigns and if current trends continue, increasingly negative campaigns.

It can mean a proliferation in everything that repulses Americans about our campaign finance system.

That is bad news Mr. President. But it must be understood and the reason I

am speaking today, so that this is clarified, this decision could have been far worse.

The Colorado Republican Party had advocated that the Court strike down the actual Federal limits on coordinated expenditures, and in fact, many of the so-called legal experts had predicted that this conservative court would do just that. But they did not.

But the Supreme Court specifically refused to strike down these limits. The Court ruled that this issue needed to be addressed further by the lower courts before the high court could adequately issue a determination of whether such limits are constitutional.

That, Mr. President, is why this was such a narrow ruling. It only affects a certain type of expenditure made by a political party. The Federal limits on coordinated expenditures were left in place and are still a part of the current election system.

Some have suggested that this decision will allow the parties to play a greater role in the election process. I agree. The question is, in the end, will this have a positive or negative effect on our political system.

I think it could go either way. For example, the parties may decide to use this decision to run negative television ads against a particular candidate 8 months before election day.

I do not think that is a positive contribution to the process, and in fact, I think it is exactly the type of activity that has turned the American people against our current political system. I am hopeful, Mr. President, that the American people will reject those kinds of tactics, if they are, in fact, used by the parties.

On the other hand, on a brighter note, there is a possibility that this decision could have a positive impact on the system. If, for example, a challenger is severely underfunded and is facing an incumbent with a colossal war chest, expenditures made by the parties could aid the challenger in running a competitive race.

But I do not think this is the best approach to the very real problem of an uneven electoral playing field.

Why shouldn't we instead empower the challenger to make such reasonable expenditures in this situation in his or her own favor? Why not, in this particular situation, allow the candidate, rather than the party, to play a somewhat greater role in the election process?

That is precisely the approach advocated by the senior Senator from Arizona and myself and many others and was embodied in the bipartisan legislation we offered just a couple of weeks ago. Our proposal created a mechanism that offered candidates who agreed to a reasonable set of limits on their campaign spending the tools to run an effective, credible, and competitive campaign for the U.S. Senate.

I want to make something very clear, Mr. President. The effect of the Colorado decision on the McCain-Feingold legislation, or any legislation like that legislation, is, at best, nominal. I realize that many have tried to say just the opposite, somehow suggesting that the Colorado decision contradicts everything in the McCain-Feingold bill or other reform bills. Mr. President, that is not true. It is wishful thinking on the part of those very same people who have done everything they can to kill campaign finance reform.

The Colorado decision has nothing to do with any of the key components of our proposal, whether it is the voluntary spending limits, the broadcast and postage discounts, the PAC restrictions, bundling restrictions, franking reforms or any other provision. None of these are affected by the Colorado decision.

Some have said that the spending limits in our bill will prevent a complying candidate from responding to an attack made by these new party-independent expenditures.

There is concern expressed that a candidate who has agreed to abide by the voluntary spending limits who is then hit with $100,000 worth of television ads bought by the national party will be unable to respond effectively. That is a fair concern to raise. But, Mr. President, the answer is the same as it was when we debated the proposal 2 weeks ago.

There is a provision in our bill that provides that if any complying candidate is the target of an independent expenditure, that candidate's spending limits are raised in proportion to the amount of independent expenditures made against them. So candidates would not be restrained from reasonably responding to an independent expenditure by the voluntary spending limits that they have agreed to. It is really that simple.

So, Mr. President, I am confident that this legislation will be debated again, if not this year, then early in the 105th Congress. It doesn't matter whether the Senate is under Republican or Democrat control next year, but the American people will surely reject what I like to call the two escape hatches of campaign finance reform, in addition to saying the Supreme Court has foreclosed the matter.

The first escape hatch, which will allow the Congress to talk the talk without walking the walk, is to create yet another commission to study this problem. I say ''another'' because it has already been done a few years ago. Commissions are meritorious when a relatively new issue needs to be studied, but that is not the situation when it comes to campaign finance reform. In fact, this issue has been the subject of more congressional hearings and testimony than the vast majority of the issues debated on the Senate floor.

Clearly, at a time when so much is known about the issue and when so many creative ideas have been offered, establishing another commission to study the problem is unwarranted and nothing more than a dodge.

The other escape hatch, which has turned into the escape hatch for seemingly every other issue that the Senate has debated in the 104th Congress, is to call again for yet another constitutional amendment. This particular constitutional amendment would allow Congress to set mandatory spending limits on campaign expenditures.

Mr. President, I have no doubt that the people who are supporting this concept are sincere. At one brief moment, I supported such a constitutional amendment before I realized that the 103d Congress will be followed by a 104th Congress that seems to be trying to turn the Constitution into a billboard for every imaginable campaign slogan.

Let's be honest here. A constitutional amendment requiring 67 votes is not going to pass before the turn of the century and, frankly, I don't think would pass by the turn of the next century. We could not even get 60 votes for a modest bipartisan and bicameral bill that had an unprecedented level of public support.

Moreover, even if such a proposal were to somehow miraculously receive 67 votes in the Senate and 291 votes in the House of Representatives, then it has to be ratified by three-fourths of the States.

So I think it is clear that anyone who suggests that a constitutional amendment is the solution to our campaign finance problems must also admit that sort of solution is years and years and years away from realistically coming into play.

We just cannot put off a decision any longer, Mr. President. No games, no side shows. The American people are tired of campaigns in which issues and ideas have become secondary to dollars and cents. They view our electoral system not as part of the American dream, but just another chapter in the ''lifestyles of the rich and famous.''

The voters have become inherently mistrustful of any individual elected to public office because they know that individual is now part of the Washington money chase, where their principal goal as an elected official sometimes looks like not representing their communities but, instead, raising the requisite millions of dollars for their reelection efforts.

Those are the trademarks of a dysfunctional campaign finance system that is crying out for meaningful bipartisan reform. I remain optimistic that early next year, this Senate can come together on a bipartisan basis and pass the sort of comprehensive reforms that the American people have been demanding for so many years.

I thank the Chair, and I yield the floor.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I ask unanimous consent that I may proceed as in morning business for 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized for 15 minutes.

Mr. PELL. I thank the Chair.

RECENT RIOTS IN INDONESIA

Mr. PELL. Mr. President, I know we all have been saddened in recent days by reports of rioting and violence in Indonesia. Last weekend, the government cracked down on a political opposition group in Jakarta. Supporters of that group took to the street in protest and as a result, several people have been killed and over 200 arrested. The crackdown has reportedly been widened to include other known political activists including Muchtar Pakpahan, the head of the Indonesian Labor Welfare Union.

We also read this week that the military commander in Jakarta ordered his troops to ''shoot on the spot'' any protestors who are seen to be threatening the peace, a particularly disturbing development. I would urge the government in Jakarta to seek to negotiate and to work with the opposition forces in a peaceful manner, rather than calling on the military to quell any protests. This is the same approach I suggest in the report of my visit to Indonesia 2 months ago.

The root of the current problems is, I believe, the lack of an open political system in Indonesia. Two token legal opposition parties are allowed to exist, but they have little influence over policy. They cannot seriously challenge the ruling Golkar party. The current political and electoral systems are designed such that Golkar is assured of retaining power. But in the most recent parliamentary elections in 1992, Golkar unexpectedly lost a percentage of the parliamentary seats. Hoping for a trend, the two opposition parties were beginning to talk of making greater gains in the parliamentary elections scheduled for next year, although observers never thought either was likely to take the majority. This talk upset the government. Even though retaining ultimate political control was never in question, the government has reacted to even a slight loss in that control by calling on the military.

The government is centering its efforts on the Indonesian Democracy Party—or PDI—led by Megawati Sukarnoputri, the daughter of Indonesia's first president, Sukarno. Megawati had begun a very visible campaign in preparation for the parliamentary elections next year and indicated that she might challenge President Suharto in the presidential elections in 1998, a first for Suharto who has always been unopposed. In what appears to be a nervous reaction, the government allegedly orchestrated a coup within the PDI to force Megawati out of her leadership position. Her supporters took over the PDI headquarters and refused to leave until the military took over the headquarters this past weekend.

President Suharto has done much that is good for his country. Indonesia's population control program, for example, is a model for the developing world. The country's economic development has been admirable and many U.S. companies benefit from their investments throughout the archipelago. But as the country has grown and developed economically, it comes as no surprise that certain elements of Indonesian society now want their country to grow and develop politically as well. The government's current approach to the threat of a serious political challenge—to arrange for Megawati's overthrow within her party, blame the riots on virtually extinct communist sympathizers, and threaten to shoot any protestors—I believe will both hamper Indonesia's continued economic development and cause great harm to our bilateral relationship. Internally, the Indonesian currency and stock market are beginning to fall.

For several months now the U.S. Government has considered selling F–16s to the Indonesian military. In light of the events in Jakarta, I urge the administration to rethink the wisdom of this sale. My own view is that we should not rush forward with a high-technology, glamorous weapon sale to a foreign military that is threatening to shoot peaceful protestors in the street. I am encouraged, Mr. President, by some signs that the administration is considering holding off on this sale.

Indonesia is poised to be one of the region's most important and influential countries. President Suharto has the chance now to accelerate that process by allowing for Indonesia's transition to modern political governance. He could follow the model of Taiwan, which transformed itself from a single-party, authoritarian regime to a thriving multi-party democracy without violence. Indonesia is more than ready to allow full-fledged, active opposition voices to publicly make their case to the people. I would urge the Indonesian Government to call back its military, deal peacefully with the opposition, and show the world it is indisputably ready for the 21st century.

RATIFICATION OF THE LAW OF THE SEA CONVENTION IS AN URGENT NECESSITY

Mr. PELL. Mr. President, the United States will shortly become one of the first and perhaps the first Nation to ratify the Straddling Fish Stocks Agreement. This agreement was approved by the Senate on June 27. I am very pleased that prompt Senate action on the Agreement enabled the United States to continue its leadership on international fisheries issues. The agreement will significantly advance our efforts to improve fisheries management. In effect, it endorses the U.S. approach to fisheries management and reflects the acceptance by other nations of the need to manage fisheries in a precautionary and sustainable manner.

That being said, Mr. President, in advising and consenting to ratification of the Straddling Stocks Agreement, the Senate's work is only partially done. Having approved the Straddling Stocks Agreement, the next logical step for this body is to consider and pass the treaty which provides the foundation for the agreement, namely the United Nations Convention on the Law of the Sea. My purpose today is to highlight the connections between the two and to underscore the many benefits that will accrue to the United States if the Senate grants its advice and consent to ratification of the Law of the Sea Convention, a step that should have been taken long since, and I hope will come about shortly.

Prima facia evidence for the tight linkage between the Law of the Sea Convention and Straddling Stocks Agreement is found in the latter's title, the ''Agreement for the Implementation of the United Nations Convention on the Law of the Sea of 10 December 1982 Relating to Fish Stocks.'' Clearly, the Agreement was negotiated on the foundation established in the Law of the Sea Convention. The connection between the two is made explicit in Article 4 of the agreement which stipulates that the agreement ''shall be interpreted and applied in the context of and in a manner consistent with the Convention.'' Further, Part VIII of the agreement provides that disputes arising under the agreement be settled through the convention's dispute settlement provisions. Indeed, the Law of the Sea Convention establishes a framework to govern the use of the world's oceans that reflects almost entirely U.S. views on ocean policy.

Can the United States become a party to the agreement, but remain outside the Law of the Sea Convention? The answer is yes. The more important question is: Does this best serve U.S. interests? The answer to that question is no. Only by becoming a party to the Law of the Sea Convention can the United States maximize its potential gain from the agreement and protect its fisheries interests.

One way to do this is to ensure that U.S. views on fisheries management are represented on the Law the Sea Tribunal. That is the body which settles disputes arising under the agreement, and it is established in the Law of the Sea Convention. Not surprisingly, in order to nominate a judge to the tribunal, the United States must become a party to the Law of the Sea Convention.

A second way to ensure that U.S. gains are maximized is to ensure that our country's views on fisheries management are well represented in the convention processes themselves. To do this, we must be a party to the convention. The Straddling Stocks Agreement's provisions are to be applied in light of the convention. As the convention itself is an evolving, living document, the United States must be part of the dialogue that will affect not only the Straddling Stocks Agreement, but other oceans management policy.

Mr. President, there are sound reasons for the United States to become a party to the Law of the Sea Convention in order to enhance the benefits of the Straddling Stocks Agreement. There are, however, reasons to become a party to the Law of the Sea Convention far beyond the connection with the Straddling Stocks Agreement.

Indeed, I have always held the view that the strength of the Law of the Sea Convention lies in the multiplicity of interests that it protects and enhances for the United States. It is precisely because the convention addresses our Nation's broad range of interests so comprehensively that the United States has so much to gain by becoming a party. Indeed, I believe there is no action that the Senate can take before the end of this session that would have greater long term benefits for the world as a whole than to ratify the Law of the Sea Convention.

The implications for world peace are enormous; the potential for trade and development is equally far-reaching. I hope this will not be caught up in a spate of politics as usual, but will be seen in the framework of a renewed commitment to bipartisanship in foreign policy.

The old saying was that ''politics stops at the water's edge.'' That would be an apt motto for our consideration of Law of the Sea, since its scope begins precisely at the water's edge.

Perhaps more than any other nation, the United States has a broad range of interests in the oceans and their uses. We are the world's predominant sea power. The United States Navy operates on a global scale and has vital interests in seeing the convention's provisions on freedom of navigation implemented. The Air Force too shares many of these interests. We are also a maritime nation, Mr. President. Fully 95 percent of U.S. export and import trade tonnage moves by sea, with direct repercussions for American workers' jobs. The United States is also a coastal nation—we have one of the longest coastlines in the world—with strong interests in the sound use of resources on our continental shelf.

Mr. President, I think it is useful to remind my colleagues that, more than 20 years ago, the United States was a driving force in initiating the negotiations that produced the Law of the Sea Convention. At that time, the Navy in particular was concerned about other nations' ever increasing maritime jurisdictional claims. To address this problem, the Department of Defense sought a treaty that would set out as a matter of international law a regime to govern such claims. Given this history, it is more than a little ironic that the United States ultimately led efforts to block adoption of the convention upon conclusion of negotiations in 1982.

In my view, while the convention's critics raised some legitimate concerns regarding provisions related to deep seabed mining, they allowed these concerns to blind them to the overriding benefits the convention would confer on the United States. Moreover, all of these concerns have now been addressed in the recently negotiated agreement on deep seabed mining. I would like to recount those benefits for my colleagues' information.

First and foremost, the convention enhances U.S. national security. Remember, Mr. President, that this was the original driving force behind U.S. participation in the convention. The convention establishes, as a matter of international law, freedom of navigation rights that are critical to our military forces. In testimony before the Foreign Relations Committee, Admiral Center stated,

> The Convention strongly underpins the worldwide mobility America's forces need. It provides a more stable legal basis for governing the world's oceans. It reduces the need to fall back on potentially volatile mixture of customary practice and gunboat diplomacy.

The need to protect freedom of navigation is not merely a theoretical issue. There have been recent situations where even U.S. allies denied our Armed Forces transit rights in times of need. Such an instance was the 1973 Yom Kippur war when our ability to resupply Israel was critically dependent on transit rights through the Strait of Gibraltar. Again in 1986, U.S. aircraft passed through the Strait to strike Libyan targets in response to that government's acts of terrorism directed against the United States, after some of our allies had denied us the right to transit through their airspace.

I have heard arguments that the convention's provisions on freedom of navigation are not really important because they reflect customary international law. I disagree. Customary international law is inherently unstable. Governments can be less scrupulous about flouting the precedents of customary law than they would be if such actions were seen as violating a treaty.

Moreover, not all governments and scholars agree that all of the critical navigation rights which are protected by the convention are also protected by customary law. They regard many of those rights as contractual; that is, only available to parties to the convention. For example, it was not long ago that our country claimed a territorial sea of only 3 miles. This zone now extends to 12 miles, as allowed by the convention. But other countries have claimed territorial sea zones that extend to 200 miles, in direct violation of the convention. Currently, the United States routinely challenge such excessive jurisdictional claims through the Freedom of Navigation Program.

I do not doubt that, if necessary, the U.S. Navy will sail where it needs to to protect U.S. interests. But, if we reject the convention, preservation of these rights in nonwartime situations will carry an increasingly heavy price for the United States. By remaining outside of the convention, the United States will have to challenge excessive jurisdictional claims of states not only diplomatically, but also through conduct that opposes these claims. Each time we conduct an operation in contested waters we are sending our young men and women into harms way. Mr. President, we don't need to do that. A widely ratified convention would significantly reduce the need for such operations. A widely ratified convention would also afford us a strong and durable platform of principle to ensure support from the American people and our allies when we have no choice but to confront claims we regard as illegal.

Now I would like to turn to the issue of the Law of the Sea Convention and U.S. economic interests. The convention promotes these interests in a number of ways. It provides the U.S. with exclusive rights over marine living resources within our 200 miles exclusive economic zone; exclusive rights over mineral, oil, and gas resources over a wide continental shelf that is recognized internationally; the right for our communications industry to place its cables on the sea floor and the continental shelves of other countries without cost; a much greater certainty with regard to marine scientific research, and a ground breaking regime for the protection of the marine environment.

Mr. President, seaborne commerce represents 80 percent of trade among nations and is a lifeline for U.S. imports and exports. As I noted earlier, 95 percent of U.S. export and import trade tonnage moves by sea. With continuing economic liberalization occurring globally, exports are likely to continue to grow as a percentage of our economic output. In addition, in some sectors, such as oil, our dependence on imports will continue to grow. Thus our economic well being—economic growth and jobs—will increasingly depend on foreign trade. Without the stability and uniformity in rules provided by the convention, we would see an increase in the cost of transport and a corresponding reduction of the economic benefits currently realized from an increasingly large part of our economy.

Consequently, the United States would stand to lose a great deal if it was no longer assured of the freedom of navigation: trade would be impaired, ports communities would be impacted and our whole maritime industry could be put in jeopardy. The convention addressees the concerns and failure of the United States to ratify would impose a tremendous burden on this industry.

Within its EEZ, the United States has exclusive rights over its living marine resources. Foreign fleets fishing in our waters can be controlled or even excluded, and our regional management councils are in a position to adopt the best management plans available for each of the fisheries on which our industries depend. The settlement of disputes provisions of the convention do not apply to the measures taken by the coastal State within its EEZ. Consequently, the United

States has discretionary powers for determining the total allowable catch, its harvesting capacity, the allocation of surpluses to other States and the terms and conditions established in its conservation and management measures.

Indeed, the Law of the Sea Convention will play a paramount role in the implementation of the important international agreements to which the United States is already a party. These include: the 1992 Convention for the Conservation of Anadromous Stocks in the North Pacific Ocean, approved by the Senate on August 11, 1992; the U.N. General Assembly Resolution on Large-Scale High Seas Driftnet Fishing, approved by the Senate on November 26, 1991; the Convention on the Conservation and Management of Pollock Resources in the Central Bering Sea, approved by the Senate on October 6, 1994; and the FAO Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas, approved by the Senate on October 6, 1994.

In approving these treaties, the Senate spoke to the importance of these issues to our Nation; however, the long-term benefits of these fishery agreements will only be realized and mutual enforcement ensured if the underlying principles of the Law of the Sea Convention—the new constitution of the oceans—are ratified by the United States.

Mr. President, in 1982, the Reagan administration was prepared to sign the convention on behalf of the United States, but for part XI. Part XI dealt with deep seabed mining and contained a number of provisions that the United States found objectionable. Unfortunately, at the time, the administration was not able to secure the changes it sought in time for the United States to sign the convention. As a result, neither the United States nor the other industrialized countries signed the convention.

During the Bush administration, with the prospect that the convention would actually enter into force, informal consultations were begun at the United Nations with the aim of resolving concerns with part XI. That goal was achieved in an agreement that, in effect, amends part XI of the convention in a manner that meets all of the concerns first articulated under President Reagan and carried forward through to the Clinton Administration. The modification of part XI is a bipartisan foreign policy success and is the culmination of three decades of U.S. oceans policy efforts.

I feel qualified to say this Mr. President, since I have closely followed the Law of the Sea negotiations from their early days to the present. The initial support for this idea was put forth by Arvid Pardo, Malta's delegate to the United Nations, with his famous ''Common Heritage of Mankind'' speech before the U.N. General Assembly in 1967. The convention then became the product of visionaries. I remember particularly the ''Pacem in Maribus''—Peace on the Seas—meetings organized by Elizabeth Mann Borgese, the daughter of Germany's great writer, Thomas Mann. Her book, The Ocean Regime, published in 1968, gave written expression to the ideas that were to gain a wider audience through Pacem in Maribus, on their way to being embodied in the negotiated texts of the Law of the Sea Convention.

For me the dream began even earlier, during my service in the U.S. Coast Guard during World War II. Why not declare the oceans a zone of peace, open to all peoples and nations, to be free forever from the ravages of warfare? My service on the staff of the San Francisco Convention that prepared the U.N. Charter, just 51 years ago this summer, further confirmed me in my belief that ways could be found to create a working peace system.

The Law of the Sea Convention is the product of one of the more protracted negotiations in diplomatic history. When the process began, the Vietnam war was nearing its peak; the cold war was at its height; it had been only 5 years since the construction of the Berlin Wall.

I was proud to serve as a delegate to those early Law of the Sea negotiations, one of the few who had also attended a Pacem in Maribus meeting. My enthusiasm led me in 1967 to introduce the first Senate resolution calling on the President to negotiate a Law of the Sea Convention.

That resolution and a draft treaty that I proposed in 1969 led to the Seabed Arms Control treaty, which was ratified by the Senate in 1972. This little-known treaty has permanently removed nuclear weapons and other weapons of mass destruction from the ocean floor, which is 70 percent of the Earth's surface. It has been signed by nearly 100 countries, it works, and it provides a good precedent for the Convention on the Law of the Sea. With the Seabed Arms Control Treaty as my model, you can appreciate my enthusiasm for the Law of the Sea Convention.

Now, Mr. President, we must look to the future and U.S. oceans policy for the 21st century. Our interests in the Convention lie not only in what it is today, but in what it may become. Just as form and substance have been given our Constitution by the courts, so too will future uses of the oceans be influenced and shaped by decisions made under the convention. With the convention's entry into force, the United States stands on the threshold of a new era of oceans policy. Under the Convention, U.S. national interests in the world's oceans would be protected as a matter of law. This is a success of U.S. foreign policy that will work to our benefit in the decades to come.

Mr. President, the United States was a leader in initiating the negotiations of the Law of the Sea Convention because our national security interests were at stake. We have also played a widely recognized leadership role in the Straddling Stock Agreement negotiations because our fisheries interests were threatened. Indeed, the United States will be among the very first parties to ratify this very important agreement. It is time for the United States to regain its leadership role by ratifying promptly the United Nations Convention on the Law of the Sea and thus protecting the entirety of our oceans interests.

I yield the floor.

Mr. GRASSLEY addressed the Chair.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER (Mr. FRIST). The Senator from California.

Mrs. BOXER. Mr. President, I understand we are working back and forth. If the Senator from Iowa wishes to be recognized for 5 or 10 minutes, I will be happy to yield to him.

Mr. GRASSLEY. Three minutes.

Mrs. BOXER. Mr. President, I ask unanimous consent that the Senator from Iowa be recognized for 5 minutes, and the Senator from California for 10 minutes immediately following his remarks.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Iowa is recognized.

Mr. GRASSLEY. I thank the Senator from California for her kindness.

THE CASE OF RICARDO CORDERO ONTIVEROS

Mr. GRASSLEY. Mr. President, I am disappointed to have just learned that Mexican officials have arrested Ricardo Cordero. Mr. Cordero came to our attention this week with articles in the Washington Post and other papers in our country because of charges he made about the degree of narcotics-related corruption in Mexico's counterdrug efforts.

When I read those articles, the thought came to my mind, how come this guy is still in Mexico? He will be assassinated, executed, or something. But anyway, now he is arrested. It has been on charges of corruption and taking bribes himself.

I do not want to comment on the merits of those charges. He could be guilty, of course. But what concerns me, and what needs to concern all of us in this body,Cordero's accusations made this week printed in our own newspapers.

The arrest has the appearance of retaliation and intimidation. It gives the impression that instead of investigating his allegations, that the messenger, in fact, has been punished. If this is the case, then it raises further doubts about the ability of Mexico to take serious steps to end corruption and to deal with the problems posed by drug trafficking.

Even if Mr. Cordero is guilty of the charges brought against him, it is a clear indication of the thorough-going nature of corruption in the counterdrug fight in Mexico. If he is innocent, however—and at least in our

country we would believe that he is innocent at this point—then his arrest is an example of a system that is on the verge of going out of control.

I want to make it clear here that we will be following Mr. Cordero's arrest closely. How his case and his personal safety are handled will be the subject of considerable attention. I know that bureaucracies hate whistle-blowers, here or, I am for sure, they hate them in Mexico as well. The integrity of public institutions, however, can only be maintained if people in those institutions, with regard for documentation, are able to tell their stories without retaliation.

Mr. Cordero's case is very disturbing. And if it should prove to be a case of retaliation, it does not speak well of Mexico's ability to deal seriously with the problems of corruption.

I call on the Mexican Government to resolve this case quickly, and, of course, fairly. I ask our own U.S. administration, even those of us here in the Congress, to monitor this case very closely. And in the case of the administration, please keep Congress informed. I expect Mr. Cordero's rights—most importantly, his personal safety—will receive particular attention. Thank you.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Thank you very much.

Before the Senator from Iowa leaves the floor, I want to thank him for bringing this issue before the Senate.

Mexico is continually asking for cooperation with this country in the areas of trade. I say to my friend, I am in a little bit of a battle right now over the dolphin-safe fishing of tuna where the Mexicans are really fighting very hard to have us change the rules of the game so they can go out and purse seine on dolphin and sell their tuna here in competition with our dolphin-safe American tuna people.

They want our cooperation, and yet we know the drugs are coming from Mexico, yet we know they are doing, I would say, virtually nothing to stop illegal immigration. I believe it is important to have a warm and good relationship with our neighbor, Mexico. But I think the Senator has raised an issue that really requires the attention of the U.S. Senate. And I will work with him, and I know Senator FEINSTEIN, the senior Senator from California, will as well. Again, I want to thank him for raising this issue.

LEGISLATION PASSED BY CONGRESS

Mrs. BOXER. Mr. President, I came to the floor because I have been watching a series of dueling press conferences, one held by the Republicans this morning, the Republican leadership, one held by the Democratic leadership, to discuss who deserves credit for the flurry of legislation that has finally passed this Congress, after a do-nothing Congress.

Of course, the American people are going to make the decision about who deserves the credit or the blame, depending on how they view the legislation. The issues are welfare, health care, and minimum wage. We remember back to President Clinton talking about how it was important to reform welfare as we know it, the fact that he granted many waivers to the States to reform welfare, the fact that he presented some excellent welfare reform bills which I consider to be real reform.

I think what the Republican Congress put out is very hurtful to my home State. It is a huge, unfunded mandate, and it also hurts children. As I said yesterday, it amazed me that Senators who earn large paychecks in relation to most of the people in this country did not have the heart to mandate that the little kids who are helpless and hopeless, whose parents cannot find a job, that they are not assured diapers, school supplies, emergency food and other things. So people will decide on that one.

On health care, we know Senator KENNEDY, for years, has worked on that. Senator KASSEBAUM and he got together and passed two provisions of the Clinton health care reform bill, very important provisions. I am very hopeful we will see portability of health insurance, so that when Americans lose their jobs, they can take their health care with them and they will not be punished if they have a preexisting condition.

Who deserves credit for that? The Republicans say they do; I say look at the record. It was Senator Dole who blocked Senator KASSEBAUM from bringing up the bill time and time again. It is in the RECORD. Finally she said, ''I will offer it every day.'' We finally have a bill.

Minimum wage. I do not have to tell you that DICK ARMEY, the majority leader of the Republicans, said, ''I will fight a minimum wage increase with every fiber in my body.'' Well, it was not good enough, Mr. ARMEY, because the army of people in this country did not agree with you. Now you want to take credit over there for it. The most important thing to this Senator is that people will get a minimum wage increase—I am happy about that—millions of hard-working Americans who do not want a handout, they want to work for a decent wage. Most of them, by the way, are adults, and most of them are women.

So we have an argument going on. As I watched the Republican press conference, it brought to mind a little fable. I want to tell you the little fable. Once upon a time, in 1994, the real Republicans took over the U.S. Congress. They came in like the wolf in Little Red Riding Hood, and this is what they did, on the record: They tried to roll back environmental laws that protect our children. I know, I am on the Environment Committee. I saw it. They tried to sell off our parks. As a matter of fact, Chairman HANSEN said publicly it was not a question that they would close down the parks, it is just how they would do it.

They tried to give huge tax breaks to millionaires, paid for by the middle class. They put through the largest cuts ever in education in the history of our country. They denied many American women the right to choose. That is on the record. They even shut down the Government because Democrats would not let them destroy Medicare.

That is only part of it. Then the real Republicans read the polls and realized they were about to lose the elections. So before your eyes, the wolf has put on a grandma's disguise just like the wolf in Little Red Riding Hood, a grandma's smile, a grandma's voice, sweet, and it is telling the American people, ''Look at the goodies we have done for you.''

There are different versions for the end of Little Red Riding Hood. In one she gets eaten alive because she trusts the wolf. In the other she found out that Grandma is really a wolf in disguise, and she is saved.

We say, today we do not think the American people will be fooled by this costume because the real Republicans are on the record. I love the new ones. I have never enjoyed it more than the last few days of being able to get some work done around here, that will make life better for the people.

But I have to say in closing, do not take my word for it. Listen to what House Republican whip DENNIS HASTERT has said, on the record, quoted in the St. Louis Dispatch, June 9, 1996: ''After November, it will be a different story.''

So, for now, we see different Republicans. I am going to reach out to those different Republicans. Let's do something about pensions. Let's do something about paycheck security. Let's put more police on the beat. Let's do something about terrorism. Let's not back off of this taggant issue. Tag those explosives used in bombs. Let's work together on these issues. Let's go with President Clinton's idea to give our middle-class families a tax break for education. Let's put more investment into research for diseases like Alzheimer's and cancer and AIDS, and wipe these scourges off the face of the Earth.

We can to it. We can do it, I say to my friends in your new outlook, in your new desire to work. But I say to the American people, look out. Watch out for the disguise.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

A REPORT CARD ON SCHOOL BUS SAFETY

Mr. DEWINE. Mr. President, I rise today to communicate some very good news to my colleagues in the Senate. The good news is about an issue that I have previously talked about on two or three occasions on the Senate floor, the issue of schoolbus safety.

Over the last year and a half, I have been working on an important problem affecting the safety of America's schoolchildren. Mr. President, tragically, since 1991, at least six children have died in accidents involving defective handrails on schoolbuses. Other children have been injured.

My interest in this issue, Mr. President, came about because of a horrible tragedy in my home county in Greene County, OH. A little girl by the name of Brandie Browder was killed. She was killed because of one of these defective handrails and because the drawstring from her clothing was caught on that handrail as she was trying to get off the bus. She was stuck there, and unfortunately the bus ultimately ran over her.

We have been working for the last year and a half on this particular problem. As I indicated, we have made some, I think, very, very important progress.

Mr. President, ever since I learned about these accidents, we have been trying to warn communities, schools, and parents in Ohio and across the country about this danger. We have publicized some methods for reducing the risk to children, such as a test we use in Ohio to determine whether a handrail is safe.

Mr. President, I have also chaired two Senate hearings—two Senate hearings—to investigate this problem. At the most recent of these hearings, this past April, we displayed this chart. I might say, Mr. President, to explain this for a moment, the question, does your State remove schoolbuses with dangerous handrails? This was the status as of April, the red being ''no,'' the States that did not deal with this problem; the yellow being states that were dealing with this problem. This was an interim report. If we would have gone back a year before that, we probably would have seen virtually every State in the Union in the red with a ''no.'' So this was the progress as of April. You can see, Mr. President and Members of the Senate, at that time there were still at least 15 States that had these dangerous buses on the road.

Since that time I have been working with both my colleagues in the Senate and directly with officials in these States to see what we can do to fix this problem. We have come a long way. I am glad to announce today, that as of today, as you can see in this new chart, all States except one—all States except one—are taking active measures to get schoolbuses with defective handrails off the road.

Mr. President, as we approach a new school year, it is my hope that the last remaining State, the State of Georgia, will follow suit and will do this by the beginning of the school year. I have been working with Senator COVERDELL to bring this issue to the attention of the relevant officials in Georgia. We certainly hope that Georgia will take action soon.

Mr. President, we are close to a solution on the issue of defective handrails. I am encouraged by the cooperation I have received from my colleagues in this Chamber, and I want to help them for all the help they have given my office over the last year and a half. Let me stress that schoolbuses are already the very safest mode of transportation. They should be, because they carry the most precious asset that any of us have, and that is our children.

Mr. President, we do have to do everything we can to make them even safer. That is why I will continue to work on other areas of the schoolbus safety issue. But on this issue, Mr. President, we are very, very close to solving the problem. If we can continue working together in this effective, bipartisan manner, I expect to make a great deal more progress on school bus safety in the months ahead.

I thank the Chair and yield the floor.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. I thank the Chair.

(The remarks of Mr. THURMOND pertaining to the introduction of S. 2022 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

CONFERENCE REPORT TO ACCOMPANY H.R. 3230, THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

Mr. THURMOND. Mr. President, I want to urge the Senate to consider the conference report on the national defense authorization bill for fiscal year 1997 before we adjourn for the August Recess.

I need not remind my colleagues that the Constitution vests the power to raise and support armies, provide and maintain a navy and to make rules for the Government and regulation of land and naval forces in the Congress. We execute that power through the Defense authorization bill which is currently awaiting consideration by the Senate. The 1997 national defense authorization bill provides the funds and authorities for the Department of Defense to carry out its functions for the coming fiscal year. It is a good bill that provides critical funding for our forces deployed around the globe in support of our national security. It would be a travesty if the security and welfare of our forces is put at risk because of political squabbling in the Senate.

Throughout my 40 years on the Senate Armed Services Committee, it has been my philosophy that national defense is a bipartisan effort. The conference report that is pending before the Senate is a bipartisan effort. It passed the House last night by an overwhelming vote. It will pass the Senate in the same bipartisan vote if given a chance.

Mr. President, I urge my colleagues to work with the leadership to resolve the deadlock that is holding up consideration of the Defense authorization bill by the Senate. We owe it to the Nation, but more importantly we owe it to the men and women in uniform who are deployed to the trouble spots throughout the world.

Mr. President, I would also like to request that before the Senate recesses, it approve the military nominations that are pending. The nominations are not political and we must not allow these nominations, some of which are for critical positions, to be delayed any longer.

Thank you Mr. President. I yield the floor.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

THE HEALTH INSURANCE REFORM ACT CONFERENCE REPORT

Mr. HEFLIN. Mr. President, I am pleased to rise in support of the conference report to S. 1028, the Health Insurance Portability and Accountability Act of 1996. The road leading to this compromise has been long and tortuous, but I'm happy that the leaders in this effort have finally come to an agreement.

Over the past 5 years, the issue of health care reform has been at the top of our national agenda. The need for an overhaul in our health care delivery system was a centerpiece of the last Presidential campaign, and our inability to enact comprehensive reform legislation 2 years ago was a profound disappointment. At the same time, there remains a firm national consensus that something must be done to reform the health care system.

The Department of Health and Human Services estimates that between 32 and 37 million Americans have no health insurance, and an additional 50 to 60 million are underinsured. As stated by the Office of Management and Budget, a total of 13 percent of all Americans are completely uninsured, with as many as 28 percent without insurance for 1 month or more. The Labor Department reports that each year, 1 million people lose their health insurance.

As currently structured, the private health insurance market provides an insufficient level of coverage for individuals and families with major health problems and makes it difficult for employers to obtain adequate coverage for their employees. This is especially true of small businesses.

The Health Insurance Reform Act will reduce many of the existing barriers to obtaining insurance coverage by making it easier for people who change jobs or lose their jobs to maintain adequate coverage. As many as 25 million Americans will be helped by this legislation, since its protects portability and against losing insurance due to preexisting medical conditions.

This measure builds upon innovative and successful state reforms and enhances the private market by requiring health plans to compete based on quality, price, and service instead of refusing to offer coverage to those who are

in poor health and need it the most. It would also provide much-needed momentum for the more comprehensive reform that is still needed. Equally important, it would not increase Federal spending—because of offsets—impose new or expensive requirements on individuals, employers, or States, or create new Federal layers of bureaucracy.

This measure enjoys wide bipartisan support in Congress and from a host of organizations, including the National Association of Manufacturers, the U.S. Chamber of Commerce, the National Governors Association, the American Medical Association, the American Hospital Association, Independent Insurance Agents of America, and the Consortium for Citizens with Disabilities. Virtually every medical group in the country has endorsed the bill and the House passed it by an overwhelming vote of 421 to 2.

I want to commend Senators KENNEDY and KASSEBAUM for their outstanding leadership in bringing us this conference report. They have been tenacious and steadfast when it would have been understandable if they had just called it a day and moved on. It is a sound, targeted, market-based reform measure that will make it easier for millions of Americans to change jobs without the fear of losing their health coverage.

I must say that I share the disappointment of Senators DOMENICI, WELLSTONE, SIMPSON and others that their amendment guaranteeing parity of coverage for mental and physical conditions was dropped by the conference committee. I sincerely hope that the next Congress will again take a close look at mental health coverage and reconsider giving it parity. Too many citizens have mental health conditions that not only affect their personal lives, but also lower their productivity and lead to serious physical problems. This results in higher costs to the health care system and to employers.

While this bill does not make all the necessary changes we need in the health care system, it does make a series of valuable reforms that will make a discernible difference in the lives of millions of our citizens. It does so without interfering with those parts of the system which work and without taking away the ability of States to implement their own reforms. If we learned anything from the health care debate in 1994, it is that our system must be reformed gradually and incrementally. The Health Insurance Reform Act before us is an example of the kind of incremental changes that can be enacted step-by-step in a bipartisan, collegial manner. Hopefully, this will serve as a model for future legislative reforms to our health care system and prompt the two sides of the aisle to seek more ways of working together for the betterment of the Nation.

Again, I congratulate the managers of this bill and am proud to lend my support.

I thank the Chair and yield the floor.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

THE 104TH CONGRESS

Mr. PRESSLER. Mr. President, I was pleased to participate in an event this morning which summarized the events of the 104th Congress up to this date. It has been a very productive Congress.

This Congress is near the end of passing a major health reform bill which will provide for portability of insurance. It will also provide that a person with a preexisting condition gets certain considerations.

This Congress passed the first major welfare reform legislation since 1963 to initiate ''workfare'' and to help both the taxpayers and truly deserving welfare recipients.

This Congress also passed a major telecommunications reform bill—a sweeping bill that will creates jobs and moves us into the wireless age.

In addition, this Congress passed the freedom to farm bill which will end some of the bureaucracy and costliness of the farm program, helping both taxpayers and farmers, and will usher us into a new age of deregulated agriculture.

The 104th Congress also passed several other bills of great note making the last 18 or 19 months probably the most productive of any 18 or 19 months that I have seen in the recent history of Congress.

I think that this fiscally responsible approach this Congress has taken has resulted in a prosperity and a confidence in the business community across the country. The business community knows that there is an effort to balance the budget, and we are moving closer to it. The business community knows that we have a Congress that is deregulatory in its intentions in legislation and that it wants to have a balanced budget and a sound fiscal policy.

But there is one more step that this Congress must take, and that is to pass legislation that will fully achieve a balanced budget.

I have been very proud to be associated with the Domenici budget here in the Senate. I proudly voted for it last year. It is a fair budget. It saves Medicare and Medicaid for our senior citizens. It move us to a real balanced budget with real numbers by the year 2002.

Mr. President, the national debt has spiraled upward to more than $5 trillion. Twenty years ago it was $524 billion—only about one-tenth of what it is today. The annual interest on the debt now exceeds $340 billion. It is unfair to us and especially to the future generations of taxpayers to allow the debt to continue on this course.

While the Congressional Budget Office recently revised its deficit estimate for fiscal year 1996 downward to $130 billion, one needs to be careful to note the true sources of this deficit reduction. As pointed out by the distinguished chairman of the Senate Budget Committee, Senator DOMENICI, a large part of the decline was a result of greater fiscal restraint by Congress, which blocked a number of White House spending proposals. Further, the deficit is expected to be lower due to revised technical assumptions and revisions in economic forecasts.

Though this represents progress, let us not kid ourselves. We certainly do not have a settled fiscal policy that will bring an era of unceasing deficits to an end. As the Congressional Budget Office has warned,

> . . . the retirement of the baby-boom population starting about 2010 will put severe pressure on the budget. CBO projects that, if spending and revenue policies are not changed, deficits and debt will soar to unprecedented levels in the following 20 years.

In response to this situation, Mr. President, I have supported and voted for measures that slow the growth of Government across the board. I also voted for the constitutional amendment to balance the budget and line-item veto authority for the President. I am pleased the line-item veto is now law. Yet the most important vote I cast in this Congress was for the Balanced Budget Act of 1995. This bill would achieve a balanced budget in 7 years, reform the costly welfare program, preserve Medicare for seniors, and reduce the tax burden on American families and small businesses. Regrettably, President Clinton vetoed the Balanced Budget Act. This is unfortunate. Each day we fail to pass a balanced budget, we add the cost of doing so on the next generation.

Mr. President, despite last year's veto, I am proud that the Senate continues to move forward in our efforts to achieve a balanced budget. Just a few months ago, we adopted a budget resolution for fiscal year 1997 that maintains our commitment to balance the budget by 2002. If we stick to this plan, we will achieve a $5 billion budget surplus in the year 2002 and, for the first time in decades, bring about a reduction in the national debt.

In addition, this resolution calls for much-needed reforms in the areas of welfare and Medicaid while continuing to allow the programs to grow at a fiscally responsible pace. This budget plan would maintain our commitment to low-income families, seniors, college students, and small businesses.

I am especially concerned with preserving and strengthening the Medicare Program. My mother is a senior citizen. I will be a senior citizen as well in the not-too-distant future. Under the Senate plan, Medicare would increase at an annual rate of about 6.2 percent—nearly twice the rate of inflation. Spending for each Medicare beneficiary would increase from $5,200 per person today to $7,000 per person in 2002. Just as important, we would preserve Medicare for years to come, and quality health care would continue to be provided to those seniors who need it.

Finally, our budget plan calls for tax relief in the form of a permanent, $500-per-child tax credit for families. Millions of middle-class families across the Nation would benefit from this measure. A family with two children, for example, would be given the opportunity to invest or spend as they see fit the $1,000 that otherwise would have been paid to the Federal Government. This is the way it ought to be. This is a true middle-class tax cut. In fact, the tax credit would be phased out for unmarried individuals with incomes over $75,000 and couples with incomes over $110,000.

Mr. President, not many days remain in the 104th Congress. I sincerely hope that before we adjourn, this Congress and the President will be able to agree on legislation to assure a balanced budget by 2002. Our Nation's economic future and the quality of life for the next generation depend on a balanced budget. We must not lose sight of this goal and we must not delay. I urge my colleagues to give their full support for legislation to implement this budget and to push forward in our efforts to ensure economic growth, more job opportunities, a higher standard of living, better opportunities for our children, and a country free from ever-increasing debt.

TRIBUTE TO SOUTH DAKOTA NATIONAL GUARD 57TH TRANSPORTATION DETACHMENT

Mr. PRESSLER. Mr. President, it is with a great sense of pride that I rise to pay special tribute to Capt. Andy Gerlach, Pfc. Jess Berg, Specialist Travis Nelson, Sgt. Alan Kludt, Sgt. Glenn Nordemeyer, Specialist Fred Emmetsberger, Sgt. Jim Aarstad, and my nephew Specialist Steve Pressler. These eight dedicated South Dakotans are members of the South Dakota National Guard 57th Transportation Detachment. Today, they will return to South Dakota after having been the only Guard unit from South Dakota called to serve as part of the peacekeeping mission in and around Bosnia. The 57th Transportation Detachment was called to active duty in December 1995 with the primary responsibility of supporting rail operations in Bamberg, Germany. The 57th coordinated the movement and transportation of military personnel, materials, equipment, and supplies to Bosnia.

Mr. President, all South Dakotans are proud of these eight outstanding guardsmen. As a Vietnam veteran, I have deep respect and high admiration for these young men. I am sorry I cannot be in Brookings, SD, personally to welcome them home and see them reunited with family and friends. The men of the 57th have done their duty to their country with professionalism and dedication. South Dakotans always have been ready to answer their country's call to duty. The men of the 57th are a shining example that Americans stand ready to defend the interests of their Nation and their values. I am confident the 57th will continue to serve South Dakota and our Nation in an equally outstanding manner in the future.

NATIONAL DEFENSE AUTHORIZATION ACT

Mr. WARNER. Mr. President, I rise to speak on behalf of the 1997 defense authorization bill. I am privileged to serve on the committee with the distinguished chairman, Mr. THURMOND, of South Carolina, and the distinguished ranking member, Mr. NUNN, of Georgia, and I wish to compliment them, together with their senior staffs, for putting together an excellent bill and conference report. It is my hope and expectation that conference report will be voted on favorably by this body very shortly.

Mr. President, as we deliberate this bill, let us put ourselves in any of 10 places beyond the shores of this country where men and women of the Armed Forces are standing guard, or actually in some instances basically looking down the rifle bore of a potential enemy, but standing guard and taking those risks in the cause of freedom.

It is for that reason I so fervently hope this body turns to the defense authorization conference report and passes it this afternoon such that it can go on to the President from the Senate and the House and receive the President's signature and be enacted into law.

This conference report goes a long way towards ensuring that our Armed Forces will remain capable of meeting the many challenges that lie ahead. Let me dwell on that for a moment—challenges that lie ahead. Today, we have the finest equipment for the men and women of the Armed Forces, but it takes basically 10 years, 10 years from the drawing board until the next generation of weapons systems are delivered by the American industrial base. And we are proud to have in this country the finest industrial base in the world. But it will take them 10 years from drawing board to delivery to the men and women of the Armed Forces.

Our actions today ensure that those young men and women today barely in their early teens will have that equipment when they, hopefully, volunteer to assume their role on the ramparts not only of this country but across the world to achieve freedom.

To achieve this goal the conferees had to add $11.2 billion to the Clinton administration budget request. We concentrated those additional funds on just that, providing the research and the development, from the drawing board to providing the funds for the production lines all across the America for airplanes and ships and missiles, trucks, tents, and the like for our men and women of the Armed Forces 10 years hence.

Earlier today I had the opportunity to talk by phone to Secretary of Defense Perry. We discussed his mission to Saudi Arabia. Deep in the hearts of every person in this Chamber is the sadness for the loss of life due to terrorism—make it clear, Mr. President, terrorism—when those barracks were maliciously partially destroyed by a truck bomb.

The Secretary advised members of the committee that he is taking steps to ensure greater security for those troops, and, indeed, that requires moving from their present quarters to places elsewhere in Saudi Arabia. But that is what this money is for.

I must point out, however, that even with the funding added by the conferees, this year will mark the 12th straight year of declining defense budgets. The funding level in the fiscal year 1997 conference report represents a real decline of $7.4 billion from last year's bill. Just 12 months ago this Chamber acted on that piece of legislation and already there has been that significant depreciation in the spending level for the Department of Defense. To all of our critics I say that we have not increased defense spending. This bill merely lessens the rate of decline.

As I stated, U.S. troops are currently deployed in 10 separate military operations overseas. Despite the end of the cold war, we are calling on the men and women of the Armed Forces at an ever increasing rate to endure more and more separation from families. What a joy for Members of this Chamber to go home in the evening and join their wives and their children, and for millions and millions of other Americans wherever they may live. But so often the man or the woman in uniform is deployed beyond our shores and separated from that which he or she regards most precious in life—their family. They do that, as volunteers, so that we can have the exercise of free speech and all the other many blessings that this country enjoys.

Despite the end of the cold war, we are calling on these men and women, again, to take more and more deployments abroad. It is our responsibility, then, to provide our troops with adequate resources so they can effectively and, I underscore, Mr. President, safely—not only effectively, but safely—perform their missions. We must not now, tomorrow, or ever send them into harm's way without the best possible equipment.

The conference report which passed the House last night and is currently waiting Senate action provides for our troops, not only by adding desperately needed funding for the procurement, which I have addressed in the R&D, but also by funding vital quality-of-life initiatives such as the 3-percent pay raise for our troops, enhanced military medical benefits, and almost $500 million of budget requests for construction of improved quality-of-life housing, both for families and single troops.

Just remembering back in my own lifetime, having had the privilege to serve in uniform, the pay raise is particularly very important, particularly

when you are beyond the shores and your family is back here in the United States. That pay raise means the difference in their quality of life. I cannot tell you the emotional stress on a military person, separated from his or her family, beyond the seas, when they hear that pay raise could well be in jeopardy should this body, this afternoon or tomorrow, not pass this legislation. We owe a duty to those who volunteer to see that they are adequately compensated. I hope we will do that.

In addition, this conference report adds almost $1 billion over the budget request to provide defenses for our troops and our Nation against the very real threat that is in the R&D report, the real threat, particularly to forward-deployed troops, against missile attack. Those of us who visited the gulf operations during the gulf war saw firsthand the damage by the crudest type of ballistic missile, the Scud missile, that Saddam Hussein relentlessly fired upon our troops and those of our allies, and relentlessly fired upon Tel Aviv. Many of us here saw firsthand the devastation of those crude weapons.

We had in place our best defense at that time, barely off the drawing boards, barely off the production lines. We have an obligation to the men and women of the Armed Forces and, indeed, to all of our citizens and others deployed abroad to put our greatest strength of research and development into deterring these systems in the future.

I yield the floor.

The PRESIDING OFFICER (Mrs. HUTCHISON). The Senator from New Hampshire.

Mr. GREGG. Madam President, may I inquire of the Chair what the regular order is? Are we in morning business?

The PRESIDING OFFICER. We are in morning business with Senators permitted to speak for 5 minutes.

Mr. GREGG. I ask unanimous consent, then, to proceed for 15 minutes.

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

TERRORISM

Mr. GREGG. Mr. President, I wish to talk a little bit today about an issue which is on everyone's mind in America, which is the question of terrorism. I spoke briefly yesterday on this matter, but I wanted to expand on those comments because there is a great deal happening within this body and the other body and in the Government generally on how we react to this new world, which has brought this threat to us with such immediacy, as we see in Atlanta, as we see in flight 800. I think it is important to review what is happening here in the Federal response to it, where we should go from here, and also to talk a little bit about other areas that need to be addressed.

First off, the scope of the problem, I think, cannot be overestimated. The immediacy of the problem cannot be overstated. The fact is, we have stepped out of the cold war into a very hot war, and it is a hot war that involves people who have targeted Americans and American institutions with the intention of bringing physical harm to those institutions and to our citizens.

We should not be naive about this. We are a nation which has some wonderful characteristics. One of the great characteristics of our Nation is that we always believe in the best in people. We always give people the benefit of the doubt. We are an optimistic and upbeat country. It is our nature to think positively, not only about ourselves but about our neighbors throughout the world. That is a wonderful characteristic, and, hopefully, nothing will ever cause us to lose that better nature which makes up the American personality. But it is time, also, for us to be realistic. There are evil people out there. Unfortunately, there are also governments out there which fund, support, and endorse those evil individuals. There are people out there whose intention it is to kill Americans, to destroy American institutions simply because we are Americans.

Some of this terrorist threat is obviously domestic. But the domestic threat is a manageable threat. It is a containable threat, and it is one which I believe our institutions are well structured to address already. The FBI and the various State agencies which do law enforcement are well-tooled and well-experienced in how to address, to meet, to obtain intelligence on and to respond to, domestic terrorism and acts of violence. We, as a nation, have had this happen in the past.

I remember in the 1960's we had a group called the Weathermen, in New York. We have been able to respond. I do not have any question in my mind but that we will find the perpetrator of the bombing in Atlanta and we will prosecute that person, and we will do likewise relative to Oklahoma in the prosecution area and obtain a conviction, hopefully, if that is what the jury finds appropriate.

So, domestic terrorism is a very severe problem, but it is not the core threat that we face as a nation. The core threat that we face as a nation is internationally sponsored terrorist acts, because here you have individuals who are backed up by governments or by institutions or large groups of people who have the physical and economic capacity to wreak incredible harm on our country and our citizens. This international terrorism is a new breed of threat. It is something we as a country have not faced before.

As a result, we need to take a new look from a different view of how we approach the prevention, anticipation, and, hopefully, termination of this threat.

It was reported in the press today that there are actually functions camps in Iran that may have as many as 5,000 individuals who are specifically being trained for the purposes of executing terrorist acts, killing of Americans, killing of people from other cultures around this world that these fanatics, these criminals disagree with.

Now, whether that report is accurate, I do not know, but it is legitimate enough to have been put on the wire by a reasonable news source, and it is clearly reflective of the concern which we, as a nation, must be ready to address.

So, how do we address it? How do we address this new international threat, this new cold war which is now a hot war for us?

I think we have to begin by recognizing that as of right now, the Federal Government is not ready to address it. We have to acknowledge our weakness in this area. We have very good people at the heads of the agencies which are charged with the responsibility for anticipating and developing a response to international terrorism directed at the United States.

There are four primary agencies involved: the State Department, the Central Intelligence Agency, the Defense Department, and the Justice Department. There are also a lot of ancillary agencies that have a role in this—the Treasury Department, for example—but the four primary agencies are headed by good people, in my opinion, and they are all committed to doing something on this issue.

But the problem is that there isn't a comprehensive, systematic plan in place. There are, on paper, some systematic plans. For example, the National Security Council is, by law, charged very appropriately with the responsibility of organizing, orchestrating, anticipating the threat of terrorism and the response to the threat of terrorism. But it doesn't really do it in practice. In practice, it does very little, actually.

If you talk to each of the heads of the different Departments in charge here, they will tell you of their sincere interest in pursuing this and what their Department is doing. You can ask them, ''How are you interfacing with the other Department?'' And they say, ''Well, we're occasionally speaking on this point and speaking occasionally on this point,'' and it is almost always a personal-relationship-type exchange. There is no system in place, no management structure in place, no comprehensive plan in place which directs the response to the international terrorist threat. That has to be changed.

Now, in a bill that was reported out of the Appropriations Committee yesterday, the Commerce, State, Justice bill, which is the subcommittee I chair, we put in place a series of new initiatives in the area of fighting terrorism. Not new in some instances; in some instances, they were supportive of initiatives which were already in place. But the most important part of this proposal was that we have developed by the Attorney General a comprehensive plan which will be reported back to the

Congress by November 15 and which will outline how we are going to get these different agencies to work together.

I don't know if this proposal is going to go anywhere, because that bill, which subcommittee I happen to chair, is sort of at the end of the trail here as we move down the appropriations path, and it may not even get up until the end of September. As a practical matter, we really shouldn't have to have a law passed to tell the administration to do this. As a practical matter—and I don't say this to be derogatory because I don't intend to be, I hope it is constructive—as a practical matter, the President should meet with the Secretary of State, the Director of the Central Intelligence Agency, the Attorney General, and the Defense Secretary and require them to develop such a plan. And those meetings should continue on a regular basis with the heads of those agencies over a series of weeks and months until that plan is not only developed but being executed.

As a practical matter, we are not going to accomplish the goal of putting in place a systematic response from the Federal Government to the threat of international terrorism until we have the President of the United States driving his Department heads to accomplish just that in an organized way.

Having served as a chief executive at a State level—and it doesn't really work much differently at the Federal level; in fact, it probably is even worse at the Federal level as far as getting coordination going—I know from experience that unless the chief executive physically participates and demands a physical participation of the key department heads, then issues like this then get lost either, one, to inattention, or, more significantly and more often is the case, get undermined by the battles over turf.

An equally important initiative to having the President drive this process with his Department heads is that there must be put in place a system which accomplishes the follow-on followup that is necessary to produce results so that it doesn't depend on individuals in the end, but it is functioning as an element of an organized plan which can be executed by people no matter who is sitting in the key seats around the table. Unfortunately, none of that has occurred to date. I hope that it will occur soon.

In the meetings that have been going on this week on the special task force on terrorism that was set up where Members of the Senate, Members of the House, and the White House were meeting, along with the Justice Department, it was suggested we have a blue ribbon panel. I believe the House today will appoint a blue ribbon panel.

Now, I like blue ribbon panels as well as the next person, and I am sure a blue ribbon panel could be useful here to some degree, but the lead time for such a group is considerable, and we don't have to wait to get things started, to hear back from a commission, as good as it may be and as constructive as it may be.

There is a tremendous amount of coordination and planning that can begin now. It is not occurring now. There is a lot of planning and effort going on right now, I don't want to underestimate that. These Departments individually are doing a superior job in trying to get up to speed in their area of responsibility. But so often, the right hand doesn't know what the left hand is doing, and the left hand doesn't tell the left foot what it is doing, and the left foot doesn't tell the right foot what it is doing, and we all end up in different directions, and we end up in a pretzel-like position. And that is, unfortunately, what is occurring, to some degree, to our response of the overall issue of a comprehensive initiative.

So, yes, let's go forward with a blue ribbon commission, because I think it would be helpful to get outside review from people who are very knowledgeable on terrorism as to how to proceed. And yes, let's keep the energies going in the FBI, and the CIA, and in the State Department and in the Defense Department on various actions in their bailiwicks that can be taken to try to get their responsibilities in terrorism response proceeding effectively.

But at the same time, we need to have this comprehensive approach coming from the top, from the President, through the Secretariats, to the departments so that we have an integrated, cooperative effort and one that is focused. That is the most critical thing we need to do right now to address the international terrorist threat, which is huge and extraordinarily dangerous.

In addition to this comprehensive plan, within the bill that was passed out of the Appropriations Committee, we basically took five other steps, five other philosophical steps—or not philosophical because I think they are very tangible steps—steps to try to beef up the effort in fighting terrorists.

First off, we have given significantly more resources to the FBI to help it monitor terrorist groups in the United States and overseas. Obviously, the best way to stop a terrorist attack on the United States is to know when it is going to come and who is going to pursue it. But to do that, you have to have people. You have to have intelligence-gathering. Unfortunately, the intelligence-gathering capability by human beings, which is the way you really have to do it in this area of terrorism, has been significantly reduced, especially at the CIA.

However, the FBI, which our committee has jurisdiction over, is attempting to reach out to police forces around the world in order to use the resources of the police forces in various countries where terrorist groups may be organizing and to take advantage of their knowledge base, which is extraordinary, and thus multiply by hundreds if not thousands and actually tens of thousands their ability to obtain information.

The FBI is attempting to expand that pool of information-gathering by moving agents into international posts. In this bill we propose to strongly support that initiative so that we can begin to better anticipate who and where the threat is coming from.

It is an interesting thing. I met with President Mubarak yesterday, or Wednesday. There is a man who obviously understands and knows the threat of terrorism. One of his biggest concerns—and I would put it down almost as a gripe, and it is a legitimate one. Maybe I should not use the word ''gripe'' because it is a very legitimate frustration. His biggest frustration is that it is our democratic allies in Europe who have become the prime harborers of some of the most vicious murderers and terrorists.

He points to England and to some of the European Continent countries as being nations which, for whatever reason, have decided to allow to live within their shores people who are known to have an intention of committing terrorist acts and who have a stated policy of doing so relative not only to Egypt and to other modern Arab states, but relative to America.

So we are not talking about access to information in nations which maybe we have trouble dealing with. We are talking about getting access to information in nations who are our allies and maybe working with those allies to be a little more responsible in the manner in which they deal with individuals whom they have allowed into their countries and who may represent threats to our country.

The third issue which we attempted to increase the effort here in our bill is to create a better capacity for response, both at the Federal level and at the State and local level, to a terrorist event. In this area we are very concerned about terrorist events that might involve biological or chemical threats. So that is something we really need to focus in on.

This committee is trying to do that. We have created rapid response teams or increased the funding—they already exist—but increase the funding to allow us to have more capacity to move rapid response teams into positions where there is a local emergency.

In addition, we have significantly increased the effort to break down communication barriers between the Federal Government and the State governments and the local governments. Once again, you have this unfortunate atmosphere which develops amongst bureaucracies, whether they are law enforcement bureaucracies or social services bureaucracies, that is known as turf.

I remember when I was Governor of New Hampshire, one of my great frustrations was that we could not get the State police and the local police to even be on the same radio band so if a State police officer wanted to talk to a

local police officer while they were chasing a car at a high speed, they basically had to call in to headquarters and have the headquarters call out to the other police car. They could not talk to each other. It was a turf issue.

Unfortunately, that gets magnified hundreds and hundreds of times in innumerable circumstances. What we are trying to do is break down those barriers of communication so that we will have better communication between Federal, State, and local law enforcement on a two-way-street effort for information.

Fifth, we have attempted to increase the technological information and capability of the FBI. This is very important. We all know that we are dealing in a technological world and there are in the area of communications, in the area of detection, in the area of crime prevention, huge technological advances being made, and we have to stay current. So we are going to significantly increase that effort.

Sixth, it is our desire to make sure that our key facilities in the law enforcement and international community, international stage, are protected. So we have increased the funding for security at our courthouses, and, very important in my mind, we have increased the funding for security for our personnel who are serving overseas in our State Department.

I cannot and will not tolerate—and I do not think anybody in this body would tolerate—putting American citizens who are working for our Government in a post that has a fair amount of risk to it at an unnecessary risk. There are simple things that need to be done to help these people and protect their security and, equally important, protect their family security.

There is no reason why an American who is working for the State Department who has his or her family with him or her should feel that that family is not getting adequate protection from our Government if there is a threat occurring in that country to Americans. So we needed to increase that security effort. And we have done that.

So this bill, this State-Commerce-Justice bill, is a major step, in my opinion, but not a final step, hardly even a midway step really. It is just a part of the beginning steps, but a major thrust in the beginning steps toward getting together our counterterrorism effort. But as I mentioned earlier, it all depends to a great extent on the capacity of the administration to pull together these various agencies. And that has to start at the top.

Also in this bill were two pieces of language—three actually—that have been passed by the Senate relative to terrorism in order to give our police and law enforcement community more flexibility and more capability, which passed this body by 90 to 0. They were a multipoint wiretapping and another wiretapping right and also a study on taggants relative to tracing explosives and the institution of that. That language is also in this bill.

So it is a bill that has a lot of activity in the area of trying to address the terrorist threat. Specifically, the international terrorist threat is, I mentioned, the true concern, should be our true concern, in the area of trying to get ahead of this wave of potential violence directed at the United States. Now, on that score, the Government cannot do everything. The Government has never been able to do everything, in my opinion. It certainly cannot do everything in this arena. It is the primary player. The agencies which we have responsibility for have been described as the Defense Department in this area of counterterrorism. But there still has to be a responsibility among the communities of our citizenship. There still has to be a responsibility in our corporate community.

On that point, I have written, along with some of my colleagues who wish to join me, a letter to the companies who manage Internet access. As I mentioned yesterday, we all recognize that the Internet is the Wild West of information. I, for one, have absolutely no interest in regulating it. I think it would be a mistake. I think it would undermine the great potential of the new medium of education.

The fact is certain people are abusing the Internet. When you punch in the word ''explosive'' and trace that word on the Internet, you come up with something like 32,000 designations, of which 6,000—6,000—involve directions on how to make an explosive device, directions titled, such as, ''How to make a pipe bomb and leave it at your favorite airport or Federal office building.'' That is wrong.

What I have suggested in writing the leaders of these various entrepreneurial groups who are driving the economy of information, the information economy which is doing so much for our country, what I suggest to them, maybe it is time they gave a little thought here as to what type of access they are affording people relative to the Internet. Maybe they should create some sort of self-policing mechanism which says if something is clearly, clearly, on the Net for the purpose of explaining how to kill people, such as making a pipe bomb and leaving it at your favorite airport or Federal office building, that accessing that information should not be easy. It should not just involve typing in the word ''explosive.''

When they index these items, maybe they decide not to index some items, recognizing that is a type of censorship they may not want to participate in. In this instance, it may be appropriate. In any event, when they index these systems, whether it is Yahoo, Magellan, or Netscape, generally, or America Online or CompuServe or some Microsoft system, they ought to make it more difficult to get that type of information, that you ought to go through more hoops before you can access. Granted, that might not stop the truly committed individual, but it will certainly make it more difficult for the casual pursuer of this information. That is why I am sending this letter.

I am not sure what processes could be put in place. I think there ought to be some thought given. It should not come from the Government—in other words, the Government saying, ''You do this,'' as managers of the Internet, as people who create the access systems for the Internet. That will lead to all sorts of, in my opinion, more significant issues of freedom of speech and officiousness of Government.

This should be a self-policing exercise. These folks should have the common sense and the civic attitude to proceed to try to develop something. These are creative and imaginative people that have come up with these systems. If put in a room, I suspect they could come up with creative and imaginative solutions to this problem.

That is a brief summary—not that brief, actually—but a summary of where we stand in the counterterrorism exercise relative to the FBI, especially, but it is my concern relative to this administration and how it should pursue it and the Internet, and how it should be addressed in that arena.

I yield back the balance of my time.

The PRESIDING OFFICER. The Senator from Pennsylvania.

IMMIGRATION REFORM

Mr. SPECTER. Madam President, I have sought recognition to discuss briefly one of the aspects of the immigration conference report which will come before the Senate either today or shortly after we return from recess. I think that it is very important that we reform our laws to provide increased resources to protect our borders and combat illegal immigration.

Nevertheless, I have been very much concerned about a number of provisions of the immigration bill. The provision which concerns me the most is the so-called Gallegly amendment, which would give the States the option to limit education opportunities to children of illegal immigrants. In my opinion, it is unthinkable in America to deny education to any children, regardless of their status, whether their parents are illegal immigrants.

That is something I feel particularly strongly about because both of my parents were immigrants. My mother came to this country as a child of 5 with her parents from a small town on the Russian-Polish border. My father came from Ukraine Russia, literally walked across Europe with barely a ruble in his pocket, sailed steerage—the bottom of the boat—to come to America to make a better life for himself. He did not know at the time he had a return trip ticket to France, not to Paris but to the Argonne Forest, where he fought in World War I as a buck private, to make the world safe

for democracy, and carried shrapnel in his legs until the day he died.

My parents had legal status as immigrants, but sometimes that is a hard thing to determine. I do not think any child ought to be deprived of educational opportunities because of the status of his parents, even if they are illegal immigrants.

I have been strongly opposed to the Gallegly amendment. I have agreed to sign the conference report, however, because of a significant change which I have insisted upon. That change is that, in addition to some other modifications which have already been made for a child in the first grade to complete the sixth grade and a child in the seventh grade to complete the 12th grade, the modifications I pressed to have included, and I think have been included by agreement, would provide for a comprehensive study to be conducted by GAO, the General Accounting Office, at the end of 2½ years, which would determine what impact the Gallegly amendment had on the children who were excluded from education, what impact it had with respect to juvenile delinquency, the crime rate, what impact it had on their educational status, what impact it had on their family status, and what impact it had on reducing illegal immigration. Following release of the study there will be a mandatory vote on repeal of the Gallegly provision in the Congress, both Houses, within a very short period of time, whatever the results of the GAO report may have been.

If the Gallegly amendment was not repealed on that vote, then there will be a similar study after 5 years, and then another mandated automatic vote on the repeal of the Gallegly provision by the Congress.

It is my judgment, Madam President, that if the Gallegly amendment is subjected to a vote at 2½ or 5 years, it would be repealed by the Congress and signed by whomever might be the President. Whether it is President Clinton or Senator Dole, the then President would sign it. I think if the Gallegly amendment were standing alone now, it would be rejected by the Congress.

I do not think that the entire immigration conference report ought to be rejected because of this single provision, considering the modification that I have presented, which, as I say, I think is being accepted and will be in the conference report. I wanted to make that brief explanation.

I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader is recognized.

THE STALKING BILL

Mr. DASCHLE. Madam President, I know the majority leader will be here shortly. I look forward to the opportunity to discuss the schedule for the remainder of the day with him when he comes.

Let me just say that I apologize for not having the opportunity to have been here this morning. I know there have been a number of discussions underway with regard to the schedule and individual issues.

The distinguished Senator from Texas, the Presiding Officer, made a number of points this morning regarding the stalking bill that she has made in the past. I am told she suggested that her stalking legislation, which passed the Senate last week after an amendment to the bill was worked out, is being held up in the House and that she referred to a commitment I made to her to try to help her get it passed. I am told she suggested that, because the bill has not cleared the House in the last week, that I have not lived up to that commitment.

As several Senators pointed out earlier this morning, sometimes it takes more than a week for the other body to act. At any rate, I understand that the problem is not as dire as earlier suggested—and that the circumstances surrounding this stalking legislation certainly do not warrant objections to action on the Executive Calendar. I wanted to confirm this, but I can now say with authority—I have the references before me —that the entire language of the Senator's stalking bill, word-for-word, is currently in the defense authorization conference report that is in the Senate. This language was apparently accepted by the House and Senate conferees. She was one of those conferees, so I am sure she understood that.

I am confused as to why that was not recognized this morning, yesterday, or at some point, because she made quite a point of saying that we had not worked in good faith. Well, clearly, the conferees were there and could have objected to the inclusion of that language, and they did not. So the language is in the defense authorization conference report, and I hope that she feels that that represents a fairly significant development in terms of getting her policy accomplished. I am very disappointed that the other half of the stalking legislation that passed last week—the amendment of the Senator from New Jersey that she praised so strongly and so appropriately the other night —was not included. The Senator from Texas has given me her word, as has the majority leader, that they would work with us to get that legislation enacted as well. I know that she will live up to that commitment, just as the majority leader and I have attempted to work in good faith to live up to ours.

The reference, I might point out, to the Senator from Texas's stalking language is section 1069 of the defense authorization conference report. The page in the CONGRESSIONAL RECORD, dated July 30, 1996, was page 9055, in the House section.

I ask unanimous consent that that section of the conference report be printed in the RECORD.

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

SEC. 1069. PUNISHMENT OF INTERSTATE STALKING.

(a) IN GENERAL.—Chapter 110A of title 18, United States Code, is amended by inserting after section 2361 the following new section:

"§ 2261A. Interstate stalking

''Whoever travels across a State line or within the special maritime and territorial jurisdiction of the United States with the intent to injure or harass another person, and in the course of, or as a result of, such travel places that person in reasonable fear of the death of, or serious bodily injury (as defined in section 1365(g)(3) of this title) to, that person or a member of that person's immediate family (as defined in section 115 of this title) shall be punished as provided in section 2261 of this title.''.

(b) CONFORMING AMENDMENTS.—Title 18, United States Code, is amended as follows:

(1) Section 2261(b) is amended by inserting ''or section 2261A'' after ''this section''.

(2) Sections 2261(b) and 2262(b) are each amended by striking ''offender's spouse or intimate partner'' each place it appears and inserting ''victim''.

(3) The chapter heading for chapter 110A is amended by inserting ''AND STALKING'' after ''VIOLENCE''.

(4) The item relating to chapter 110A in the table of chapters at the beginning of part I is amended to read as follows:

"110A. Domestic violence and stalking 2261".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110A of such title is amended by inserting after the item relating to section 2261 the following new item:

''2261A. Interstate stalking.''.

THE SENATE'S SCHEDULE

Mr. DASCHLE. Madam President, let me just say that while I did not hear all of the discussion this morning, I heard about it. I only say that we are prepared this afternoon to work with the majority leader to pass the conference report on minimum wage, to pass the conference report on health care, with the understanding that the last-minute, nonauthorized addition of a provision dealing with a certain drug patent would be removed from the conference report, and to pass the conference report on safe drinking water. We would be prepared to do that, along with the CFTC nominations, and the item on the Executive Calendar dealing with the nominee for the district judgeship in Minnesota.

So that is a good deal of work this afternoon. I see that the majority leader is here. We had the opportunity to discuss this matter earlier, and I look forward to resolving the matters I have just mentioned with him. We are prepared to enter into a colloquy at this time. I yield the floor for that purpose.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Madam President, I apologize to the minority leader for not being here. I got waylaid by the Secretary of Defense, who is anxious about some nominations, particularly the Chief of Naval Operations. I talked

with him on that and some other matters. As I understand it from our discussion, we would be prepared to move the nomination of the judge, the CFTC nominees—two of those—and then go to the health insurance conference report.

Mr. DASCHLE. If the distinguished majority leader will yield, as I understand it, our staffs have discussed the matter and the way in which it would come up. There would be a correcting resolution that would be offered, and we would consider that, and it is my understanding that we would then hold the bill until the House has passed the correcting resolution. But in that time we could take up the other legislation as well.

Mr. LOTT. I think there may be a problem with that, but I would like to discuss that some more in a moment.

After that—after we work through however we are going to handle the health insurance conference report and get a time agreement, I presume—and some Senators want to be heard on that, like Senator DOMENICI and Senator WELLSTONE, and Senator SPECTER has an interest there, too—then we would go to the safe drinking water conference report, and small business tax relief, which includes the minimum wage conference report.

I think we do need to talk further about how to handle the health insurance conference report with regard to the Con. Res.

I would like to ask specifically about the military nominations. I understand there is a lengthy list of generals, colonels, majors, whatever, but most importantly, the Chief of Naval Operations. I understand there is a real need for that to be filled.

Mr. NUNN. And the space command general, also.

Mr. LOTT. I would be glad to yield to the Senator from Georgia.

Mr. NUNN. I was going to inquire about the nominations. I see the chairman of the Armed Services Committee on the floor. I know we would both want to inquire about whether we would have the chance to pass the defense authorization conference report, passed by the House last evening, which I believe the Senator from South Carolina believes we can pass within an hour, maybe a shorter time than that.

Mr. THURMOND. Madam President, the House passed the defense authorization bill yesterday in one hour. I think we can pass it here in one hour. All I ask is that my colleagues not object to bringing it up. This is a matter of deep concern to the whole Nation, to those in the service, and to the defense of our country.

We need to take this bill up and pass it. It has a lot of things in it that need to be acted upon. We also have some military nominations, uniform people. There is no reason in the world to hold them up. These are nonpartisan matters. They don't affect anybody personally, but they affect the whole Nation. I hope we can get this bill up, pass it briefly, and send it on to the President.

Mr. LOTT. Madam President, does the Senator wish to respond on the possibility of getting these nominations considered this afternoon?

Mr. DASCHLE. Well, Mr. President, I would be happy to respond. We want very much to be able to clear the calendar of all nominations. We would like very much to deal with all of the military nominees and promotions. They are nonpolitical. The majority leader has pledged that for the entire month of July he would like to deal with the nonpolitical nominations on the judiciary as well. I am sure we can work out an arrangement whereby the military and judiciary—all the nonpolitical nominations—can be dealt with. I look forward to working with him and both of you to see that that happens this afternoon.

It is also my hope that we can deal with a number of conference reports. Our desire is to try to accelerate these considerations. An hour would work very fine with us. If we can work out an arrangement where that can be done, I look forward to taking that up today.

Mr. THURMOND. Since defense is a nonpartisan matter, and Senator NUNN, the ranking member of the committee, favors going ahead, and I as chairman favor going ahead, and it is purely nonpartisan—that is the way we handle defense, and that is the way it should be handled—why not take it up and pass it? We can get through with it in an hour.

Mr. DASCHLE. I agree.

Mr. THURMOND. Do you object to bringing it up? Don't put it in the category of other things. Keep defense as a nonpartisan matter. That is what we are trying to assure that ought to be done.

Mr. DASCHLE. That is right. We want to keep it nonpartisan.

Mr. THURMOND. Everything is not nonpartisan. This affects the whole Nation. This affects the defense of this country.

Mr. DASCHLE. I understand, and the chairman knows that better than anyone does. He has worked admirably to get to the point where consideration of the conference report could be taken up this afternoon in a nonpartisan way. Both the ranking member and the chairman have done an excellent job. But I must say we have worked together all month long on a whole range of bills. A lot of what we have done this month he has cooperated on. We have cooperated in a nonpartisan way in getting the defense bill to this point.

Mr. THURMOND. Please do not put defense in the group of these other things. This is nonpartisan. This is for the good of the whole Nation. Everybody feels defense is nonpartisan. Why not bring it up now? We could pass it in 1 hour.

Mr. LOTT. Madam President, if the distinguished chairman of the committee will allow me, we will continue to work on that. I am very much committed to getting the defense authorization conference report considered. It should be done. I want to have it done. I cannot allow it to be tied to political judges.

I cannot help but smile when my distinguished colleague and good friend, the minority leader, refers to judges as nonpolitical. Give me a break. But we have worked together through thick and thin for the last month. We will keep doing that.

So let me try this for now. Perhaps we could go ahead and do the judge, the CFTC, and go ahead and go to the safe drinking water conference report, because everybody is for that. We can get started. And we will talk about these other two during that time.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. LOTT. With that agreement then, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nomination on the Executive Calendar: No. 512, the nomination of Ann Montgomery to be U.S. District Judge for the District of Minnesota.

Further, I ask unanimous consent that the nomination be confirmed, the motion to reconsider be laid upon the table, and the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The nomination was considered and confirmed as follows:

THE JUDICIARY

Ann D. Montgomery, of Minnesota, to be United States District Judge for the District of Minnesota.

Mr. LOTT. I ask unanimous consent that the Senate immediately proceed to consider the following nominations on the Executive Calendar: Calendar Nos. 596 and 597, Brooksley Elizabeth Born to be chairman of the CFTC, and Calendar No. 598, David D. Spears to be a commissioner of the CFTC.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senate proceeded to consider the nominations.

Mr. LOTT. Madam President, I just want to note here on that one that it has been pending for a long, long time. A lot of cooperation was involved in the CFTC. I am glad we finally have been able to work through the problems that we had.

I further ask unanimous consent that the nominations be confirmed, the motions to reconsider be laid upon the table, that any statements related to the nominations appear at the appropriate place in the RECORD, that the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

The nominations were considered and confirmed as follows:

COMMODITY FUTURES TRADING COMMISSION

Brooksley Elizabeth Born, of the District of Columbia, to be a Commissioner of the Commodity Futures Trading Commission for the remainder of the term expiring April 13, 1999.

Brooksley Elizabeth Born, of the District of Columbia, to be Chairman of the Commodity Futures Trading Commission.

David D. Spears, of Kansas, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 2000.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

SAFE DRINKING WATER ACT AMENDMENTS OF 1996—CONFERENCE REPORT

Mr. LOTT. Madam President, I ask unanimous consent that the Senate now turn to the conference report to accompany S. 1316, the safe drinking water bill, that the conference report be considered as having been read, and it be in order for me to order the yeas and nays on the adoption of the conference report at this time.

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

The report will be stated.

The legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1316) to reauthorize and amend title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act''), and for other purposes; having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of August 1, 1996.)

Mr. LOTT. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is sufficient second.

The yeas and nays were ordered.

Mr. LOTT. I ask unanimous consent that the vote occur on the adoption of the conference report at——

Mr. DASCHLE. If the majority leader will yield, I think we need to check with our colleagues for a brief period of time to determine the length of time that may be required to talk on this bill. I know of little opposition, if any, but I do know of a number of Senators who have expressed a desire to speak for the legislation. And so we would not be prepared to enter into a time agreement, but I do not think it will be that long.

Mr. LOTT. Madam President, let me say then that the time for vote will be announced later on today after consultation between the minority leader and myself, and I ask unanimous consent that whatever time is taken up, that it be equally divided between Senators CHAFEE and BAUCUS or their designees.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. Madam President, while we are waiting for the managers of this bill to come to the floor, we will work on these other issues.

I am glad to yield to the Senator from Minnesota.

Mr. WELLSTONE. I thank the Senator.

Madam President, I would like to thank the Chair, and I would like to thank the majority leader for discussions and bargaining in good faith. I very much appreciate the action taken. I thank you.

Mr. LOTT. I observe the absence of a quorum, Madam President.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CHAFEE. 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. CHAFEE. Madam President, could I ask what is the pending business?

The PRESIDING OFFICER. The conference report on the Safe Drinking Water Act.

Mr. CHAFEE. Madam President, I am prepared to enter into a time agreement of 1 hour equally divided.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The agreement is 1 hour equally divided.

Mr. CHAFEE. Madam President, I will control the time on our side.

I ask the Chair that I be notified when I have used 8 minutes of my time.

The PRESIDING OFFICER (Mr. COVERDELL). The Chair will notify the Senator when 8 minutes has expired.

Mr. CHAFEE. Mr. President, I am pleased to join with my colleagues in the Environment and Public Works Committee in bringing the conference report of the Safe Drinking Water Act before the Senate. The committee has been working on this since 1993, and our efforts have received broad, bipartisan support at every step. I particularly pay tribute to the ranking member of this committee, who was the chairman of it during the prior 2 years, the senior Senator from Montana, Senator BAUCUS. He has done an excellent job and has been a real stalwart in achieving reforms to the Safe Drinking Water Act. What we have before us is, to a considerable extent, based upon the fine work he did while he was chairman and the committee was under his guidance.

We all agree reform of the Safe Drinking Water Act is necessary. Public health has been strengthened, there is no question, over the standards that have been issued over the past several years. But these new standards and new treatment have put a strain on the water suppliers. This bill includes many provisions to ease that burden.

What is in the bill? There is a drinking water revolving loan fund that the President first recommended. In addition to all that, the States are authorized to reduce monitoring costs by developing their own testing requirements. The States may grant variances to small systems that cannot afford to comply with the national standard. We are not rolling back any health protection that is now provided. No existing standard will be weakened.

In addition to the SRF grants, there are new programs to prevent pollution at the source. This program lets the cities and towns go to the headwaters and see if they cannot clean up the pollution there, rather than permitting the pollution to come down the river and then the city has to invest in a very, very expensive water purification plant. All of that makes sense.

The bill pushes hard for more and better science, including research programs to determine whether some groups, like children or pregnant women or people with particular illnesses, are likely to experience adverse affects from drinking water contaminants.

Before describing the major provisions in detail, I wish to thank our colleagues for the hard work they have done. Particularly, I thank Senator KEMPTHORNE, who was chairman of the subcommittee that dealt with this bill. Senator KEMPTHORNE, over many months with great patience and superb knowledge of this bill, brought forward this legislation which we now have before us, in essence. His efforts in behalf of State and local governments and others is widely recognized. The trust that Senator KEMPTHORNE had built up with local officials was, I believe, essential in achieving the compromise that is always necessary when you sign a bill into law.

Senator REID, the ranking member of that subcommittee, was a partner in that effort and did excellent work. I mentioned the fine work that Senator BAUCUS has done, and Senator WARNER, likewise, and others.

I also want to thank the House leadership that we worked with, Chairman BLILEY and Congressman DINGELL and WAXMAN and others who are, obviously, members of the conference committee.

We had help from the office of water at the EPA, including Bob Perciasepe, who heads the drinking water office.

Mr. President, if somebody were to ask what is the one thing we can do that will most improve the safety of drinking water in the United States, I think the answer would be help the small systems. There are 54,000 small drinking water systems in the United States, in trailer parks, in villages, in small communities. There are thousands of these systems that are operated by very small towns. Many of these very small systems do not have,

obviously, the technical or financial resources to consistently provide safe drinking water. They cannot keep up with the testing and monitoring and determining which contaminants are and which are not so dangerous over a short period of time. The operators have little or no training.

These small systems have been overwhelmed by the regulations imposed by the existing Safe Drinking Water Act, so the conference report that we are bringing before us now, and passing, hopefully, in a short time, addresses the problems of these small systems. How? First, as I mentioned, a grant program, a State revolving loan fund starting off at $725 million, that is for 1 year, provides Federal assistance to build treatment plants, if that is what is required in these communities. This system was proposed in 1993 by President Clinton. As I say, we authorize it for $1 billion, hopefully with an appropriation this year of $725 million.

That is the first big thing. The second is that each State adopts what they call a capacity development strategy, to help these small systems. A State strategy might include what the State decides when they ask, what can we do to help each of these small communities? It is not always necessarily money for investment. Sometimes it is money for training the operators in these small communities, or technical assistance on how do you develop a new safer water supply. It may be the ground water in the present area is contaminated but there may be other sources, deep wells or whatever it might be, that could produce new and safer water. So we are relying on the States to take the lead in designing this capacity enhancement strategy.

What are some of the other things that can be done under this bill? The States are authorized to grant variances to small systems that cannot comply with the stiff requirements you impose on the big cities where they can afford it. A portion of the SRF funds may be set aside for technical assistance, as I mentioned before, the cost of training operators. And the States may reduce the monitoring requirements. There is no point in testing constantly for a substance that never occurs in a certain section of the country. Why make the small systems constantly go through that monitoring for a contaminant that is not found in that section of the nation, as I mentioned before?

When we brought this bill before the Senate it passed 99 to nothing. The House, in many provisions, included our language word for word, for example, in the standard setting. The standard setting is based upon science and technology that I believe makes much more sense than the existing situation. For some contaminants, this approach to standard setting can impose large costs nationwide while producing only small gains. So we believe the science approach that we provided will reduce those large investments that have to be made.

So, I believe we have here an excellent piece of legislation. Again, I congratulate my colleagues.

The PRESIDING OFFICER. The Chair advises the Senator from Rhode Island his 8 minutes have expired.

Mr. CHAFEE. I thank the Chair for notifying me. We will hear from other Members of our side who will have an opportunity to speak.

The PRESIDING OFFICER. The Chair recognizes the Senator from Montana.

PRIVILEGE OF THE FLOOR

Mr. BAUCUS. Mr. President, I ask unanimous consent that Jan Harrington and Mike Burton, both fellows in Senator Bob KERREY's office, be granted the privilege of the floor during the consideration of the conference report on this subject.

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

Mr. BAUCUS. Mr. President, I, like my good friend and chairman of the committee, Senator CHAFEE, strongly support the Safe Drinking Water Act Amendments of 1996.

We all know that the Safe Drinking Water Act needs to be reformed. We have heard all kinds of stories. They are largely true. We have had problems in many of our cities, our large cities. We heard about Milwaukee, Washington, DC, and the cryptosporidium problems, as well as some problems in small communities.

It is basic, it is fundamental: Americans should be able to drink their water and rest assured that the water they drink is safe, that they will not get sick, whether they are in the comfort of their own home or whether they are visiting the Nation's Capital or wherever they might be in our country.

The current version of the Safe Drinking Water Act, is helpful in this direction, but, in many respects, it produces more paperwork than it does progress. It is my belief that this conference report helps change that.

What does it do? First, it reforms the regulatory process. This is very important. It makes it much more streamlined, and reduces redtape. It cuts monitoring costs. This is extremely important. The monitoring costs for some contaminants are extremely high, and Americans would be amazed at how expensive it is.

The bill also creates a new revolving loan fund so communities will have the resources to get the technology they need. It also requires water systems to give the people they serve more information about the quality of the drinking water the system provides. Consumers will have more notice and more information. And the bill addresses operator training. It is important to have operators who know what they are doing.

Overall, it cuts redtape and, at the same time, increases the protection of public health.

Senator CHAFEE has described some measures in detail. I agree with his assessment. I think this bill is a solid compromise. In praising it, I would like to emphasize two points.

First, as has been stated, this bill is especially important to rural States, to small communities. In my State of Montana, we have over 900 separate drinking water systems. Almost all of them serve fewer than 10,000 people.

Some of the systems serve trailer parks and remote clusters of homes. They are operated part-time by folks who are just trying to be good neighbors. They are very small systems.

The current version of the law requires small drinking water systems to install the same treatment technology as large urban water systems that serve hundreds of thousands of people. In some cases, this doesn't make sense. Small systems do not benefit from what economists call ''economies of scale.'' That is, they cannot spread their costs among a large number of ratepayers. The same high cost of technology has to be spread among fewer ratepayers, resulting in a much higher cost to the ratepayers.

If we force smaller systems to use big-city technology, not only can they not afford the cost, but they will go under. What will that mean? That means people in the area have to revert to using unhealthy well water, not water which is treated, but well water which is untreated.

This point was hammered home to me by the head of the Montana Rural Water Association, Dan Keil. I will never forget meeting with Dan about 6 years ago. He told me about legitimate problems with the Safe Drinking Water Act. We were in the Heritage Motel in Great Falls, MT. He made a very deep impression upon me.

I know Dan Keil is very happy today, now that the Senate is finally, 6 or 7 years later, dealing with the problem that needed to be addressed. At that time, he explained to me how impractical some of the present requirements are. I looked into it, and I agreed with him, they are impractical.

We are now dealing, I think, with most of those problems. One of the most important issues is the variance provision in this conference report. Here is how it works.

If a system has 10,000 people or fewer, they may request a variance to install special small-system technology identified by EPA. That is important. That means that a small system that cannot afford to comply with current regulations through conventional treatment can instead comply by installing affordable small-system technology.

The States review the variance to ensure the technology adequately protects the public health. In those cases where the system serves between 3,300 people and 10,000 people, the variance must be approved by the EPA. That is going to help. It is going to help address the twin objectives of protecting public health and using cost-efficient technology.

Second, over the last few years, there has been a lot of talk about reforming

our environmental laws. No doubt about it, although our laws are quite good—they help make the water in our country cleaner and more pure and the air we breathe more healthy—they need some reform. They are a bit outdated.

One noteworthy provision in this bill is transferability. What does that mean? Essentially, the provision allows a State to transfer dollars from the revolving loan fund in the Clean Water Act to the new revolving loan fund in the Safe Drinking Water Act. A State can loan the funds to a community that can use those dollars to pay for technology that it needs to address some of the problems in the drinking water.

A State can do the opposite, too. They can transfer from the Safe Drinking Water Act loan fund to the Clean Water Act loan fund. This provides more flexibility to allow a State to meet its needs, or a community to meet its needs. Washington, DC, is not passing something on to the States that has been described in the past as a one size fits all, view, but rather giving a lot more flexibility to States. This is extremely important.

Another innovative provision is radon. Radon has been a vexing problem because, the proposed radon standard for water is tighter than the amount of radon that occurs in outdoor air.

Radon affects people in their homes. We have basically come up with a multimedia. It allows States to set a lower standard for radon in drinking water only if the State has an alternative indoor air program that achieves just as much public health protection as the drinking water standard would achieve.

In conclusion, Mr. President, no legislation is perfect. This one is not perfect. It contains some flaws. It has a series of special projects, commonly known as pork, which will draw resources away from the new drinking water loan fund. I think those projects should not be in the bill, but we could not get the bill passed, incredibly, without some of them.

But it is a good bill nevertheless. We have made some progress. It is going to help move the ball forward.

In closing, I want to acknowledge the leadership of the chairman of the committee, Senator CHAFEE. I must say that all of us who have worked with the chairman of our committee are very impressed with him. He is basically a down-to-Earth, commonsense fellow. He calls them as he sees them. He is very generous with his time, very generous with his compliments and very generous with the people he is working with. In addition, he keeps his eye on the ball; that is, moving the environmental ball forward in a commonsense way.

It has been kind of tough the last couple of years. We have not passed environmental legislation that is solid, commonsense and balanced. Senator CHAFEE has done a good job to help advance this legislation.

I also want to acknowledge the excellent work of the staff, particularly Jimmie Powell. I don't know anybody who knows this issue better than Jimmie, with the possible exception of my two staff, Jo-Ellen Darcy and Mike Evans, who know it just as well. They have been just terrific.

I am particularly appreciative of Jo-Ellen. When they were trying to wrap this bill up 2 or 3 days ago and they wanted to quit, Jo-Ellen said they were not going to leave until they wrapped it up that night. They didn't leave, and they wrapped it up. That is a testament to Jo-Ellen's hard work.

I pay particular thanks to Senator KEMPTHORNE, chairman of the subcommittee. Senator KEMPTHORNE, like Senator CHAFEE, is a commonsense fellow. Maybe that is because he is from a Western State like Montana. Also, Senator REID from Nevada. He is not out there to try to harm anybody, does not have a political ax to grind. He is trying to get the job done in a very balanced way.

I see Senator BOXER on the floor. There is nobody more tenacious and hard working and a greater champion for environmental causes. And in the case, she was particularly strong on the right-to-know provision, which was her brainchild. I know that Senator BOXER is very pleased we included that provision in the conference report.

People worked hard on this. I am very grateful for the time and effort they put into it. I yield the floor.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I want to thank the distinguished Senator from Montana for his very generous comments about the work I have done and others and our staff. And I want to join him in his salute to Jo-Ellen Darcy and Mike Evans and the others on his staff who really were tremendous.

I now yield 10 minutes to the distinguished chairman of the subcommittee, the person who took this on, mastered it, pushed it forward. And the bill we have before us is really, to a great extent, the bill that Senator KEMPTHORNE brought from his committee that passed in this Senate 99 to 0. So if kudos are deserved around here, they are deserved by Senator KEMPTHORNE.

The PRESIDING OFFICER. The Chair recognizes the Senator from Idaho.

Mr. KEMPTHORNE. Thank you very much.

May I say how much I appreciate those remarks by the chairman of the Environment and Public Works Committee, Senator CHAFEE.

To paraphrase Samuel Taylor Coleridge: Water, water, everywhere, and with the passage of this Safe Drinking Water Act conference report, we'll be able to drink every drop.

Just over 9 months ago, in a unanimous, bipartisan vote of 99 to 0, we passed the bill that I introduced along with Senators CHAFEE, BAUCUS, and REID to reauthorize the Safe Drinking Water Act.

I will say right here that without that sort of partnership with those Senators, we would not be here today. Our bill improved public health, gave States and local governments the flexibility that they need to target their scarce resources on on high priority health risks, and laid the foundation for a safe and affordable drinking water supply into the 21st century.

Following the efforts of the Senate, the House of Representatives last month passed their safe drinking water bill, passed largely on the work that was accomplished here in the U.S. Senate.

Today we have the opportunity to complete the process and approve the conference report on the Safe Drinking Water Act Amendments of 1996. Our job today is a significant one because, surely, there is nothing more important than the health of our families and friends, and in large measure, that is exactly what is riding on this legislation. When you think about it, drinking water is really the only product or service that communities provide that directly affects the health and well-being of every person every day. Unfortunately, the current law often makes it unnecessarily difficult and costly for many communities to provide safe and affordable drinking water.

During the negotiations on the Unfunded Mandates Act, I met with executive committee members of the National Governors' Association to discuss our strategy for passage of that bill. Those Governors told me that after passage of the unfunded mandates legislation, their priority would then turn to fixing the current Safe Drinking Water Act. And so we moved and made that our No. 1 priority after passage of the Unfunded Mandates Act.

I began the process determining that we should have three goals. We needed to write a law that first and foremost would protect and improve public health, and second, we wanted to write a law that would work, one that would put substance and content over bureaucracy for bureaucracy's sake, and, finally, we needed to write a law that would reduce Federal unfunded mandates.

The bill that we are voting on today achieves those three goals. It was written with the advice of many public health experts, State and local government officials, and water providers. And I listened to what they had to say. So this bill reflects their concerns and their recommendations as to how to improve the way the drinking water is regulated.

When I began working on this legislation, I determined that there were key factors that must be incorporated. First, we must protect public health.

And we did. We eliminated the arbitrary requirement that the Administrator of EPA regulate 25 new contaminants every 3 years. Instead, the administrator is given the authority and flexibility to target her regulatory resources on those contaminants that are actually present in drinking water and that, based on the best available, peer reviewed science, are found to pose a real health risk to humans.

For the first time, we provided tens of millions of dollars for important health effects research, including research on the health effects on cryptosporidium, arsenic, and disinfectants, and their potential effect on other sensitive subpopulations, like children, pregnant women, and the elderly.

I said we would give States and local governments greater flexibility to tailor Federal requirements to maximize their resources and meet their specific needs. And we did.

The bill also gives States the sole authority to design and implement capacity development strategies to ensure that drinking water systems have the financial, technical and managerial resources they need to comply with this law. Under the old regulatory approach, we would have required States to adopt a strategy and submit it to EPA for review and approval. But we do not do that here. Once a State adopts a capacity development strategy, EPA has no authority under this law to second-guess it or penalize the State by withholding Federal funds.

The bill also recognizes that in many cases it is easier and more cost-effective to prevent contaminants from getting into source water for a drinking water system, rather than to try to remove them by regulation after they are in the system. This bill encourages States to develop source water protection partnerships between community water systems and upstream stakeholders to anticipate and solve source water problems before they occur. These are voluntary, incentive-based partnerships.

Our experience in my home State of Idaho has repeatedly demonstrated these kinds of programs work, and work well. Locally driven solutions that stakeholders themselves develop in a nonregulatory, nonadversarial setting usually achieve a far greater level of protection than could otherwise be gained through mandatory restrictions on land use or other Federal regulations. I fully expect that these voluntary source water partnership programs will quickly become a valuable tool for States and local government to improve public health, target local risks, and maximize resources.

I said that we would make this law work for small and rural systems. And we did.

We allow States to modify expensive monitoring requirements for small systems so that they do not have to spend their very limited resources testing for contaminants that are not detected in their drinking water. In many communities in Idaho, this new flexibility alone could save systems hundreds of thousands of dollars every year.

I said that we would reduce unfunded mandates. And we did.

First of all, our bill reduces the number of mandates that are imposed on States and local governments under the current law. Then, significantly, we commit substantial Federal resources to assure that the Nation's drinking water supply is safe.

The Congressional Budget Office has reviewed our bill as is now required under the Unfunded Mandates Act, and just yesterday confirmed that this legislation does not impose unfunded mandates. It stated, ''the bill would change the Federal drinking water program in ways that would lower the costs to public water systems of complying with existing and future requirements. On balance, CBO estimates that the bill would likely result in significant net savings to State and local governments.''

Mr. President, in summary, I just say, for the first time ever, we are providing the funds to the States and communities so that they can deal effectively with their water systems. For the first time ever, we are providing for source water protection. For the first time ever, we are prioritizing those areas that truly are contaminants, and going after those.

But I particularly want to thank my colleagues, Senator CHAFEE, who is the chairman of the Environment and Public Works Committee, for his leadership and efforts on this bill, combined with those of Senator MAX BAUCUS of Montana, who was the chairman in the previous Congress, and Senator HARRY REID, who is the ranking member on the Senate subcommittee we serve on. Again, without that sort of partnership, bipartisan partnership, we would not be here. I also want to acknowledge Senator BOB KERREY who is one of first ones that really came forward and said, let us make this work. And it did work.

I also want to thank majority leader TRENT LOTT for the help and encouragement he provided during the conference to help get this bill completed.

I would like to thank my staff for their hard work and dedication to the cause. To Buzz Fawcett and to Ann Klee. They are truly dedicated and extremely talented individuals. I want to thank Jimmie Powell from Senator CHAFEE's staff. Jimmie's dedication to the Safe Drinking Water Act and his knowledge of the law and the facts made him invaluable to the process. Every State, city, and rural water district in America can say thank you.

I would like to thank Jo-Ellen Darcy and Mike Evans and Ann Loomis and Scott Slesinger, Mike Smith, Gregory Daines, and Stephanie Daigle, Steve Shimberg, and Tom Sliter.

The Senate conferees remained united throughout the conference. And it was due to the uncommon abilities and the good humor of all the people that I have just named that it was successful.

Finally, I would like to thank, on a personal note, my wife Patricia and my children Heather and Jeff who know about the sacrifice that goes into these sorts of efforts: The long hours that keep you from being home, as you try to make something positive happen. It is the families that I think really offer the sacrifice. But in this case I believe it is worth it, because for all the kids of this country, it is safer drinking water. We have done our job. We stepped up to the challenge and we accomplished it.

Again, I thank the chairman and the ranking member. I thank all Members of this Senate—99 to 0—for the tremendous bipartisan support. This Congress is on record. We have positive environmental legislation that is good public health and good for this blessed environment.

Mr. CHAFEE. Mr. President, I yield now several minutes to the Senator from Virginia who is the second ranking member on the committee. He has worked very hard on this bill, and he is unable to be here long, so I ask that he might proceed.

Mr. WARNER. I compliment the managers of this bill and the chairman of the subcommittee. Through their effective leadership in guiding this conference, we are able to return to the Senate an exemplary bill. I was happy to be a part of the conference.

I am particularly pleased that this bill favorably addresses the needs of small systems and establishes a new pollution prevention approach under the source water partnership program.

Mr. President, this conference report clearly demonstrates that we can produce legislation that strengthens our protection of public health, provides relief from excessive Federal regulations and offers more streamlined requirements for local drinking water systems to comply with the law.

Our foremost priority has always been to give consumers confidence that the water that comes from the tap is safe to drink. This bill fulfills that priority.

The cornerstone of this bill is the establishment of the State Revolving Loan program. Funds will be provided to States to make either loans or grants to assist communities with the construction of treatment facilities necessary to meet the Federal standards. These funds are critically needed by our small systems who often don't have a large rate base to support the construction of new treatment plants.

Also during our conference discussions, much attention was focused on the need to require local drinking water systems to provide all of their customers with Consumer Confidence Reports. These reports are to inform customers of the content of their drinking water. It needs to be made clear that the Senate bill mandated that water systems immediately notify, within 24 hours, their customers whenever a contaminant exceeds a Federal health based standard. This is a

significant improvement from current law.

I did have concerns about proposals during the Senate debate to expand this requirement on our drinking water systems. I did not want this reporting to unduly alarm our citizens about the presence of contaminants in drinking water. The conference report includes a provision on Consumer Confidence Reports, which I strongly support because it addresses my previous concerns in several ways. Most importantly, it requires the reports to include a plainly worded explanation of the contaminants that are found and of the health risks that may result from violating the Federal standard.

It is important to make the distinction that detecting a chemical in drinking water, many which occur naturally at very low levels, is much different than violating a Federal standard. Federal standards are set at exposure levels which EPA determines are safe and will not adversely affect public health. The modification in the conference report ensures that the public will be fully informed about the meaning of data and sampling collected by a local water system.

The conference report also ensures that the local water systems have the trained personnel necessary to effectively run a treatment plant. Virginia already requires an effective operator certification program and the report requires all States to implement a training program for water system operators. I support fully this provision because with relief from the current monitoring requirements, we must be sure that treatment plants are operated in a sound an efficient manner and that personnel have the expertise to respond to unforeseen problems.

Throughout the committee's deliberations on revising the Safe Drinking Water Act, over the past 4 years, we have learned that small systems are especially burdened by the current regulatory program. Small systems, those serving less than 10,000 persons, represent over 80 percent of the public water systems in this country. Monitoring requirements, often the most expensive activity undertaken by water systems, installation of treatment technologies, and funding constraints have all overburdened our small systems and their capacity to meet the stringent requirements of the current law.

The Congress has responded to these calls for help and this bill holds great promise for assisting small systems. The revolving loan fund, alternative technologies that are affordable, monitoring relief and ensuring that operators are qualified to run treatment plans will greatly enable our small water systems to deliver drinking water that is safe for our citizens.

Mr. President, the Source Water Protection Partnership Program is a new step in pollution prevention. Having worked on this approach for several years, I am pleased that the conference contains the Senate provision. With a modest investment of funds, source water partnerships will prevent problems before they occur. The positive result will be that water quality is improved and communities are relieved from building expensive treatment systems.

A great deal of work went into the development of this approach and I must commend the agricultural community for their cooperative working relationship over the years. Our citizens involved in agriculture today are responsible stewards of our land and water. They want to be involved in a voluntary, solution based approach to these problems. I know from the great progress we have made under the Chesapeake Bay program that this approach can be extremely effective on a national level.

Another issue of great concern to me has been the water quality problems of the Washington Aqueduct and the District of Columbia's water distribution system.

Since the Environmental Protection Agency's boil-water order in December 1993, I have been working to resolve the long-term financial constraints of the system. Owned by the Federal Government, the Washington Aqueduct provides essentially a local service—municipal water supply—to the District of Columbia and the Virginia jurisdictions of Arlington and Falls Church.

Currently, the system's capital improvements are financed on a pay-as-you-go basis where the customers must pay up front the full cost of any construction project.

While user fees are collected for the District of Columbia's Water and Sewer Enterprise Fund, these resources finance the system's annual operating costs and cannot begin to meet the obligations of the system's extensive capital improvement needs.

The Conference Report provides for a reasonable approach to this problem by providing authority for the Corps to borrow funds from the Treasury for the next three years. These funds will be used to continue the improvements of the system as required by the Environmental Protection Agency. Within this 3 year period, the Corps and the customers are to work together to determine a final resolution of the ownership of the Aqueduct. The Corps is authorized to transfer the Aqueduct to a new or existing entity with the approval of a majority of the customers. I would have preferred that all the customers agree to the transfer, but that was not the view of my House colleagues. It is my very strong hope that the Corps and the customers will make every effort to reach consensus on this matter before the borrowing period expires.

It is critical that we resolve this matter because if no solution is reached at the end of 3 years then we return to the status quo. That is continued Corps ownership with no ability to provide long-term financing of the necessary improvements. This would be tragic for our rate payers who would suffer from extreme rate spikes to finance the remaining work on the Aqueduct.

Mr. President, I know that my colleagues expect this matter to be resolved within the next few years and I pledge to remain actively involved in this effort to see that there is a successful conclusion.

In closing, no legislation of this magnitude and in this short time frame can be completed without talented and dedicated professionals. I want to recognize and thank the staff of the Environment and Public Works Committee, Jimmie Powell, Jo-Ellen Darcy, and Mike Evans, and the staff for Senator KEMPTHORNE, Ann Klee and W.H. Fawcett.

Mr. CHAFEE. Madam President, I take this moment to pay particular tribute to the Senator from Virginia for the work he did in connection with providing funding for the city of Washington aqueduct. It supplies, obviously, all the residents of Washington plus some residents of northern Virginia. But for the attention and diligence of the Senator from Virginia in connection with this matter, we would not have dealt with it in the fashion we did.

I believe, as a result of the efforts of Senator WARNER, the problems of the Washington water supply system will be solved in the not too distant future. I pay tribute to what the Senator has done.

Mr. WARNER. I thank the distinguished chairman for his kind remarks and also his strong cooperation, together with the ranking member, in making possible the inclusion of this provision in this important piece of legislation.

The PRESIDING OFFICER. The Chair recognizes the Senator from Montana.

Mr. BAUCUS. I yield 9 minutes to the Senator from New Jersey.

I know no one who fights harder for the environment, who is more tenacious with a greater bulldog tenacity than the Senator from New Jersey.

That is meant as very high praise from me.

Mr. LAUTENBERG. Being a bulldog is not necessarily the kind of pet you want around the house, but it is not bad when it comes to a battle.

Mr. President, I rise to express my satisfaction with the conference report and hope that our colleagues will support it. The final bill will enhance both the quality of our drinking water and America's confidence in its safety.

Americans are concerned about the quality of their drinking water. The sale of bottled water and water filters is skyrocketing. Fewer people believe that the water out of their taps is clean and safe. Their fears are not illusionary. Look at Milwaukee or Philadelphia. Washington, the Nation's Capital has repeatedly had to tell residents to boil their water.

Something had to be done. I believe the bill we crafted will enhance both quality and confidence.

This was not an easy conference, as I am sure my colleagues will agree. Both bills resulted, from a set of delicate compromises, the House bill and the Senate bill. Any changes could raise significant opposition. I am happy the conferees were able to hammer out a draft which I believe is superior to either of the individual versions of the Senate or the House.

I will elaborate on a few of the provisions. Unlike the Senate bill, the House version would have weakened the rights of citizens to sue for violations of the water standard, even when the suits were needed to ensure public safety. The House bill also failed to give States the flexibility to transfer money from the sewage treatment loan revolving fund to the drinking water fund and vice versa. This could delay high priority projects and would prove to be wasteful. I am glad the Senate version prevailed on that issue, protecting the rights of the citizens and giving flexibility to the States.

At the same time, there is much in the House bill that is, in my view, superior to the Senate version. For example, I fully support the Boxer right-to-know amendment. As the author of a similar law that provides information about toxic releases, I think this kind of legislation is critical. Unfortunately, the amendment was not approved by the Senate, but the conference agreement includes provisions for a right-to-know law.

Mr. President, letting people know what is in their water supply is not just common sense, it is common decency. The right-to-know provision provides consumers with information on contaminants that have been detected in their water, even if the levels do not violate EPA or State standards. Since all water includes some contaminants, the conference language also provides for information on the specific impact of those contaminants.

I am disappointed, however, that these provisions fail to provide similar requirements for bottled water. Many consumers buy bottled water because they think it is cleaner than tap water. They have a right to know if that is true, and which pollutants, if any, remain in the bottles.

Several years ago, Mr. President, the FDA published regulations to require the bottled water industry to regularly monitor its products for contaminants. The industry fought these provisions and the FDA relented. That concerned me. A study by the State of Kansas showed 15 percent of the bottled water tested had cancer-causing contaminants at higher levels than allowed by EPA.

I am disappointed the conference report was watered down in this area. At least it does provide for a Federal Food and Drug Administration study on the feasibility of such a requirement. I expect the FDA will find it feasible to require the bottled water industry to provide the same information which we are requiring of suppliers of tap water to communities of 500 or above. After all, if that provision is not too burdensome for public water providers, it cannot be too burdensome for the bottled water industry.

However, if the FDA does not appreciate the importance of providing this information to the public, I will not hesitate to bring up legislation to bring bottled water under the authority of the Safe Drinking Water Act.

I also urge consumer groups to conduct tests on some bottled water sold in their areas and to prepare consumer confidence reports for the general public. This, at least, will educate consumers until proper provisions and safeguards are in place.

In addition to water quality, the controversial part of the legislation dealt with radon. I am pleased the conference came out with a provision that will help lower the risk from radon exposure to a greater degree than either the House or the Senate bill would have. Mr. President, radon is a naturally occurring radioactive contaminant that causes lung cancer by inhalation.

In New Jersey, radon exposure is believed to cause more lung cancer, more than any other environmental cause. That is why I sponsored the Indoor Radon Abatement Act in 1988. The conference report builds on that act by allowing States to implement programs that will decrease radon in the air, as an alternative to meeting the standard for radon in drinking water. A State can choose this option only if the proposed indoor air program provides greater public health benefits in complying with the drinking water standard. Since radon is dangerous only when inhaled, this measure would significantly enhance efforts to reduce this deadly contaminant.

Last, Mr. President, I want to express my appreciation to the chairman of the Environment and Public Works Committee, Senator CHAFEE, the chairman of the Drinking Water, Fisheries and Wildlife Subcommittee, Senator KEMPTHORNE, the ranking Democrat, Senator BAUCUS, in the committee and Senator REID in the subcommittee. I also want to express my thanks to the staff for their hard work, Jimmy Powell, Jo-Ellen Darcy, Michael Evans from the Committee on Environment and Public Works, and W.H. Fawcett, representing Senator KEMPTHORNE.

In particular, I congratulate my staff person, Scott Slesinger, for his hard and diligent work. He made it possible for me to stay totally informed as to what was going on and to make sure that our views were included in any of the comments that we finally sought. Without his time and effort, this would have been a much more difficult assignment for me. I am happy we have the bill we have.

Mr. CHAFEE. I yield the distinguished Senator from Wyoming 4 minutes. I want to say the Senator comes from a State with lots of small communities with small waterworks and he has been particularly vigilant in seeing that those small communities were protected not only in safety but also in the training of their operators who paid a lot of the attention to the requirements of small communities. Senator THOMAS.

Mr. THOMAS. I rise in strong support of the Safe Drinking Water Act Amendments of 1996. We all travel through our States extensively, and the topic of unnecessary regulation in the environmental areas comes up as often as any other topic when I hold meetings in Wyoming. Wyoming folks are tired of the top-down approach mandating expensive regulations for questionable benefits.

This bill says we can do a better job of protecting public health, and at the same time, inject common sense into the process. This bill helps State and local communities meet Federal standards by creating a Federal grant program to capitalize State revolving loan funds for drinking water treatment.

The mandate that 25 new contaminants are regulated every 3 years, whether at risk of human health or not is repealed. Finally, EPA will be able to prioritize efforts and cost benefits are inserted into the process. The State role is increased. Systems will be able to focus their monitoring efforts on those contaminants that actually occur in the systems.

Most importantly for my State, small communities will finally be given special consideration and assistance under the bill. States can grant variances for systems that serve people under 3,300. That is 90 percent of the water systems in Wyoming. With EPA approval that number goes up to 10,000. Small systems qualify for monitoring relief.

There are a few groups that will, once again, find an excuse to oppose this legislation, just as they did when it passed the Senate 99 to 0. I agree with them, this bill is not perfect. For instance, I am skeptical of the so-called consumer confidence report. These reports will not build confidence, in my judgment. They will simply create confusion. They will simply create confusion. I call them consumer confusion reports, at a cost of about $20 million per year. CBO says that, on balance, this bill will save local water systems in State and local governments millions of dollars. That is good news to the taxpayers.

This bill includes several provisions to ensure that Wyoming, the only nonprimacy State, can take full advantage of the benefits of this bill. It makes sense, it furthers the protection of human health and enjoys widespread bipartisan support. S. 1316 is a bill the President can support, he should support it without reservation, and we should get it on his desk quickly.

Mr. President, this is truly historic legislation and I was pleased to have

the opportunity to play a part in its development as a member of the Senate Committee on Environment and Public Works as well as the conference committee that crafted the compromise legislation before us today.

This legislation is historic for both what it does, and what it does not do. What this bill does is trust folks in the states and local communities to protect their citizens, increases flexibility to meet standards, injects common sense into the regulatory process, allows the Environmental Protection Agency to set priorities and focus limited resources on the biggest health threats, and finally recognizes that small communities in Wyoming face unique challenges and need different strategies to meet standards than New York City does. What this bill does not do is impose expensive unfunded mandates on localities, rely on the Washington knows best command and control method of regulation or blindly force regulation for regulation sake without addressing the costs and benefits. This is a massive shift in the way we approach environmental regulation that allows us to increase environmental protection while reducing unnecessary costs to the regulated community, and I hope it becomes a model for other statutes that desperately need reform.

I am particularly pleased with the approach this bill takes in helping small public water systems comply with the standards set by the Safe Drinking Water Act. As you know, Mr. President, small communities face unique challenges not found in large cities. These small systems, by their very nature, don't have the economies of scale found in large cities. Unfortunately, the Environmental Protection Agency has always set standards and determined affordable technologies based on water systems of 100,000 or more. What may be affordable for a system of this size is obviously prohibitive in Pinedale, WY. There are several provisions in this conference report that will help small systems affordably comply with the standards of the Safe Drinking Water Act and continue to protect the health of their citizens.

The vast majority of public water systems serve small cities. In my home State of Wyoming, 90 percent of our public water systems serve fewer than 3,300 people. This bill gives States the authority to grant variances from Federal standards for systems serving up to 3,300 people, and for systems serving up to 10,000 people with the approval of the Environmental Protection Agency. Small systems are given flexibility to meet the new consumer confidence reporting requirements contained in this bill. Under this bill, small systems can receive relief from monitoring requirements that today require them to monitor for contaminants that don't even occur in their water. This bill authorizes $15 million per year to provide technical assistance to small public water systems and up to $30 million per year to pay the cost of mandated operator training for small systems. Finally, this bill creates a grant program for at least five university programs to support research, training and technical assistance with respect to problems experienced by small systems. These small public water systems technology assistance centers will provide significant assistance to State and local governments in the development of programs to address special concerns relating to the water systems of rural communities and native Americans. These centers will be particularly important to states, like Wyoming, with relatively low population density that cover very large geographic areas. Coordination of research, training, technical assistance and outreach efforts through these centers will play an important information role for State and local governments. It should be noted, Mr. President, that the Water Resource Research Institutes located at the land grant university in each of the 50 States, the District of Columbia, the Virgin Islands, Puerto Rico, and Guam, can provide similar information on rural water system treatment technologies, development of alternate supplies, and training to enable compliance with State and Federal regulations. I hope the Environmental Protection Agency will better utilize these institutes as part of its drinking water programs.

In addition to the very important accommodations made for small systems in this bill, important changes were made throughout the drinking water program. I am extremely pleased about the increased flexibility that the legislation brings to the standard setting process under the act. This legislation, with its emphasis on using the best available scientific methodology for standard setting, facilitates efforts to bring more rationality to the process. The EPA has already started down this road with its risk characterization policy and its carcinogen risk assessment guidelines and I think our approach in this legislation will build on that effort, hopefully leading to the reevaluation of the standards for a number of substances. I am also pleased that States retain ultimate discretion in this bill over the content of programs that implement a capacity development strategy, and that existing State operator training programs will be allowed to continue unchanged under this legislation.

Mr. President, as with any compromise, this bill is not perfect. This bill truly is a compromise, reflecting hours of negotiations between Republicans and Democrats here in the Senate, then days of hard work and negotiations between the House and Senate. In order to move forward with this bill, and the significant benefits that go with it, it became necessary to include some provisions that I oppose. For instance, I strongly believe the provision in this bill that requires so-called consumer confidence reports is misguided, will cost local water systems from $15 to $20 million per year and will not result in consumer confidence, but instead will confuse consumers and destroy their confidence in their local water supply. Fortunately, the Senate was able to make clear that these reports should contain language that will tell consumers that the presence of trace elements of contaminants are in all drinking water, including bottled water, and this does not create a health hazard. We were also able to increase flexibility for small systems to meet this mandate.

Despite some reservations, I strongly support this bill. We create a State revolving loan fund for drinking water infrastructure under this bill, to help local communities pay for needed improvements to their water supply. We increase flexibility and reduce costs to local communities. The Congressional Budget Office says this bill will:

> * * * change the federal drinking water program in ways that would lower the costs to public water systems of complying with existing and future requirements. On balance, CBO estimates that the bill would likely result in significant net savings to state and local governments. Finally, the bill would extend the authorization of certain existing appropriations and would authorize the appropriation of additional federal funds to help state and local governments meet compliance costs.

Finally, this bill recognizes the unique situation of the State of Wyoming. Mr. President, Wyoming is the only State which does not have primacy over the Safe Drinking Water Act. Chairman CHAFEE, Senator KEMPTHORNE, and Senator BAUCUS worked with me to ensure that the citizens of Wyoming would be able to take full advantage of the benefits of this legislation, despite the fact we don't have primacy. The State of Wyoming will receive a minimum allocation from the new loan fund and will be able to apply for monitoring relief and variances. Most importantly to me, the State of Wyoming will be able to continue their current operator training and certification program. We are very proud of that program, Mr. President, and it is fitting that States continue to be allowed to structure their own programs and not be forced to follow an EPA-directed structure, as the House bill would have required.

Mr. President, many people deserve credit for passage of this legislation. I want to thank Senators CHAFEE, KEMPTHORNE, BAUCUS, and REID for their leadership. This bill would not have been possible without their hard work, and that of their staffs. Senator KEMPTHORNE in particular took some unfair hits over the last few weeks. Well financed Washington-based environmental extremists attacked Senator KEMPTHORNE's integrity and questioned his resolve to get this bill done. Mr. President, these attacks were outrageous, designed to prevent us from passing this important legislation and to build the coffers of the environmental extremists. There is no excuse

for this behavior and I want to make it clear that this bill will be signed into law thanks to Senator KEMPTHORNE and despite the irresponsible behavior of a few groups who would rather scare the American people with distortions than see positive reform to environmental laws. That's unfortunate, but we overcame their objections to the Senate bill and approved it 99 to 0, and we should do the same today.

Mr. BAUCUS. Mr. President, I yield 7 minutes to the distinguished Senator from California.

The PRESIDING OFFICER. The Senator recognizes the Senator from California.

Mrs. BOXER. Thank you, Mr. President. I add my voice in support of this bill. I want to thank, particularly, the chairman of the committee, Senator CHAFEE, the ranking member, Senator BAUCUS, and Senators KEMPTHORNE, REID, and the other members of the committee, who worked so hard. And I can say, on behalf of myself and my wonderful staff, Linda Delgado, that working with the staffs of the chairman and the ranking member has just been a joy to us.

Of course, I have some very special feelings about passage of this bill today, because an amendment that I worked very hard to get through this U.S. Senate, the consumer right to know amendment, has been adopted by the conference. The Senator from Wyoming didn't think it was a particularly good amendment, but I have to say that when one looks at what we are facing—I pick up this glass of water to drink what may be Washington, DC, water—and I think it is important that those of us who drink this water, or tap water from anywhere in this country, know what contaminants are in our drinking water.

I am very proud of this particular bill because, first of all, we won on the issue of consumer confidence reports. I disagree with my friend from Wyoming, because he thinks they will confuse people. I think people are smarter than that. I have always believed in giving people information. The way this information is portrayed will be clear and simple, and I think it will be easy to understand. If it is not, it can be revised so that it is even easier.

So I am extremely proud that we will require getting consumer confidence reports out to people, so they will know what is in the water they ingest, the water that is their lifeline. It seems to me a very important thing.

I have to say that the conference and the House deserve a lot of credit, but we built on the 40 votes we got here in the U.S. Senate. I want to say to all my colleagues who supported the Boxer amendment, my deepest thanks, because had we only gotten a few votes, we may not have gotten the agreement of our chair and our ranking member. Our chair and our ranking member knew there was support for the concept. I think the difficulty arose in the details of the amendment.

The other part of this bill that gives me great pride deals with the section on sensitive subpopulations. We attached it to the safe drinking water bill in the last Congress and in this Congress. The language in this bill requires that EPA drinking water standards be set at levels that take into account the special vulnerability of our children, our infants, our pregnant women, our elderly, the chronically ill, and other groups that are at substantially higher risk than the average healthy adult. The truth of the matter is that vulnerable populations are much weaker than a 165-pound man. The way we have set the standard throughout history has been for that very healthy, strong man. A little child, or someone who is ill, or an elderly person may be negatively affected by water that would not hurt a healthy person.

Mr. President, this is an important milestone, in my opinion, because it seems to me that we ought to do this on every bill that impacts the health of our people. We should remember the children, the pregnant women, the frail elderly, the ill. They cannot afford to hire lobbyists to come into the Halls of Congress to knock on my door or your door, Mr. President, and fight for their health and safety. They simply cannot do it. Little babies cannot do it. They count on us to protect them. In this bill, we are doing that. We are taking into account their special needs.

So, today, I am very happy. In closing, I want to mention two other issues that relate to this bill, one of which is particularly important because the South Tahoe Public Utility District needs urgent help in replacing its wastewater export pipeline system, which protects and preserves the water quality in that most magnificent of all lakes, Lake Tahoe. We were able, thanks to the chairman and the ranking member, to list this as a project that should be considered by the Administrator of EPA, should there be sufficient funds. I hope, Mr. President, that the EPA Administrator will recognize the beauty and the vulnerability and the national gift that Lake Tahoe is, and that we will be able to help them fix their problem.

On the disappointment side, I don't have many. The chairman and the ranking member were very helpful in getting authorization in this bill for the Southwest Center for Environmental Research and Policy, which is a consortium of universities in Mexico, California, Arizona, New Mexico, and other States, which is going to look into the serious pollution problems we have at our border region with Mexico. We had the authorization, but the Science Committee in the House asserted its jurisdiction and, unfortunately, removed this provision. I look forward to working with my colleagues in the House from the San Diego area to resolve this problem.

To my chairman and my ranking member, let me say that a Senator could not be more blessed than to be able to work with Senators like you and staffs like the staffs that you have. I hope we can work together for many more years.

As a member of the Environment and Public Works Committee I want to commend Senator CHAFEE, Senator BAUCUS, Senator KEMPTHORNE, and Senator REID for their extraordinary effort on this bill.

The safe drinking water bill we are passing today, is a significant step forward in helping to ensure that one of the most fundamental needs of any society—safe drinking water—is available to all Americans.

This bill will lead to the crafting of a regulatory program to meet this goal at the lowest possible cost and with the most flexibility feasible for the thousands of local water supply systems.

This bill makes very significant progress in the protection of public health. It effectively addresses legitimate concerns about overly burdensome regulation and lack of funding. And it establishes the critically important State revolving loan fund to help States and municipalities comply with Federal law.

Mr. President I want to highlight two specific items included in this bill which I worked very hard to achieve.

As a member of the Environment and Public Works Committee, I have for years worked to protect children and other sensitive subpopulations from contaminants in drinking water. I am therefore very pleased that this bill includes language that reflects the amendment I successfully attached to the safe drinking water bill in the last Congress, and worked to incorporate into the bill this Congress. The language in this bill requires that EPA drinking water standards be set at levels that take into account the special vulnerability of our children, our infants, pregnant women, our elderly, the chronically ill, and other groups that are at substantially higher risk than the average healthy adult. This is a very important step forward.

I am also pleased that this bill incorporates a strong version of the consumer confidence reports amendment that Senator DASCHLE and I offered during Senate consideration of the bill. This is especially important in light of continued reports that many Americans are worried about getting sick from tap water contaminants.

The new consumer confidence reports requirement means that consumers will once a year get a report from the water company serving their neighborhood, about the source, the quality, and the safety of their drinking water.

The information provided in the report will be simple and straightforward.

Consumers have a right to be informed at least once a year about the levels of contaminants found in their drinking water. These consumer confidence reports will empower consumers to take precautionary measures to

protect themselves and the most vulnerable members of their family, such as a grandparent or a young child, for example, by boiling water or installing special filters.

It is a pleasure Mr. President, to see this conference report pass today.

In closing I would like to briefly mention two other issues:

I am pleased that the South Tahoe Public Utility District waste water export system project was included on the list of special projects to be considered by the Administrator of EPA if there are sufficient funds.

The South Tahoe Public Utility District needs urgent help in replacing its export pipeline system which protects and preserves the water quality in Lake Tahoe. The export pipeline transports reclaimed water from the wastewater treatment plant in South Tahoe out of the Lake Tahoe basin to a nearby reservoir where the reclaimed water is stored and later used for irrigation and other purposes.

The existing pipeline is reaching the end of its useful life and must be replaced quickly if we are to avoid the possibility of a catastrophic spill resulting in serious environmental harm to Lake Tahoe. Several serious leaks have already occurred over the last 2 years, and the risk of a rupture increases the longer if takes to complete the replacement project.

The local community has raised $10 million towards replacement of the pipeline, but a total of $30 million will be needed. The local community is already paying sewer rates substantially higher than the average in California. If the pipeline is to be replaced in a timely manner, $10 million in Federal assistance is needed. While the local community might be able to pay for the pipeline replacement over the long term by enduring high utility rates, it will not get the job done as quickly as it could be done with Federal assistance. Such Federal assistance would enable the South Tahoe Public Utility District to complete the project in a more expeditious manner, reducing the chances of a large leak with serious environmental consequences for the lake.

Last, I would like to mention my disappointment that authorization for the Southwest Center for Environmental Research and Policy [SCERP], which was included in the Senate-passed bill, was not included in the final conferenced bill.

SCERP is a consortium of American and Mexican universities that works to address environmental problems along the United States-Mexican border including but not limited to air quality, water quality, and hazardous materials. SCERP's members include San Diego State university, New Mexico State University, University of Utah, University of Texas-El Paso, and Arizona State University. SCERP had its origins in the Clean Air Act Amendments of 1990, which authorized the establishment of an entity to research air and water quality and other environmental problems in the border region. Although SCERP is not specifically authorized, it has been funded through congressional appropriations for the last 5 years in fulfillment of the Clean Air Act mandate.

Mr. President, I yield the floor.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. I thank the distinguished Senator from California for her very kind remarks. We express our appreciation to her.

Mr. President, I will yield soon 3 minutes to the Senator from New Hampshire, Senator SMITH. But before doing so, I want to say that Senator SMITH has been deeply involved with this Safe Drinking Water Act from the beginning. He worked very closely with the authors of it and particularly was concerned about the small communities. There are two things he sought for these small communities. One is that they have safe drinking water and, two, that they have it at an affordable price. I pay tribute to the work Senator SMITH did in reflecting the views of his constituents in New Hampshire. I give him sincere praise for his assistance.

I yield to Senator SMITH.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. SMITH. Mr. President, I thank the chairman, Senator CHAFEE, for his very kind remarks. It has been a pleasure to work with Chairman CHAFEE on not only this issue, but Superfund and other environmental issues throughout the last 2 years—actually, longer, but 2 years under his chairmanship.

I also thank Senator BAUCUS for his good work on this. I compliment Senator KEMPTHORNE, who has done an outstanding job in shepherding this legislation to this point.

Everyone wants clean, safe water for drinking and bathing. But the ability to provide this necessary commodity at an affordable price has been a real challenge in recent years. I think we have gotten to this point because of the numerous problems encountered with the 1986 act. Many local governments and drinking water systems around the country, some of which are in New Hampshire as well as other States, have been struggling to comply with this long list of regulations while maintaining reasonable water rates. The legislation before us will help to address this problem.

The folks who live in these communities do not want to drink dirty water, but they want to be able to do what they have to do and have the reasonable opportunity to do it.

So when we talk about the issue of unfunded Federal mandates, the Safe Drinking Water Act is regarded by State and local governments as the king of those unfunded mandates. So to address it, the bill now authorizes $1 billion a year in a Federal grant to establish State revolving loan funds. This is the first time for this. These funds will be allocated to the States on an annual basis, which can then be loaned or granted to municipalities for drinking water projects. There are two provisions of this program that I believe deserve special recognition:

First, the States can use up to 30 percent of the SRF to provide direct grants to the most advantaged communities.

And, second, States can transfer funds between this new drinking water SRF and the existing wastewater treatment SRF.

So these two provisions go a long way in providing our States flexibility and the communities the flexibility they need to maximize their resources with the environmental concerns that are of the most immediate nature.

Also, the issue of radon is one that I have long been involved in, and there is still considerable debate about the amount of risk posed by low-level exposure to radon. But according to the American Water Works Association, capital costs alone could reach $12 billion nationwide. And from a relative risk standpoint, we should consider the fact that radon in drinking water contributes less than 5 percent to the total amount of radon exposure.

So given these statistics, I believe we chose a responsible course in addressing the radon issue. The bill directs EPA to set a new standard based on risk assessment conducted by the National Academy of Sciences and also would allow for an alternative, less stringent standard equivalent to outdoor air levels. Certainly no one would want to have all the wells, or 90 percent of the wells, in particular States ruled undrinkable because of standards like that. It would just cause chaos. This is a reasonable solution that will both protect public health and save money.

Finally, I thank the managers for also including the provision to establish five small-system technology centers across the country to develop and test new technologies for the smallest of systems. One of these centers, I hope, may be established at the University of New Hampshire, which has an extensive background in this area and will be a huge asset to the New England region.

So I am pleased today that we are at the point that this bill will become law, that the President of the United States has indicated he will sign it, and that it has broad-based support, bipartisan support, and support among hundreds of communities throughout the United States.

Also, I thank my staff assistant Christine Russell for her hard work and help on this issue throughout the year.

With that I yield back any time I have, Mr. President.

Mr. GORTON. Mr. President, today the Senate will pass legislation to amend the Safe Drinking Water Act to give State and local communities the flexibility to ensure that consumers

have safe drinking water, and send it to the President for his signature. For the past several years, I have worked closely with communities in my State to support legislation that throws out the one-size-fits-all approach and the costly mandates of the current law, and to replace it with greater flexibility and a commonsense approach. Today all the hard work of these communities paid off.

Several years ago, I began working with communities across my State that were frustrated with the one-size-fits-all approach of current law. The current law tied the hands of the State to work with local communities by mandating prohibitively expensive treatment technologies on the smallest of water systems—the cost of which would have bankrupt some of our State's smaller communities. In 1994, I held a safe drinking water forum in Moses Lake, WA to hear first hand from local leaders how to fix the current law. Over 100 people turned out for that hearing, and their message was clear—the current law was broken and in need of repair. Together with local government leaders I supported legislation in the 103d Congress that overwhelmingly passed the Senate. Unfortunately, that legislation did not make it to the President's desk for his signature.

This year, however, was different. This year, the Senate overwhelmingly passed S. 1316. Included in that legislation, and in the conference report that the Senate will pass today are important reforms to the law that this Senator believes will ultimately facilitate greater compliance with the law—without the bureaucracy and redtape. The conference report addresses some of the most critical concerns raised by local governments in Washington State. The conference report establishes a Safe Drinking Water Act State revolving loan fund to assist communities in financing system improvements to comply with the act, similar to the Clean Water Act State revolving loan fund; throws out the mandate that EPA regulate 25 additional contaminants based upon a benefit-cost analysis; the legislation also gives States the ability to grant variances to small systems in order to facilitate greater compliance with the act.

SECTION 106 OF THE CONFERENCE REPORT

Mr. President, I would like to thank the chairman and ranking member of the Senate Environment and Public Works Committee, and their staff, for including my amendment in the conference report that recognizes that future treatment technologies will have the capacity to provide safer water than that provided by traditional filtration. Section 106 of the conference report establishes a limited alternative to filtration, if the system can utilize another form of treatment that will provide greater removal of pathogens, than that of filtration. The need for this amendment was brought to my attention by the city of Seattle. The city has two water supply sources, the Cedar River Watershed, and the Tolt River supply. Because of turbidity problems in the Tolt supply, the city is in the process of implementing filtration technology on the Tolt. Conversely, the Cedar River supply does not have turbidity problems—it consistently tests below average for turbidity—and the city is seeking an alternative to filtration for the Cedar River supply.

Currently the Cedar is an unfiltered system, and therefore must comply with the surface water treatment rule. The rule sets forward 11 specific criteria, and calls for extensive monitoring of the system, to ensure that the system continues to provide clean water to its customers. During 1992, the Cedar violated 1 of the 11 criteria, and, consequently, was required to initiate filtration plans. Shortly thereafter the city entered into an agreement with the State and EPA region 10 to achieve compliance with the rule without filtration.

Seattle has been working closely with EPA region 10 and the Washington State health department for the past several years to find a way to treat the Cedar supply, without filtration. Filtration would cost the city roughly $200 million, but the city believes that the process of ozonation would better meet the city's drinking water needs. The Ozonation process would only cost $68 million. Ozonation is a process that is considerably less expensive than filtration and is believed to be the next up and coming technology for ensuring clean drinking water.

The ozonation process is proven to be more effective than filtration in getting rid of harmful pathogens in a water supply, like cryptosporidium and giardia. Filtration technology would inactivate 99.9 percent of cryptosporidium, but ozonation would inactivate 99.999 percent of the cryptosporidium. The increase of .099 is considered a greater increase in the level of human health protection.

Mr. President, I want to thank all of the people in Washington State who took the time to call or write me about the need to reform the Safe Drinking Water Act—their message came through loud and clear. By giving State and local communities the flexibility to address unique drinking water problems, the conference report completely and totally rejects the ''Washington, D.C. knows best'' way of thinking. When this legislation is signed into law communities across Washington State will have safe and affordable drinking water. This legislation is a victory for consumers across our State, and for the local governments that worked hard for its passage. I am proud to support the conference report to reform the Safe Drinking Water Act, and urge my colleagues to do the same.

Ms. MIKULSKI. Mr. President, I will vote in favor of the Safe Drinking Water Act conference report. Government's most important responsibility is to protect public health and safety. Safe drinking water is the lifeblood of our society and the basic foundation of good health. This bill incorporates sound scientific principles and protects public health and safety. The Safe Drinking Water Act keeps our promise to the American people.

This bill provides flexibility to State and local governments, enabling them to better assist water utilities in complying with Federal health and safety standards. This is a win-win situation because it provides utilities with the resources to meet safety standards without putting them out of business.

This legislation not only protects the safety of our drinking water, it will create jobs in construction. Modernizing our infrastructure is one of the best investments we can make. This bill helps burst the myth that environmental protection comes at the expense of economic development. The reality is that good environmental policy is good business.

Staying on the cutting edge of environmental technology presents the American economy with a large and growing market here and around the world. While the United States is already a leader in this burgeoning market, we should seize the initiative to expand our leadership even further.

Marylanders have told me they want adequate resources devoted to making drinking water safe and clean. I believe this bill is the best way to move forward toward the safest, cleanest drinking water for Maryland and America.

Mr. MOYNIHAN. I am pleased to join with my colleagues in support of the Safe Drinking Water Act Amendments of 1996. This conference report represents a thoughtful, bipartisan effort which weds protection of public health with the flexibility necessary for cost-effective implementation. It emphasizes using more and better science in identifying contaminants, and training water system operators to meet the established guidelines. It will improve protection of vulnerable populations, including pregnant women, the sick, and the elderly. It creates a new Federal grant program to help water systems struggling to comply with Federal requirements.

The conference report contains a provision that is of particular interest to New York State. Three upstate watersheds provide New York City with its drinking water, which has been of such high quality historically that the City has had no need to filtrate its water. In recent years, however, it has become evident that a comprehensive watershed protection program is necessary to preserve the purity of the region's water. As such, New York City and State have launched a collaborative effort to safeguard the fragile upstate ecosystem, an effort which I feel will be instructive to other cities and regions of the country. The bill will provide financial support for monitoring the success of this pilot program, which will likely prove effective for other municipalities.

I also wish to praise the provisions of this conference report which will allow the Environmental Protection Agency [EPA] to consider relative costs, health benefits, and competing health risks when formulating new standards for drinking water. This is a rational approach which will help us allocate resources more effectively and efficiently.

Environmental legislation places too much emphasis on risk assessment, resulting in an ineffective use of science. This perverse situation stems from directing EPA, explicitly or implicitly, to regulate environmental pollutants to safe levels of exposure. In so doing, EPA must scientifically determine what is safe.

The problem is simple: the premise is false. Science cannot define safety. Decisions about what is safe—what is an acceptable risk—are based very much on personal or societal values—informed by science, yes, but based on values. Therefore, when legislation forces agencies to use science to determine safe levels of exposure, the effect is to set EPA and other agencies up for failure. Risk managers have no incentive to take any action other than to err on the side of safety.

This bill enables EPA to avoid imposing costly regulations resulting in little or no benefit. It prudently allows EPA to incorporate economic, scientific, and social considerations in achieving its safe drinking water goals efficiently and effectively. It arms EPA with the best tools to address existing and potential problems with the Nation's drinking water supply, in reasoned and measured steps, and it establishes new requirements for keeping the public apprised of the quality of their water.

I thank my colleagues on both sides of the aisle for their hard work and willingness to compromise on the Safe Drinking Water Act Amendments, and I strongly urge its passage.

Mr. LOTT. The Senate is about to take up and, I trust, pass the conference report on the Safe Drinking Water Act Amendments of 1996. This is a strong, but balanced, environmental bill. It was written with the advice of many public health officials across the country, including those who are responsible for providing the very water that their families and friends drink every day. Their advice helped make this a common sense bill that will solve real life problems, without creating new ones. This is legislation that will truly make drinking water safer for all Americans.

Not surprisingly, this bill has strong bipartisan support in both the House and Senate, and the support of virtually every organization representing State and local governments and water agencies responsible for providing safe and affordable drinking water. This bill, first introduced by Republican Senator DIRK KEMPTHORNE, will improve public health and reduce unnecessary costs and Federal regulation.

The legislation fundamentally changes the way drinking water is regulated. It will improve public health protection, gives States and local governments greater flexibility to target their scarce resources on priority health risks, and reduce Federal unfunded mandates.

The legislation requires that a meaningful cost-benefit analysis be done whenever EPA issues a drinking water standard. The legislation requires EPA to use peer-reviewed science to identify and regulate contaminants that pose the greatest risks to public health. This is critical if we are going to protect public health without bankrupting States and local governments that have to implement Federal standards.

The bill strengthens the partnership between States and the Federal Government. For the first time, States will have the authority to tailor Federal requirements to meet their needs.

The legislation helps small systems. Most small systems don't have the financial resources or technical expertise to meet treatment requirements that were really designed for very large systems. Under this legislation systems serving fewer than 10,000 people can get regulatory relief to use alternative treatment technologies that may be less expensive but still protect public health. Small systems also may receive special financial assistance.

The legislation encourages voluntary measures to prevent contamination of source water. The bill provides financial incentives for States, communities and stakeholders to work together in a nonregulatory context to develop programs to prevent contaminants from getting into source water. This provision is endorsed by the national agricultural community.

The legislation gives States financial assistance to get the job done. The legislation authorizes $6 billion in grants to the States over the next 6 years to improve drinking water, and does so in the context of the Republican plan to balance the budget by the year 2002. The States use this grant money to capitalize a loan fund for local communities to construct and upgrade their drinking water systems.

The legislation reduces unnecessary unfunded mandates that increase the costs of drinking water without improving drinking water. The CBO says the Senate bill, on which this final bill was based would likely result in significant net savings over current law. For example, EPA now arbitrarily regulates 25 additional contaminants over 3 years regardless of whether they are found in water or whether they present a health risk. This mandate was expensive, didn't improve public health and diverted resources away from stopping killer waterborne diseases. In its place, this legislation gives EPA flexibility to regulate contaminants that actually occur in drinking water and pose real health risks.

The legislation includes a modified right to know or consumer confidence provision. This provision was part of the House bill. Senate negotiators improved the House language by providing greater flexibility for small systems and adding language to make the reports more meaningful to consumers.

This bill is important for the reforms it contains. It is also important for what the bill represents. This bill is bipartisan, and it shows that issues of public health and environment needs not be partisan. There are many Senators who deserve credit for passage of this conference report. This bill was first introduced by Senator DIRK KEMPTHORNE of Idaho whose 10 months of careful and bipartisan negotiations led to the Senate approving his bill 99–0 last November. He worked tirelessly to get this bill enacted into law. Last Sunday, for example, he spent more than 6 hours negotiating with the House in writing this bill. This is Senator KEMPTHORNE's second major bill to become law this Congress, and it is a remarkable accomplishment for a Senator in just his 4th year in the Senate. Last year, Senator KEMPTHORNE led the congressional effort to pass the Unfunded Mandates Reform Act. And it is significant that the Congressional Budget Office says this Safe Drinking Water Act comply with the Unfunded Mandates Reform Act. In fact, as I have already noted, CBO says this bill will ''likely result in significant net savings over current law.''

I also want to commend other Senators who worked long and hard to see that this bill passed. Senator JOHN CHAFEE, the chairman of the Environmental and Public Works Committee was getting this bill through his committee, the Senate floor and through conference. I also commend the bipartisan group of Senate conferees—Senators WARNER, THOMAS, SMITH, BAUCUS, REID, and LAUTENBERG who helped develop the original bill and the final bill with the House of Representatives.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, how much time is remaining on this side?

The PRESIDING OFFICER. There are 6 minutes remaining on your side.

Mr. BAUCUS. Mr. President, I yield all of our remaining time to the very distinguished Senator from Nebraska, who, I might say, Mr. President, although he is not a member of the committee, has been so deeply active in this issue to make sure that we get to the Safe Drinking Water Act that I at times thought he was a member of the committee. He is one of the main reasons why we are here today. I very much tip my hat to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, let me first pay my compliments to Senator CHAFEE, Senator BAUCUS, Senator KEMPTHORNE, and Senator REID.

This is a very difficult piece of legislation. If you had asked me a week ago

if I thought we would be able to get to conference and final passage before the August recess, I would not be very optimistic about it. In fact, I was prepared to take up the measure on radon in the VA–HUD appropriations bill for the fourth year in a row. I do not know how we managed to get it done. I am very grateful for its completion. For all of the rural communities of Nebraska—90 percent of our public water supply is in communities under 2,500 population—they all thank you. This bill probably saved our State millions of dollars over the next 10 years.

All the consumers of drinking water will have safer drinking water as a consequence of this change, and we are very grateful to Senator CHAFEE, Senator BAUCUS, Senator KEMPTHORNE, and Senator REID.

This is a very important piece of legislation. It is likely to have, I think, a unanimous vote here in the Senate at an age when people wonder whether or not Republicans and Democrats can work together. It is a significant improvement in our law. I am very grateful that we are enacting it.

Chairman CHAFEE and Senator BAUCUS deserve our thanks and appreciation for their leadership on this issue. I also want to thank Senator KEMPTHORNE for his personal commitment to resolving the tough issues involved in providing the public with safe drinking water and for his determination and willingness to take the time necessary to work out a compromise, and Senator REID who, like me, comes from a rural State that has a lot to gain by the passage of this conference report. I know they have put their best into this legislation and I appreciate their efforts.

One of the aspects of this bill that I have supported since the beginning of the debate 3 years ago, is that it gives States and communities more flexibility to meet safe drinking water standards. For example, the bill establishes a State revolving fund [SRF] to help finance drinking water systems. It authorizes the fund at $1 billion per year through 2003. The flexibility built into the bill allows States to transfer up to one third of the funds between the newly established safe drinking water SRF and the already existing Clean Water Act Revolving Fund. Furthermore, the bill allows for 30 percent of the State's revolving fund to be used as grants for disadvantaged communities. States deserve a chance to put their resources where they are most needed.

Nowhere is this more clear than in dealing with the public health threat of radon. For the last 3 years, through the appropriations process, I have kept EPA from publishing a drinking water standard for radon. The reason I did this is because regulating radon in water does not make sense when the known health threat for radon is through inhalation, not ingestion. Ninety-five percent of the risk is from radon in soil, not water. This bill allows States to use a multimedia approach, that focuses on getting rid of radon in homes and schools that enters these facilities through the soil, instead of putting their limited resources into getting radon out of water.

I have long believed that the way to solve this issue is through a multimedia approach. Under this bill, EPA will use a risk assessment completed by the National Academy of Science to promulgate a radon regulation. Once the maximum contaminant level [MCL] is established, if it reduces radon in water to a lower level than that in the air outside, EPA will promulgate an alternative maximum contaminant level which is equal to the amount of radon in air outside or approximately 3,000 picocuries per liter. States will be able to use that alternative MCL if they have a multimedia program which is approved by EPA.

It is a win-win solution, allowing taxpayers to get the must public health protection for their money and ensuring the water is safe.

This is a good approach and I'm glad that I can now stop going to the Appropriations Committee to ask for their assistance on the radon issue.

One of the largest costs of compliance with the Safe Drinking Water Act is monitoring.

States have to monitor contaminants in drinking water whether they exist in their water systems or not.

All Nebraska communities have asked that the current system be revised to let them test for contaminants that exist in Nebraska. Current law allows for a waiver process. However, the process is expensive and time consuming, and the benefits accrue to the local systems while the costs are incurred by the States. I fought hard to see that these provisions be changed.

This bill calls on EPA to revise current monitoring rules and it gives States the authority to give monitoring relief to small systems for a 3-year period if the systems don't have the contaminant. Additionally, States can adopt alternative monitoring requirements if they have a source water assessment program.

Aside from radon and monitoring, standard setting posed a major problem. As we all know, in the 1986 amendments we decided to regulate 25 new contaminants every 3 years whether they were needed or not. This strict method of establishing standards caused some contaminants to be regulated without a sound scientific basis.

I pushed for a change in that process. I believe that EPA needs to spend more time working with other public health agencies prior to considering a regulation. That is why, through the new contaminant selection process, EPA must consult with the Department of Health and Human Services, more specifically the Centers for Disease Control to determine which contaminants should be researched to see if they should be regulated.

Once contaminants are thoroughly research—and this bill provides money to do just that—EPA must conduct a benefit-cost analysis prior to the promulgation of a regulation. That's the way decisions ought to be made. I've fought hard to see this provision implemented and I am confident that it will allow EPA to make the best choices for the protection of public health. Decisions that will allow a State or community's resources to be directed toward the greatest public health threat.

I fully support this bill. I have worked hard to ensure that it provides the best public health protection possible, flexibility for States, and affordability for small systems. I applaud the work of the committee and I thank them for their willingness to allow me into the debate and negotiations.

I want to stop here so this bill can be passed and sent on to the President for signature.

I close again by applauding the heroic efforts of the chairman, the distinguished Senator CHAFEE from Rhode Island, Senator BAUCUS from Montana, Senator KEMPTHORNE from Idaho, and Senator REID from Nevada. I would also like to thank their staff, in particular Jimmie Powell, Steve Shimberg, Jo-Ellen Darcy, Mike Evans, Tom Sliter, Ann Klee and Greg Daines. It simply would not have been possible without their belief that water systems in our Nation need to be safe and that we need to change the way we regulate in order to accomplish that objective.

I am very, very grateful. But, more importantly, the people of Nebraska are very grateful for your hard work, your diligence, and eventually your success.

Mr. CHAFEE. Mr. President, I thank the distinguished Senator from Nebraska, Senator KERREY, for the very generous remarks he made. He was hip deep in this when we started some 4 years ago, and although he is not on the Environment Committee, he has followed it extremely closely and has been extremely helpful and constructive to us. So I thank him personally.

In conclusion, I thank the staff: Ann Klee and Buzz Fawcett with Senator KEMPTHORNE; Jo-Ellen Darcy, Mike Evans, and Tom Sliter with Senator BAUCUS; Ann Loomis with Senator WARNER; Mike Smith with Senator THOMAS; Scott Slesinger with Senator LAUTENBERG; Gregg Daines with Senator REID; Chris Russell with Senator SMITH; Diane Hill with Senator KERREY, and, of course, from the majority staff of the Environment and Public Works Committee, Steve Shimberg, Jimmie Powell, who was the lead on this, who was absolutely phenomenal, and Stephanie Daigle. All of them deserve a lot of praise and thanks.

The PRESIDING OFFICER. All time has expired.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The chair recognizes the Senator from Montana.

Mr. BAUCUS. Mr. President, I ask unanimous consent to speak for 30 seconds.

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

Mr. BAUCUS. Mr. President, I know the distinguished chairman of the committee will join with me in also thanking Administrator Browner; Bob Perciasepe, Assistant Administrator; and Cynthia Dougherty, and a former administration official who worked very hard on this legislation, Jim Elden.

This administration has shown leadership on this issue by making it an environmental priority back in 1993. Today, we have made that priority a reality. We have a divided Government, as we all know. It takes cooperation to get things done. They were an integral part of the solution. We are all very thankful.

Mr. CHAFEE. Mr. President, I certainly join in those thanks.

Now we are ready to go to a vote.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Before we begin the vote, I believe we are prepared to get a consent agreement on the next two bills, and I would liked to get that done. I would like to make sure that the minority leader is here and has a chance to read it over.

Why not outline what we have here and when he comes, we will actually put it in the form of unanimous consent.

This unanimous consent agreement would be that immediately following the disposition of the safe drinking water conference report vote, the Chair lay before the Senate the health insurance reform conference report, and it be considered as having been read and it be in order for Senator WELLSTONE to make a point of order that the conference exceeded the scope with respect to section 281 of title II, subtitle H, and following the ruling of the Chair, Senator WELLSTONE be recognized to appeal the ruling of the Chair; that the appeal be limited to 10 minutes to be equally divided in the usual form; following the vote on the appeal, if overturned, the point of order be null and void, and that the Senate immediately agree to the Senate Concurrent Resolution now at the desk correcting enrollment of the conference report.

So that would be the first part of how we would deal with the health insurance reform package. And then we would ask that after adopting the correcting resolution, there be 2 hours for debate on the conference report to be equally divided between Senators KASSEBAUM and KENNEDY, with 30 minutes of the Kassebaum time under the control of Senator DOMENICI, and following the conclusion or yielding back of time, the conference report be laid aside; it would be made the pending business at the direction of the majority leader after notification of the Democratic leader, and that the Senate then proceed to an immediate vote on the adoption of the conference report without further action or debate.

So there would be two parts to that consent with regard to the health insurance reform package, first the one with regard to the point of order on section 281, and then we would have 2 hours of debate on the conference report itself, with 30 minutes specifically earmarked for Senator DOMENICI.

Then we would further ask consent, after that is agreed to, that the conference report to accompany the Small Business Tax Relief Act, H.R. 3448, be limited to—we will have to get the exact time, I think 60 minutes there—for debate, to be equally divided between Senators ROTH and MOYNIHAN, and the conference report be considered as having been read, and following the conclusion or yielding back of time, the Senate proceed to vote on adoption of the conference report without any further action or debate.

Does the Senator, the distinguished Democratic leader, have a comment or question about this?

Mr. DASCHLE. Mr. President, as I understand it, our staffs are just now combing through the language, and I think within a few moments we will be prepared to enter into the agreement. I did not hear all of the explanation from the distinguished majority leader.

Mr. LOTT. When the Senator is ready. I think I will read it. I will just read it again so everybody can hear it, but I wondered if the Senator had any questions he wanted to raise.

I might note if I could, if we could get that agreed to, we would have this vote and then we would have a total under that of 3 more hours of debate on the two bills, plus the time that would be taken, which should not be very much, on the section 281 correction, and then we would couple that with votes. That would all be completed by around 8 or 8:30. And then whatever wrap-up we would have at that point, if we could get an agreement on the defense authorization bill, any other unanimous-consent requests, of course, we would do those then. But I just want the Members to know it would involve a vote now, another vote in 2 hours, and then another vote 1½ hours or so after that.

Mr. President, I will yield for a question of the Senator from Rhode Island.

Mr. CHAFEE. I do not think the majority leader would find a rebellion if that 2 hours of debate were reduced.

Mr. LOTT. I would be more than willing to see it reduced.

Mr. CHAFEE. We completed a whole conference report here in 1 hour equally divided.

Mr. LOTT. There are some Senators who would like to be heard on this health insurance issue, including, I know, Senator DOMENICI and Senator KENNEDY and Senator WELLSTONE and others. They can always yield back time. I know it is not something we like to do in the Senate very much. If anybody would like to yield back time, I do not think Senator DASCHLE would object and I know I would not object, and we could finish earlier.

Mr. DASCHLE. If the majority leader will yield——

Mr. LOTT. Yes, I yield to the Democratic leader.

Mr. DASCHLE. To one other possibility, one other possibility would be to have the votes and people who care to talk about these things talk after the votes.

Mr. LOTT. I would like to deem all the votes having occurred now and have the rest of the night for debate.

Mr. DASCHLE. We ought to be able to work something out maybe during the course of this vote.

Mr. LOTT. All right.

Mr. DASCHLE. Perhaps we could get a unanimous-consent agreement right after that vote.

Mr. LOTT. Why not do that.

Mr. CHAFEE. Mr. President, I note the distinguished Senator from Massachusetts is here. I spoke with him earlier in the day, and he seemed to have a case of laryngitis, I thought, and perhaps he will not have the steam for 2 hours or an hour. I say that hopefully.

Mr. LOTT. Mr. President, I think I still have the time.

The PRESIDING OFFICER. The majority leader still has the floor.

Mr. LOTT. Mr. President, since the Senator is having laryngitis, I will not insist that he respond at this time. Let us have the vote. We will work on the final time agreement during the vote, and hopefully we can shorten that time and we can get our work done. So I yield the floor.

Have the yeas and nays been ordered?

Mr. CHAFEE. No, they have not been ordered.

The PRESIDING OFFICER (Mr. COATS). The yeas and nays have been ordered.

The question is on agreeing to the conference report. The clerk will call the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] and the Senator from Washington [Mrs. MURRAY] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 263 Leg.]

YEAS—98

Abraham	Cochran	Gorton
Akaka	Cohen	Graham
Ashcroft	Conrad	Gramm
Baucus	Coverdell	Grams
Bennett	Craig	Grassley
Biden	D'Amato	Gregg
Bingaman	Daschle	Harkin
Bond	DeWine	Hatch
Boxer	Dodd	Hatfield
Bradley	Domenici	Heflin
Breaux	Dorgan	Helms
Brown	Exon	Hollings
Bryan	Faircloth	Hutchison
Bumpers	Feingold	Inhofe
Burns	Feinstein	Inouye
Byrd	Ford	Jeffords
Campbell	Frahm	Johnston
Chafee	Frist	Kassebaum
Coats	Glenn	Kempthorne

Kennedy	Mikulski	Shelby
Kerrey	Moseley-Braun	Simon
Kerry	Moynihan	Simpson
Kohl	Murkowski	Smith
Kyl	Nickles	Snowe
Lautenberg	Nunn	Specter
Leahy	Pell	Stevens
Levin	Pressler	Thomas
Lieberman	Reid	Thompson
Lott	Robb	Thurmond
Lugar	Rockefeller	Warner
Mack	Roth	Wellstone
McCain	Santorum	Wyden
McConnell	Sarbanes	

NOT VOTING—2

Murray	Pryor

The conference report was agreed to.

Mr. CHAFEE. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. KEMPTHORNE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT. 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. LOTT. 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. LOTT. Mr. President, I believe Members will be very interested in this unanimous consent request. This will give them the idea of what will be happening over the next hour and a half, and some feel, maybe, of what might be in store for the balance of the night. We still have some things we are trying to work through. But this is a very important agreement. I am pleased we have it worked out. I think it is fair to all concerned.

UNANIMOUS-CONSENT AGREEMENTS

Mr. LOTT. Mr. President, I ask unanimous consent that immediately following the disposition of the safe drinking water conference report—which we have just done—the Chair lay before the Senate the health insurance reform conference report, and it be considered as having been read, and it be in order for Senator WELLSTONE to make a point of order that the conference exceeded the scope with respect to section 281 of title II, subtitle H, and following the ruling of the Chair, Senator WELLSTONE be recognized to appeal the ruling of the Chair, and that appeal be limited to 10 minutes to be equally divided in the usual form, and following the vote on the appeal, if overturned, the point of order be null and void, and the Senate immediately deem agreed to a Senate Concurrent Resolution now at the desk correcting the enrollment of the conference report.

To put that in everyday language, there will be a point of order made, and the Chair will rule after 10 minutes of debate equally divided. Then action would be taken, and then that would go as a Senate Concurrent Resolution over to the House for disposition. We believe we have everything agreed to, both here and over there. And this is the way to deal with this issue as it now stands.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LOTT. Mr. President, I further ask unanimous consent that following the adoption of the correcting resolution, there be 85 minutes—85 minutes—for debate under the control of Senator KENNEDY, 70 minutes under the control of Senator KASSEBAUM, with 30 minutes of the Kassebaum time under the control of Senator DOMENICI, and following the conclusion or yielding back of time, the conference report be laid aside to be made the pending business at the direction of the majority leader, after notification of the Democratic leader.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Reserving the right to object, and I shall not. Fellow Senators, I have been heard to say I would do anything I could to kill this bill because of what happened with reference to the mentally ill. But I have conferred with our distinguished leader. And, frankly, I am very proud of what he is doing around here. He is making the Senate work, and we are getting some things done. And to be honest, the only thing I could do is make you all stay around here tonight and tomorrow, if a couple of us could stand on our feet all night. And I do not choose to do that because I think, in the end, this bill is so good for the American people, and that will be expressed by the votes of this body.

But I would like those who have resisted a very modest amendment which we agreed to, which was a compromise, to know—and I told our leader this—that this issue is not going away. In fact, I will introduce a freestanding bill today with many cosponsors. And it will just be on the very simple proposition that we attempted to resolve this on, not the full amendment that came about here on the floor.

I would like everyone to know, including our distinguished leader, during the month of September there will be opportunities to vote again. And I do not intend to let this issue go by. So all of you can be looking at it because you are going to be voting again, except the next vote is a very simple one, just so, so small in dimension that hardly anybody can really object on the grounds of costs. So everybody should know that. And with that, I agree to the unanimous consent request.

I understand, I say to Senator KASSEBAUM, of your 70 minutes, in the event you have a few of them left over, you would yield those to me, also in the event those on my side need more than the 30 minutes. Is that correct?

Mrs. KASSEBAUM. Yes.

Mr. DOMENICI. Thank you for what you are doing.

The PRESIDING OFFICER. Is there objection to the request? Without objection, it is so ordered.

Mr. LOTT. Mr. President, I want to thank the distinguished Senator from New Mexico, the chairman of the Budget Committee, for his comments. And Senator DASCHLE, both he and Senator WELLSTONE, I thank for their cooperation. We know how strongly you feel about it. The Senator has been very fair. We appreciate it very much.

I further ask unanimous consent that the time on the conference report to accompany the small business tax relief bill, H.R. 3448, be limited to 60 minutes under the control of Senator MOYNIHAN, 30 minutes under the control of Senator KENNEDY, and 60 minutes under the control of Senator ROTH, and the conference report be considered as having been read, and following the conclusion or yielding back of the time, the Senate proceed to vote on adoption of the conference report without further action or debate.

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

Mr. LOTT. I further ask unanimous consent that at 6 o'clock this evening, if the House has adopted the correcting resolution with respect to the House insurance reform conference report, and consent can be granted to postpone the above-listed debate time, then the Senate proceed to two back-to-back votes, the first on the adoption of the health care conference report, to be followed by a vote on adoption of the small business tax relief conference report, and any remaining debate time not previously consumed be in order following the vote with respect to the small business tax conference report.

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

Mr. LOTT. I further ask if the Senate receives an identical concurrent resolution correcting the enrollment, it be deemed agreed to and the motion to reconsider be laid upon the table, all without further action or debate.

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

Mr. LOTT. Would the distinguished Democratic leader have any comment at this time?

Mr. DASCHLE. I thank the distinguished majority leader. This unanimous consent agreement is designed to try to accommodate all Senators. There are a number of Senators, as the distinguished Senator from New Mexico has indicated, who wish to be heard on both of these conference reports, but there are a lot of other Senators who would like to be able to plan their travel for early this evening.

What this could do is provide us the opportunity, if we can do it, to have two stacked votes at 6 o'clock, one on the conference report on the minimum wage-small business package, the other on the health bill.

I hope we can get cooperation on both sides to accommodate those two votes no later than 6 o'clock. I believe we can, and I applaud the majority

leader for his effort in getting us to this point.

Mr. LOTT. I thank Senator DASCHLE for his comments and his frankly suggesting we could do the two votes at 6 o'clock, as well as his cooperation.

I know a lot of Senators have a lot of other issues they are interested in. We are still working some other issues and some, I believe, for instance, the Emerson food donation bill, a food bank bill, which I think we can get that cleared. We will be talking about other issues, so I hope rather than ask about all these bills, maybe we can go ahead and get started on the debate. I see Senator NUNN, and I know he is very much interested in some nominations.

Mr. NUNN. If I could just take 2 seconds here, I am glad progress is being made.

I join the chairman of the committee, Senator THURMOND, in his plea that we pass the defense authorization bill. It will take a total of about 20 minutes, based on what I know now.

Even more urgently, I urge that we clear the nominations, the military nominations. We have posts all over the world that depend on these nominations. It is extremely important that we do the nominations this evening. Whatever else is still in dispute when we go home tonight, I hope the nominations on the military side are cleared.

I can assure my colleagues that if Senator THURMOND and I are given 20 minutes, equally divided—we will probably cut that down, if necessary—we can finish debate on the defense authorization bill and conference report, which passed the House last night, have the stacked votes at 6 o'clock, and have that vote right after that.

I hope we would be able to get agreement on both sides.

Mr. LOTT. I yield the floor.

The PRESIDING OFFICER. Is there objection to the request of the majority leader?

Mr. LEVIN. Reserving the right to object, would the majority leader yield for a question?

Mr. LOTT. Mr. President, I thought all the unanimous-consents had been agreed to.

The PRESIDING OFFICER. The last consent was not agreed to. The Senator from Michigan has reserved the right to object.

Mr. LOTT. I am happy to yield.

Mr. LEVIN. Earlier in the week, the majority leader indicated there would be an effort made to offer up the nominations of the circuit judges as well as the district court judges. Is that effort going to continue?

Mr. LOTT. I will continue to work on those nominations. We have shown an abundance of good faith. We have confirmed 17 judges. We are not going to be able to get more of them cleared tonight, but we will continue to work on these as we go on into the fall.

Mr. LEVIN. As the majority leader knows, one of the judges I am familiar with, Eric Clay, has the support of both the Republican and the Democratic Senators from Michigan, and he is from Michigan. Is there any possibility now that would be offered this evening?

Mr. LOTT. We will continue to work with the Senator on that. Senator ABRAHAM has talked to me about that. We will continue to work on that.

I yield the floor.

The PRESIDING OFFICER. Is there objection to the request? Without objection, it is so ordered.

Mr. WARNER. Mr. President, I join the distinguished chairman of the committee, Mr. THURMOND, and Mr. NUNN in their petition to the leadership of the Senate that we do address the authorization bill. I spoke earlier on that, and that particular military measure, coupled with the nominations pending before the Senate, are absolutely essential pieces that have to be passed before we depart.

I yield the floor.

Mr. THURMOND. Mr. President, I wish to thank the able Senator from Georgia, Senator NUNN, for his remarks on these defense matters, and also Senator WARNER of Virginia.

Defense, I say again, is nonpartisan; military matters and nominations are nonpartisan. Why there is an objection here to the taking up of nominations of the President of the United States for military nominations is beyond me. Why there is objection here to the taking up a defense bill agreed to on both sides, that we can finish in 20 minutes, an objection to taking it up is beyond me. After all, defense is for the whole country. These military nominations are for the whole country.

I hope that the leadership on the Democratic side that is objecting to taking up these matters would relent and let us go ahead and pass these matters. The House yesterday passed this defense conference report in 1 hour. I think we can pass it in 20 minutes.

Again, I ask the leadership on the Democratic side to reconsider this matter and take up these defense matters which are for the benefit of the whole country.

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996—CONFERENCE REPORT

Mr. WELLSTONE. Mr. President, what is the regular order?

The PRESIDING OFFICER. The clerk will report the conference report.

The bill clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3103) 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, to improve access to long-term care services and coverage, to simplify the administration of health insurance, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The Senate proceeded to consider the conference report.

(The conference report is printed in the House proceedings of the RECORD of July 31, 1991.)

POINT OF ORDER

Mr. WELLSTONE. Mr. President, I raise a point of order against the conference report under rule XXVIII, paragraph 2, because provisions contained in section 281 of the report were inserted by the conferees, and such provisions constitute ''matter not committed to them by either House.''

They have, therefore, exceeded their authority, in violation of rule XXVIII, paragraph 2.

The PRESIDING OFFICER. The Chair will examine the language of the conference report and needs to do that before it can issue a ruling. The Chair will withhold so that examination can be made.

The Chair announces that the point of order is not sustained.

Mr. WELLSTONE. Mr. President, I appeal the ruling of the Chair.

The PRESIDING OFFICER. Under the previous order, 10 minutes are to be equally divided.

The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, let me explain my challenge. I have to thank Senator PRYOR from Arkansas, who has been so diligent on these issues, and also Senator KENNEDY from Massachusetts.

Mr. President, in the dark of night, in this conference committee for this bill, the insurance reform bill, there was a provision that was put in, which was a 2-year patent extension for a prescription drug called Lodine. I think the effect of this would be that for 5 years it would be impossible for consumers to purchase a generic drug. My understanding is that the manufacturer is paying the Federal Government $10 million each year, or $20 million, because this would be additional costs, since the Medicaid assistance would go up more than it would if in fact consumers had access to the generic drug. In addition, the company will be providing reimbursements to some of the States because of the additional Medicaid costs.

The problem, Mr. President, is that this is a gigantic ripoff for the rest of the consumers because the generic drug would give consumers access to affordable treatment, those who are suffering from arthritis. So that, I think, is egregious. Clearly, I think it is the wrong thing for us to do.

The point of this challenge, however, has to do with the process. There was an attempt to stick this provision into the Senate Appropriations Subcommittee, and there was a very strong letter from Senator PRYOR and Senator CHAFEE saying, don't do that. But this was stuck into the committee late at night, not known to very many Members. It had never really passed out of

any committee. It hadn't passed out of any committee in either House, certainly not the two committees with jurisdiction over this legislation. Therefore, it was not within the scope of this conference committee to stick this provision in.

So, Mr. President, my point and the reason that I raise this point of order is that I think what was done really was a violation of the way the process is supposed to operate. On a very legal, technical point, it was a violation. This had not been dealt with by committee in either House.

Mr. President, I have to say, I was a college professor and used to teach political science courses, and I knew conference committees were called the third House of the Congress, but I had no idea that this kind of action could be taken, really, in the dark of night, not an open process, not accountable to the citizens of the country. It was the wrong thing to do, and it is for this reason that I raise this point of order and that I appeal the ruling of the Chair.

Mr. SANTORUM. Will the Senator yield for a question?

Mr. WELLSTONE. I reserve the remainder of my time, and I will yield on your time.

Mr. SANTORUM. In that case, I will yield to the senior Senator from Pennsylvania.

Mr. SPECTER. Mr. President, contrary to the statement by the Senator from Minnesota, this matter has been considered in the Judiciary Committee as part of the markup on the drug patent bill. It was on the floor as a part of the Hatch amendment, which was a part of the defense authorization bill.

This measure was also considered by the House, which passed a 2-year patent extension for this drug on separate occasions; in 1992 and again in 1996. It has been so considered as a matter of basic fairness. The FDA delayed action on this matter for some 97 months, contrasted with 27 months on the average.

This matter has been considered extensively. I raised it in open session in the Agriculture Subcommittee of the Appropriations Committee earlier this week. It had been in the House Agriculture appropriations bill and was dropped in conference. I do not vouch for the provision where it was added to the health care bill after conference. I do not know about that and was not a party to that.

But we have a very basic problem in America about research expenditures for drugs that benefit sick people. These drugs benefit everybody including the elderly, the young, and those not in either category. If we are going to expend a very substantial sum of money on research, there is going to have to be a reasonable return. We have a patent period, and the patent period was not honored in this case. The manufacturer here, Wyeth-Ayerst, is a major Pennsylvania constituent of Senator SANTORUM's and mine, employing thousands of people in the Philadelphia suburbs. If they are to be able to continue, they are going to have to have a reasonable return.

Those who added it to this bill did so because this is a health bill. One way or another, these sorts of matters must be considered. I am very sympathetic to generic manufacturers, and I have a very strong voting record for senior citizens on issues like this. But if we are to have the kind of research, productivity and the great miraculous advances, we are simply going to have to have a reasonable rate of return on the patent period that is realistic. That is why on the merits and as a matter of fairness, I have advocated this position publicly and do so today, because I think it is an appropriate and sound position.

I yield to my colleague from Pennsylvania.

Mr. SANTORUM. I think the Senator has articulated the arguments on the merits very well. This is an appropriate remedy. I just ask the Senator from Minnesota if he has ever heard of the drug Daypro. It is a competing drug that had the same problems going through the FDA as Lodine, the same problems, the same delay. But in the 1996 omnibus appropriations bill, Daypro got an extension. I don't recall the Senator from Minnesota objecting to that extension, asking for that to be removed. But they got one, too.

So what we have now is a competitive disadvantage. We have one company with a similar drug, a similar prescription, getting an extension and another drug with the same FDA problem not getting an extension. This is a health care bill. The Chair has ruled that it is within the scope of this bill. So I think what is going on here is, frankly, not a special interest, but simply a matter of fairness that we are trying to address. I think what has gone on here is really a lot of actions that—as the Senator said, this bill passed here in the Senate, passed in the House. It is not a new provision. It has had committee discussion. This thing is not anything new to any Member of this floor. We should have left it alone and created the fairness that this Senate acted on and the House acted on in the past.

Again, I agree with the Senator from Minnesota, and I don't agree with sticking things in conference that weren't originally there. I understand that objection. But this is not a red herring proposal. This is a sound proposal. This is a fair approach, and I think we are going to see either this or, frankly, the repeal of the Daypro. One or the other is going to happen again sometime in the next couple of months.

Mr. WELLSTONE. Mr. President, I appreciate working with both of my colleagues. For all I know that other provision was stuck in conference committee in the dark of night. I did not catch it. I really appreciate what you have said. I think we would probably disagree maybe on the substance because I think by postponing the time that this can be generic. We really provide more cost to the consumers. But it seems like what you have said—and hopefully we can all agree on this—this should not have been stuck in the conference committee the way it was. It was not appropriate, and that is why I challenged the ruling of the Chair.

I think from the point of view of the way our process operates it is a huge mistake to legislate this way. That is why I hope that I will receive strong support on this challenge. And my understanding is that, if we prevail on the voice vote, this will become a successful concurrent resolution which will be a technical correction resolution that I introduced on behalf of myself, and also Senator KENNEDY from Massachusetts.

Again, I thank especially Senator DAVID PRYOR for really bringing this to my attention.

Mr. SPECTER. Mr. President, I would take strong exception to any language if it refers to anything which my distinguished colleague, I, or others in the advocacy of this position have done. We have spoken of it directly. I did so earlier this week in the conference, and we do so on the floor today.

We need medical research. We need these wonder drugs to be produced. It is a matter of fairness as to how we are going to compensate those who produce them. If we are to have them for the consumers, we will have to be able to pay for them. And I think ultimately we will have to take this matter up on the merits, and I think at that time we will see that it is an appropriate position which Senator SANTORUM, I, and others have advocated.

Mr. WELLSTONE. Mr. President, how much time remains on our side?

The PRESIDING OFFICER. The Senator has 36 seconds.

Mr. WELLSTONE. I say to my both my colleagues from Pennsylvania that they clearly are two Senators who are always more than willing to be strong and determined and honest in their positions in public.

This amendment is not at all aimed at the Senator from Pennsylvania. It is aimed at something that I think is wrong with this process.

I yield the floor.

The PRESIDING OFFICER. The question is, Should the decision of the Chair stand as the judgment of the Senate?

The ruling of the Chair was not sustained.

CORRECTING THE ENROLLMENT OF H.R. 3103

The PRESIDING OFFICER. The clerk will now report the concurrent resolution.

The bill clerk read as follows:

A concurrent resolution (S. Con. Res. 68) to correct the enrollment of H.R. 3103.

The PRESIDING OFFICER. Under the previous order, the concurrent resolution is agreed to.

The concurrent resolution (S. Con. Res. 68) was agreed to as follows:

S. CON. RES. 68

Resolved by the Senate (the House of Representatives concurring), that in the enrollment of the bill (H.R. 3103 entitled ''an Act to amend the Internal Revenue Code of 1986 to improve portability and continuity of health insurance converge 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 account, to improve access to long-term care services and coverage, to simplify the administration of health insurance, and for other purposes'', the Clerk of the House of Representatives shall make the following correction:

Strike subtitle H of title II.

Mr. KENNEDY. Mr. President, I wish to make a brief comment on the addition of the special-interest provision that was added in the legislation without knowledge of the Democratic conferees and, to my knowledge, Republican conferees.

I am pleased that a provision to benefit a particular pharmaceutical company will now be dropped from the very important health care legislation.

The provision was surreptitiously included in the conference report without the knowledge of the conferees. Clearly, it did not belong in this legislation.

I simply point out that the provision was rejected when previous efforts to put it into other bills were attempted. An initial attempt to include the special deal was rejected in the defense authorization bill. A second attempt was made to include it in the agriculture conference report, and that was rejected also. Now it has been rejected in the health reform conference, and we were right to reject it.

Let me just conclude by saying, strike three, this provision is out and good riddance.

I will highlight the points in the GAO report that was issued. It said that Lodine is a ''me, too'' drug which provides no significant health benefit or therapeutic breakthrough which would justify expedited review, such as AIDS or cancer.

FDA found that the Lodine submission was ''piecemeal, voluminous, disorganized, and based on flawed clinical studies.''

The Lodine submission to FDA did not contain ''enough data to prove efficacy, until September 1989.''

It has already received special consideration under the Waxman-Hatch amendments. We passed that to try to take into consideration companies that felt they had not been treated fairly before the FDA. We have included in the RECORD the excellent statement that has been made by both Senator CHAFEE and Senator PRYOR. First of all, we note that no hearings or deliberations of any kind have been held in either the House or Senate as to whether any public purpose would be served by granting this extension. Then, finally, the CBO says the patent extension will cost the Federal Government and taxpayers $10 million. These resources would be far better applied and are urgently needed under the submissions jurisdiction.

The other point I will mention, the Lodine patent extension includes language barring importation of active ingredients. This would prevent generic competitors from conducting the essential preclinical tests and clinical studies to prepare for marketing, as they are permitted and required under the 1984 act. This specific clause further extends the patent extension by as much as 5 years and market exclusivity by as much as 7 years.

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

The PRESIDING OFFICER. The Senate is now operating under control of debate time.

Who yields time?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, as I understand by the previous agreements, we have divided up the time for the next few hours between the Kassebaum-Kennedy bill and also on the minimum wage legislation, but that there has been agreement to vote on these measures at 6 o'clock. So there is an expectation that it would be at 6 o'clock.

So I expect that during the course of the next period of time that we have between now and 6 that perhaps that time could be divided, if it is agreeable with Senator KASSEBAUM; that we might just divide the time between she and I until 6 o'clock.

Mrs. KASSEBAUM. I anticipate, of course, if there is more time allocated to us, that will take us past 6 o'clock. As you know, Senator DOMENICI and Senator WELLSTONE want a large share of that time to be equally divided. We will try to do so. But we will have to make sure that time is allocated to them.

Mr. DOMENICI. Mr. President, I think the Senators will be fair. But it seems to me that the spirit of the understanding would provide a portion of that time to the Senator from New Mexico. I think the spirit of it was that a portion of that time would go directly to the Senator from New Mexico.

Mr. KENNEDY. If we have 55 minutes, I suggest that we divide it between Senator KASSEBAUM and myself. And then we will allocate it to our Members between now and 6 o'clock, if that is agreeable.

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

Mrs. KASSEBAUM. Mr. President, I allocate to myself 5 minutes.

The PRESIDING OFFICER. The Senator from Kansas is recognized for up to 5 minutes.

Mrs. KASSEBAUM. Mr. President, today, we stand on the threshold of passing long-overdue reforms to our Nation's health insurance system.

According to the General Accounting Office, the bipartisan conference agreement before us today will help at least 25 million Americans each year who now face discrimination and live in fear that their health insurance coverage will be canceled if they change jobs, lose their job, or become sick.

It was exactly 1 year ago today that the Senate Labor Committee passed the core provisions of this legislation by a unanimous vote. For many months prior to that time, Senator KENNEDY and I worked together with insurance companies, consumers, Governors, State regulators, large employers, small employees, and other to forge a bipartisan consensus which would bring us to this day.

Mr. President, it has been a long, and sometimes bumpy, road. But the spirit of cooperation and bipartisanship that began this process 1 years ago has allowed us to overcome very difficult obstacles that threatened—but never derailed—our drive to pass common-sense health reforms that would provide real health security.

Whilte there has been a great deal of debate and polemics over the last few months about extraneous provisions, Senator KENNEDY and I have never lost sight of our primary goal. The heart and soul of the Kassebaum-Kennedy bill that passed the full Senate unanimously are firmly embedded in the conference agreement before us.

Mr. President, beginning July 1, 1997, every American who has played by the rules will be able to keep their health insurance coverage even if they change jobs, lose their job, or have a preexisting illness.

Last night, the House of Representatives passed the Health Insurance Portability and Accountability Act by an overwhelming vote of 421 to 2. Today, we will have the opportunity to do the same and to send this bill to President Clinton for his signature.

This is a dramatic victory for the American people—not only because the bill will help millions of Americans with preexisting illnesses, but also because—I believe—the process of compromise, negotiation, and bipartisanship that was the hallmark of this bill will go a long way toward restoring Americans' faith that their Government can work to address their most pressing concern.

Depending on who was speaking yesterday, one would think that health reform was entirely the province of one party. But as Senator KENNEDY and I both know, this effort has been bipartisan from the start.

Senator KENNEDY and Representative ARCHER worked together to develop a compromise on medical savings accounts that broke a months-long impasse on the bill.

The majority and minority leaders, as well as Senator Dole, deserve much credit for breaking the gridlock over this bill.

In fact, Mr. President, I would just like to say a special word of appreciation to the majority leader. I think that Senator LOTT has devoted a great deal of time and energy to making sure that we could reach this point this evening before we go out on our recess.

And there also has been significant bipartisan support in the House from Representatives THOMAS, BLILEY, BILIRAKIS, WAXMAN, HYDE, DINGELL, and others. I especially want to recognize Representative HASTERT of Illinois for his leadership in bringing together members of both parties to reach agreement on this very important bill.

I regret that we could not do more to help small employers. In an effort to avoid controversy that could have derailed the legislation, both the House and Senate small business pooling provisions were dropped from the conference agreement. Representative FAWELL from Illinois is perhaps the greatest advocate of this reform, and Senator JEFFORDS, from Vermont, also has worked very diligently to help small employers enjoy the same economies of scale as large employers. My hope is that those Members and others will continue to show leadership in the future to find constructive bipartisan solutions in this area.

I also regret that this legislation does not include malpractice reforms that could significantly lower costs for consumers.

Finally, Mr. President, I know many of my colleagues are disappointed that the bill does not do more to help end discrimination against those with mental illnesses. I know that Senator DOMENICI and others will speak to that issue later. But I would just like to express my appreciation to Senator DOMENICI who has devoted his time and heartfelt efforts to achieving legislation to address parity in insurance coverage for those with mental illness.

We did not do enough in this bill, and I certainly can understand those who wish we could have done more. However, the bill does represent significant progress for those with mental illness and other chronic conditions. The bill expressly prohibits employers and insurers from denying coverage to individuals because of preexisting mental illnesses as well as physical illnesses, and people who suffer with mental illnesses will be able to change jobs without the fear of losing their health coverage.

I also have received letters in recent days from nearly 30 groups, including the American Association of Retired Persons, the American Medical Association, the American Hospital Association, the American Cancer Society, the Healthcare Leadership Council, the American Lung Association, the American Heart Association, the March of Dimes, and others.

Let me read from one of these letters:

> The American Cancer Society estimates that more than one million people will be diagnosed with cancer this year. Ten million Americans alive today have a history of cancer. Under current insurance practices, many of these people will be denied coverage if they change jobs or lose their job, or they will be squeezed out of their existing plan because of their health status. The health insurance reform bill addresses these critical issues by limiting preexisting condition restrictions and ensuring greater portability of coverage. * * * The modest reforms contained in [this bill] will go a long way toward protecting people with chronic illness and their families. * * *

So, Mr. President, let us move forward. Let us cap this bipartisan effort with another strong vote today and send this historic legislation to the President's desk for his immediate signature.

There is no controversy about the central elements of the bill. There is no question that the President will sign the legislation. There is no question that—despite its long delay—the President, and members of both parties, in both the House and the Senate, can take credit for passing these sensible reforms.

And there is no question that the American people will be the real winners today. This bill will guarantee that those who need coverage the most are not shut out of the system. It is a small step forward, but it is a historic step. And it will mean the world to millions of Americans who will no longer live in fear that they will lose their health coverage when they change jobs or lose their job.

I urge my colleagues to support the conference agreement, and to send this important measure to the President today.

Mr. President, I think many will be helped by this bill. While it is not a great leap, it is an important, historic step forward in addressing many of the American people's most pressing concerns about health care.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, in the final moments before we are going to have legislative completion of this Kassebaum-Kennedy bill, I once again commend the chairman of our committee, Senator KASSEBAUM, for her leadership and work in fashioning this legislation, which reflects the strong bipartisan support of her committee. As she has rightfully pointed out, it was a year ago today that the committee reported it unanimously. It did take us a period of time, some 8½ months, before the Senate finally considered the legislation, and then passed it unanimously. So this does really reflect an extraordinary legislative achievement and accomplishment.

As we come into the final days and hours of this part of the Congress, I think all Americans are very much in the debt of Senator KASSEBAUM for all she has done on this legislation and on many other pieces of legislation, and it is important for the record to note it. I think the Members of the Senate respect and understand that.

Secondly, Mr. President, this legislation is right and necessary not just because, as the leaders of all of the great religions have pointed out, it is morally imperative for those who have some preexisting condition or some illness, or disability. It is not only right because we have virtual unanimous support from the business, consumer, and labor communities, but most powerfully it should pass because it has the support of the working families in this country.

There will be many who will try to claim credit for the legislation. But ultimately this legislation was passed for the parents, those parents who today are worried about a child who may have some disability and wonder what in the world is going to happen to their child when they reach maturity and they are no longer included in that parent's policy. Those parents know that today it is virtually impossible for that child to be able to get some kind of health insurance.

Victory can be expressed by workers, who currently can see a new opportunity for themselves and for their families by moving up in terms of the employment opportunities but hesitate to do so. They hesitate to attempt to fulfill the great American dream because they wonder whether that job which is out there and offered to them in which they feel they can do a superior job may not provide that degree of coverage for a member of their family, for their wife or for one of their children. As a result, they turn down that opportunity. The American dream becomes somewhat more remote and distant to them.

It is a victory for those older workers, in my State of Massachusetts and around the country who, as a result of downsizing, changes in defense procurement, and changes in our commercial markets, become down-sized and put out, effectively to pasture, and wonder whether they are going to be able to acquire any kind of health insurance because maybe they are not as physically able as they were at an earlier period of time. These older workers—who have worked hard, paid their dues over the long period of time and who may be a little ill—now have this anxiety—just when they are looking at their golden years in retirement.

It is the entrepreneur, the individual who wants to start up their own business but knows that because a member of their family has some illness, they are virtually prohibited from acquiring any kind of health insurance. Today, their hopes and dreams are further diminished.

When the final vote on the Kassebaum-Kennedy is taken later today, it will pass overwhelmingly. It will pass because it is bipartisan legislation. It will pass because it is supported by over 200 groups in a broad-based coalition representing consumers, business,

labor, and responsible insurance companies. It will pass because the conference committee agreed to limit the controversial medical savings account proposal to a genuine test—not a full-blown program—and to accept meaningful portability reforms. Most of all, it will pass because the American public deserves and demands action.

I want to give special praise to the chair of our committee and the leading sponsor of this bill, Senator KASSEBAUM. It was her leadership that resulted in a unanimous vote from our committee. It was her vision and commitment that made it possible for this bill to pass the Senate without crippling amendments. She was tireless in her efforts to reach a constructive compromise to get a bill that all of us can support. As she nears retirement from the Senate, this bill is her gift to the American people. The American people owe her a great debt of gratitude, and I'm proud to have served with her on the Labor Committee for all these productive years.

This bill will end many of the most serious health insurance abuses and provide greater protection to millions of families. It is an opportunity we can't afford to miss.

The abusive practices addressed by this bill create extensive and unnecessary suffering. Ending them will bring greater opportunity and peace of mind to millions of Americans. Twenty-five million Americans a year will be helped by the provisions of this bill. Everyone knows a family member or friend who has been hurt because of the abuses this bill will end.

Millions of Americans are forced to pass up opportunities to accept new jobs that would improve their standard of living or offer them greater opportunities because they are afraid they will lose their health insurance. Many others have to abandon the goal of starting their own business because health insurance would be unavailable to them or members of their families.

Parents who have a child with a health problem worry that their son or daughter will be uninsurable when they are too old to be covered by the family policy. Early retirees find themselves uninsured just when they are entering the years of the highest health risks. Other Americans lose their health insurance because they become sick, lose their job, or change their job—even when they have faithfully paid their insurance premiums for many years.

With each passing year, the flaws in the private health insurance market become more serious. More than half of all insurance policies impose exclusions for preexisting conditions. As a result, insurance is often denied for the very illnesses most likely to require medical care.

The purpose of such exclusions is reasonable: to prevent people from ''gaming'' the system by purchasing coverage only when they get sick. But current practices are indefensible. No matter how faithfully people pay their premiums, they often have to start over again with a new exclusion period if they change jobs or lose their coverage.

Eighty-one million Americans have conditions that could subject them to such exclusions if they lose their current coverage. Sometimes these conditions make them completely uninsurable.

Insurers impose exclusions for preexisting conditions on people who don't deserve to be excluded from the coverage they need. Sometimes, insurers deny coverage to entire firms if one employee of the firm is in poor health. Even if people are fortunate enough to obtain coverage and have no preexisting condition, their policy can be canceled if they have the misfortune to become sick—even after paying premiums for years.

One of the most serious consequences of the current system is ''job lock.'' Workers who want to change jobs must often give up the opportunity because it would mean losing their health insurance. A quarter of all workers say they are forced to stay in a job they otherwise would have left—because they are afraid of losing their health insurance.

When we originally debated this legislation on the Senate floor, I spoke of just a few of the millions of Americans who have been victimized by the abuses in the current system.

Robert Frasher from Mansfield, OH works for an employer who offers health coverage to employees. But the insurance company won't cover him because he has Crohn's disease.

Jean Meredith of Harriman, TN and her husband Tom owned Fruitland USA, a small convenience store. They had insurance through their small business for 8 years. But Tom was diagnosed with non-Hodgkin's lymphoma, and their insurance company dropped them because they were no longer profitable insurance risks. Without health insurance, Tom Meredith had to wait a year to get the surgery he needed. After spending $60,000 dollars of his own funds, his cancer recurred and he died a year ago. Tom Meredith might still be alive today, if he hadn't been forced to wait that year.

Diane Bratten from Grove Heights, MN and her family have insurance through her employer. Because of a history of breast cancer now in remission, Diane and her family would not be able to get coverage if she decided to change jobs or was laid off.

Nancy Cummins of Louisville, KY lost her health insurance when her husband's employer went bankrupt. When their COBRA coverage expired, they were uninsured for 3 years until they qualified for Medicare. During this period, she suffered three heart attacks, which left their family with $80,000 in debts.

Jennifer Waldrup of my home state of Massachusetts was covered by her husband's health insurance until his employer went out of business. When she applied for coverage under her own policy, she was turned down because she had multiple sclerosis. Her employer tried to help, but could not find an insurer who would insure here. Her husband had to cash in his life insurance to pay her medical bills.

Tom Hall of Oklahoma City testified before our Committee. He faithfully paid for premiums for 30 years under the group policy of the construction business he co-owned. When the company dissolved and he became self-employed, the same insurance firm refused to give him coverage because he had a heart condition. He lives in fear that his life savings will be wiped out.

This legislation is a health insurance bill of rights for Robert Frasher, for Jean Meredith, for Diane Bratten, for Nancy Cummins, for Jennifer Waldrup, for Tom Hall—and for millions of other Americans as well.

Those who have insurance deserve the security of knowing that their coverage cannot be canceled, especially when they need it the most. They deserve the security of knowing that if they pay their insurance premiums, they cannot suddenly be denied coverage or be subjected to a new exclusion for a preexisting condition when they change jobs and join another group policy, or when they need to purchase coverage in the individual market.

This health insurance reform bill corrects these fundamental flaws in the private insurance system. It limits the ability of insurance companies to impose exclusions for preexisting conditions. Under the legislation, no such exclusion can last for more than 12 months. Once someone has been covered for 12 months, no new exclusion can be imposed as long there is no gap in coverage—even if people change jobs, lose their job, or change insurance companies.

The bill requires insurers to sell and renew group health policies for all employers who want coverage for their employees. It guarantees renewability of individual policies. It prohibits insurers from denying insurance to those moving from group coverage to individual coverage. It prohibits group health plans from excluding any employee based on health status.

These rules are important for helping people with a wide range of health conditions. They also address the relatively new but serious and growing concern that genetic screening information will be used to deny coverage to people who aren't sick yet—a concern that prevents many from getting the medical tests that could help protect them against future illness.

Also, because of this bill, victims of domestic violence will know that they can seek help without jeopardizing their insurance coverage.

The bottom line is that this legislation guarantees that no one who faithfully pays their premiums can have their insurance taken away or preexisting conditions imposed, even if they change jobs or lose their job.

There has been a sudden rush in recent day to claim credit for this bill as it reaches final action. This is not a partisan bill. It was developed by a Republican Senator and a Democratic Senator. Members on both sides of the aisle have made important contributions. But the American people should be clear as to who fought to pass this bill—and who fought to derail it.

The Kassebaum-Kennedy bill was approved by the Labor and Human Resources Committee on August 2, 1995—exactly 1 year ago today. It was approved by a unanimous vote of 17–0. And then it languished for months on the Senate calendar because Bob Dole and the Republican Senate leadership tried to kill it by a system of rolling, anonymous holds. In fact, it would still be on the Senate calendar today, if it had not been for the courageous leadership and timely intervention of President Clinton.

Let there be no mistake about the facts. This bipartisan bill was passed because President Clinton led an all-out effort. And it almost died because Bob Dole and the Republican leadership tried to kill it. They blocked it for months because they were more concerned about the profits of insurance companies than the health care of America's families. The party that tried to slash Medicare was at it again.

President Clinton's eloquent call for action on the bill in the State of the Union Address on January 23d this year was the trumpet that blew down the wall of Republican obstruction. The President focused the attention of both the press and the public on the legislation—and on the secret maneuvers that were stabbing it in the back. The obstruction failed. President Clinton's State of the Union Address lit a fire that Bob Dole couldn't extinguish.

Two months later, on February 6, Bob Dole agreed in principle to let the bill come before the Senate. At that time, hardly by coincidence, he was in the middle of a difficult campaign in the New Hampshire primary.

And even after he agreed in principle to bring up the bill, he still managed to postpone action for more than 3 months—until April 18—so that insurance companies who profit from the abusive practices of the current system would have more time to organize their opposition and prepare their poison pills.

One of the poison pills was medical savings accounts [MSAs]. The House and Senate Republicans tried to force Congress to swallow that pill, even though it would clearly jeopardize passage of the entire reform. This radical and untried concept was fueled by lavish campaign donations from the Golden Rule Insurance Company—one of the worst abusers of the current health insurance system. Authoritative, independent analyses of the concept warned that widespread use of medical savings accounts could easily drive up premiums for other citizens by 60 percent or more. In the words of the Congressional Budget Office, medical savings accounts ''could threaten the existence of standard health insurance.''

The Republican plan lacked even the most basic consumer protections for people who selected MSAs. Deductibles could be as high at $5,000 per individual and $7,500 per family. There was no limit on how high their total out-of-pocket costs could rise.

The Kassebaum-Kennedy health insurance reform bill is supposed to make the insurance system better for the American people, not undermine it through untested programs or expose people to excessive health care costs. But that is exactly what Senator Dole and the House Republicans tried to do. When medical savings accounts were proposed on the Senate floor, Senator Dole led the effort—and was soundly defeated.

House Republicans also demanded other protections for the insurance industry that would have made a mockery of the entire bill. Under their proposal, the promise of portability became a hollow one. Insurance companies could offer only one policy to sick people at a prohibitive cost. A family plan would have cost $18,000 a year under the Republican plan.

This scheme would have been a setup for the insurance industry and a setback for health reform, if Democrats had not stood firm. The intransigence of the House Republican leadership stalled the bill until July 25—4 months after it passed the Senate. Until the last day of the conference, they continued their attempt to undermine the portability provisions. Because President Clinton and Congressional Democrats stood firm, the American people are the winners.

Obviously, this bill is not a cure-all for the health care system. But it is an important first step on the road to further reform.

We all know the problems that continue to exist. Between 1990 and 1994, the number of uninsured Americans rose 18 percent—from 34 million to 40 million citizens. The average person who becomes uninsured today will stay uninsured twice as long as in the 1980s. According to a recent study, the number of uninsured could rise by another two-thirds—to 67 million Americans—over the next 7 years. The percentage of Americans with job-based insurance will fall from 61 percent in 1989 to 45 percent by 2002.

These trends will not change because of the legislation we are enacting today. Too many families will still be just one pink slip away from losing their coverage. Too many families forced into unemployment or retirement by corporate downsizing will not be able to afford the insurance they need—even if they cannot be denied the right to purchase it simply because they are ill.

Tens of millions of other Americans have no coverage today because they work for employers who won't provide it and because they can't afford it themselves. They will get no relief from this bill.

Too many senior citizens will continue to pay more than they can afford for the health care they need. Too many children will still not get the healthy start in life they deserve.

Across the landscape of America there is not a family that has not been affected by some preexisting condition, some illness, some disability. There is not a family that does not know a neighbor or friend that has not been presented with this kind of fear and anxiety.

So, Mr. President, we move this legislation forward, and we are very hopeful that when this measure is actually signed by the President of the United States, we will be helping to lift that sense of anxiety and fear and frustration from among our fellow Americans when they have been turned down by the fiercest and most abusive policies of insurance companies.

We know that this legislation is not going to resolve all the problems, but there will be those families, there will be those parents, there will be the members of the family, there will be the older worker, there will be the entrepreneur who will know they can look to the future with additional hope and anticipation in fulfilling the American dream.

So, although this is not all of what some of us may have wanted, this is a meaningful, important piece of legislation that can make an extremely important and significant difference in the quality of life for our fellow Americans. The passage of the legislation is the beginning of a journey, not an end.

Next year I hope, under President Clinton's leadership, and I would say a Democratic Congress, we will take the next step forward toward assuring every American family the basic right to health care.

Mrs. KASSEBAUM. Mr. President, I agree with the ranking member of the Labor Committee on some things. But the last part of his statement I would, perhaps, have to have some question about.

I yield 5 minutes, now, to the chairman of the Finance Committee, Senator ROTH.

Mr. DOMENICI. Mr. President, I ask if the senior Senator from Kansas will yield to me for 10 seconds?

Mrs. KASSEBAUM. I will so yield.

Mr. DOMENICI. Senator KENNEDY, I know your desire for next year, but I would remind you, you had the Senate and House for 2 years with the President, and you did not get anything done with health care. I yield the floor.

Mr. KENNEDY. Mr. President, I would like to yield to myself. I think I have a right to recognition—

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Massachusetts should be warned the Senator from Kansas yielded to the Senator from Delaware.

Mr. ROTH. Mr. President, today we fulfill a promise to the American people. We bring greater security to American families. We offer peace of mind to

hard-working, responsible men and women who are providing for themselves and for their families.

There has been no question on either side of the aisle—or throughout America—about the need to make necessary improvements in our health care system.

The improvements in this legislation primarily focus on making health care coverage accessible and affordable. It goes without saying that we have the highest quality of care, the best technology, the finest health care personnel found anywhere in the world.

Our objective, then, is to initiate fundamental reforms in access to health care without doing irreversible harm to quality, research and technology. This legislation is an excellent first step toward accomplishing our objective.

Unlike the health care reform effort made 2 years ago, this legislation does not harm the system in the process of reforming it.

Rather, this legislation meets the most pressing needs associated with reform: Increased portability; limitations on pre-existing conditions exclusions; guaranteed renewability of health care insurance; and, improved means for small businesses and self-employed individuals to provide health care coverage, including long-term care.

I want to particularly thank Senator MCCONNELL for his leadership and active participation in these reforms, especially in the area of long-term care. Likewise, I want to acknowledge the work done by Senator COHEN toward preventing health care fraud and abuse. I want to thank Senator GRASSLEY for the work he has done in the area of coordination and duplication of Medicare-related plans, and Senator BOND who has been instrumental in his work for administrative simplification.

This has certainly been a team effort—a valiant effort by Senators and hard-working staff. I am proud of what we have accomplished. Beyond the critical reforms I have already outlined, this legislation also takes a very important first step toward a program that I have long advocated—that is the medical savings account. Medical savings accounts provide a fundamental way to make health insurance affordable to small business employees and self-employed individuals, and this bill provides for a 4-year demonstration project—a project in which self-employed individuals and companies of 50 or fewer can participate.

Mr. firm belief is that this project will prove the success of medical savings accounts, and we will then be in a strong position to provide MSA's for Americans everywhere.

Beyond these important reforms, this legislation also helps control the cost associated with health care by creating new tools in our fight against health care fraud and abuse. While I would like to see our efforts to control fraud and abuse go much further, the provisions in this bill represent a good starting point.

Along with providing these tools, this legislation improves the Medicare and Medicaid programs and the private health care system through uniform standards that will cut out much of the redtape in health care.

It is important to note, Mr. President, that this bill does not pre-empt State privacy laws. Instead, it provides protection for an individual's health information.

Each of these changes represents a significant improvement over current law. Combined they represent a strong first step toward reforming America's health care delivery system in a way that improves without destroying. And this is critically important to the American people.

Two years ago they rejected the wholesale restructuring of our health care system. They understood that reform, as it was proposed then, was throwing the baby out with the bath water. It was tampering dangerously with one-eighth of our Nation's economy, and a system that had the highest standards of quality in the world. What we do with this legislation is make the reforms they want—the reforms they need—without destroying all that is good and working in the current system.

With this Health Insurance Portability and Accountability Act, we keep our promise. We effectively address the problems facing the Nation's health care system in an incremental fashion.

I am honored to be a part of this momentous effort—I appreciate all the work that's been done by valiant staff members—and I am heartened by the positive, bipartisan way in which we have succeeded.

I yield the floor.

Mr. KENNEDY. Mr. President, I yield myself 1 minute.

I am very, very surprised at my good friend from New Mexico, talking about what has been achieved, that this has only been achieved under a Republican Congress. Where were the Democrats? I will tell you where the Democrats were not. They were not cutting Medicare and cutting Medicaid so we could have tax breaks for the wealthiest individuals in this country. And where the Democrats were not is waiting 8½ months to bring this bill up, which the Republicans are crowing about at this time. That is where the Democrats were.

I yield 5 minutes to the Senator from New York.

The PRESIDING OFFICER (Mr. BURNS). The Senator from New York is recognized.

Mr. MOYNIHAN. I rise in support of the Health Insurance Portability and Accountability Act of 1996. It makes elemental and much-needed improvements in health care coverage for Americans by guaranteeing ''portability'' of health insurance for employees who change jobs, and by eliminating the current practice of denying coverage to persons with preexisting health conditions. These were the areas in which there was by far the greatest consensus when the President's health care legislation was considered in the Finance Committee in 1994, and I am pleased that agreement has been reached to make these changes.

However, I am not pleased with the resolution of another issue in this bill: the provision to prevent persons from renouncing their American citizenship and moving abroad in order to avoid U.S. taxation. That dubious practice has come to be called ''expatriation'' among members of the tax bar, although that is not a very illuminating term. The word expatriate derives from the Late Latin expatriare, to banish. Ex, out of. Patria, native country. Perhaps a term that better reflects the tax consequences of the issue will emerge in time.

The conference report on the health legislation before us today contains as a revenue offset the House expatriation version, rather than the Senate provision. The Senate provision also was included in the small business tax relief legislation marked up by the Finance Committee on June 12, but it was later dropped in the conference on that legislation. I am convinced that the House proposal will leave in place a continuing tax incentive to renounce citizenship in order to evade taxes.

This issue gained notoriety in late 1994, when expatriation by several very wealthy individuals was widely reported. On April 6, 1995, shortly after the issue arose for the first time in Congress, I introduced S. 700, a bill to close the loophole in the Tax Code that permits ''expatriates,'' as they have come to be called, from escaping U.S. taxation.

Although expatriation to avoid taxes occurs infrequently, it is a genuine abuse. The Tax Code currently contains provisions, dating back to 1966, intended to prevent tax-motivated relinquishment of citizenship, but these provisions have proven difficult to enforce, and they are easily circumvented with the assistance of resourceful tax counsel. One international tax expert described avoiding them as ''child's play.'' Under current law, individuals may, by renouncing their U.S. citizenship, avoid taxes on gains that accrued during the period in which they acquired their wealth—and while they were afforded the many benefits and advantages of U.S. citizenship. Even after renunciation, these individuals are permitted to keep residences and reside in the United States for up to 120 days per year without incurring U.S. taxes. Indeed, certain wealthy Americans have ''expatriated'' while still maintaining their families and homes in the United States. They need only take care to avoid being in the United States for more than 120 days each year.

Meanwhile, ordinary Americans who remain citizens continue to pay taxes on their gains when assets are sold, or when estate taxes become due at death.

I regret to say that the expatriation issue has been and, in light of the decision taken by the conferees on the health insurance reform bill, may continue to be the subject of more controversy than it probably deserves. In the interest of making the record complete, I will briefly review the history of the issue's consideration in the Congress.

On February 6, 1995, the President announced a proposal to address expatriation in his fiscal year 1996 budget submission. Three weeks later, on March 15, 1995, during Finance Committee consideration of legislation to restore the health insurance deduction for the self-employed, I offered a modified version of the administration's expatriation tax provision as an amendment to the bill. My amendment would have substituted the expatriation proposal for the repeal of minority broadcast tax preferences as a funding source for the bill. The amendment failed in the face of united opposition by members of the majority on the committee. The vote against the amendment was 11–9.

Later in the markup, Senator BRADLEY offered the expatriation provision as a free-standing amendment, with the revenues it raised to be dedicated to deficit reduction. Senator BRADLEY's amendment was adopted by voice vote.

After the Finance Committee reported the self-employed health deduction bill, but before full Senate action and before our conference with the House, the Finance Committee held a hearing to review further the issues raised by expatriation. At our hearing, we heard criticisms of some technical aspects of the provision, as well as testimony raising the issue of whether the provision comported with Article 12 of the International Covenant on Civil and Political Rights, which the United States ratified in 1992. Section 2 of Article 12 states: ''Everyone shall be free to leave any country, including his own.''

Robert F. Turner, a professor of international law at the U.S. Naval War College, testified that the expatriation provision was problematic under the Covenant because it constituted a legal barrier to the right of citizens to leave the United States. The State Department's legal experts disagreed, as did two other outside experts who provided written opinions to the committee: Professor Paul B. Stephan III, a specialist in both international law and tax law at the University of Virginia School of Law; and Mr. Stephen E. Shay, who served as International Tax Counsel at the Department of the Treasury under the Reagan administration.

Given this division in authority, it seemed clear that the Senate should not act improvidently on the matter. Genuine questions of human rights under international law, and the solemn obligations of the United States under treaties, had been raised. We therefore sought the views of other experts. Opinions concluding that the expatriation provision did not violate international law were received from Professor Detlev Vagts of Harvard Law School and Professor Andreas F. Lowenfeld of New York University School of Law. The State Department issued a lengthier analysis supporting the legality of the provision, and the American Law Division of the Congressional Research Service reached a like conclusion.

However, there were contrary views, most notably the powerful opinion of Professor Hurst Hannum of the Fletcher School of Law and Diplomacy at Tufts University, who first wrote to me on March 24, 1995.

This is where things stood when the House-Senate conference met on March 28, 1995. At that time, the weight of authority appeared to support the validity of the provision under international law, yet very real questions remained unresolved. The underlying bill had to move at great speed. As my colleagues well know, the legislation restoring the health insurance deduction for the self-employed for calendar year 1994 had to be passed and signed into law well in advance of the April 17, 1995 tax filing deadline, so that self-employed persons would have time to prepare and file their 1994 tax returns.

The conference committee had to decide immediately whether to retain the expatriation provision. There was no time for further inquiry into its validity under international law. We accordingly chose not to risk making the wrong decision, which might violate international law and human rights. We elected not to include the provision in the conference report. The conferees instead adopted a provision directing the Joint Committee on Taxation to study the matter and report back.

That decision, which was the only prudent one at the time, was met with some not very pleasant criticism in the Senate. This was surprising, since I believed it was axiomatic, particularly on our side of the aisle, that Government should proceed with great care when dealing with human rights—particularly the rights of persons who are despised. The persons affected by the expatriation proposal—millionaires who renounce their citizenship for money—certainly fell into the category of persons who are easy to despise.

Since that time, a general consensus has developed that the Senate provision does not conflict with the obligations of the United States under international law. Professor Hannum, after receiving additional and more specific information about the expatriation tax, wrote a second letter on March 31, 1995 stating that he was ''convinced that neither its intention nor its effect would violate present U.S. obligations under international law.'' And in the interim, there has been time to consider other approaches to the problem. On June 1, 1995, the Joint Committee on Taxation published its report on the tax treatment of expatriation.

Shortly thereafter, on June 9, 1995, Chairman ARCHER introduced an expatriation bill that adopted a different approach than S. 700, which was the bill introduced by the Senator from New York. A second Finance Committee hearing on expatriation was held on July 11, 1995 to consider the two competing approaches. The Senate thereafter incorporated in its version of the Balanced Budget Act of 1995 a slightly modified version of the bill I introduced. The Senate bill adopted the accrued gains approach rather than the House alternative as the superior response to the problem. However, the House prevailed in conference and a version very similar to the Archer bill was included in the final Balanced Budget Act of 1995, which was later vetoed by President Clinton.

That same House provision has now been incorporated in the conference agreement before us on the health insurance reform bill.

Adoption of the House expatriation proposal rather than the Senate proposal is being justified, in part, based on the fact that the Joint Committee on Taxation has scored it as raising substantially more revenue than the Senate version. These revenue estimates are difficult to believe, because almost any member of the tax bar would concede that the Senate proposal would deter tax-motivated expatriations far more effectively than the House proposal. In contrast to the Joint Tax Committee, the Treasury Department estimates that the Senate proposal would raise substantially more revenue than the House version. This comports with the views of most tax experts.

Here is why I believe the House provision is unsatisfactory. Under the Senate provision, an expatriate with a net worth of over $500,000 (or average annual tax liability in excess of $100,000) generally would be taxed on his asset appreciation existing at the time of expatriation. Alternatively, an expatriate could elect to continue to be taxed as if a U.S. citizen—i.e., to be subject to worldwide tax on his assets until their disposition. The provision also offers alternatives for delayed payment of the tax on accrued gains, with interest.

Rather than impose a tax on accrued gains, the House bill attempts to build on the current law approach of taxing only a portion of the income generated by assets of expatriates during the 10-year period following expatriation. This approach will fail to eliminate the very substantial tax advantages that currently inure to persons willing to give up their citizenship.

Under the House proposal, several categories of taxpayers would continue to owe no tax at all should the IRS be unable to prove a ''tax avoidance motive'' for expatriating. As under current law, patient taxpayers would avoid all tax on accrued gains by simply holding their assets for ten years. Gains recognized after that period

would never be taxed by the United States. A wealthy expatriate needing money during the 10-year period could simply borrow money using his or her assets as security.

Under the House provision, no tax at all would be owed on income or gains from foreign assets following expatriation, as under current law. Given the enormous incentive to own foreign assets, experienced tax practitioners would continue to find ways to convert U.S. assets into foreign assets in order to avoid tax on the income earned during the 10-year period.

The House approach also would risk nonpayment of amounts owed, as it relies on the voluntary payment of taxes for 10 years following expatriation, well after the taxpayer has moved beyond the reach of U.S. courts. In contrast, the Senate version generally would not require looking beyond the facts at the time of expatriation, making it much more likely that taxes owed would be collected. Further, taxpayers would be required to provide security for delayed payment of taxes.

Another flaw in the House bill is that it will unilaterally override existing tax treaties. In its report on expatriation, the Joint Tax Committee staff stated that the House version may ultimately require that as many as 41 of our 45 existing tax treaties be renegotiated and that it might be necessary for the United States to forego benefits to accomplish renegotiation.

As the first Senator to have introduced legislation to end tax avoidance by so-called expatriates, and as one who urged that it be acted upon expeditiously, I am disappointed that the expatriation changes I have sought, and that have been passed by the Senate on three separate occasions, have been set aside in favor of far less effective measures. I believe the honor of the tax-writing committees is at issue here. The action taken today will allow this issue to fester for some time to come because the new rules will not measurably reduce the tax advantages of expatriation.

On another matter, I also wish we could have addressed the issue of mental health parity in this conference report. In April, I voted for the Domenici-Wellstone amendment to the Senate version of the underlying bill. It would simply have required health plans to provide coverage of mental health services equal to that provided for acute medical services. The amendment got 65 votes.

Subsequent scoring of the amendment by the Congressional Budget Office determined that it would be relatively expensive. Senators DOMENICI and WELLSTONE then prepared a scaled-down version of their amendment which would have required health plans to provide equal treatment only of annual and lifetime limits. This alternative would have cost approximately one-tenth of what the original amendment would have cost.

Unfortunately, this modest revised proposal was also unacceptable to the majority members of the conference. Subsequent proposals by Senator DOMENICI to scale back the parity requirement even further were also rejected without the benefit of consideration by Senators appointed to the conference, or even by our staffs. After the initial meeting of the conference in the Ways and Means room on July 26, 1996, the conferees were never assembled to discuss this or any of the elements of the final conference agreement.

For these reasons, I chose not to sign the conference report on this legislation. We could have done better on expatriation, and on mental health parity. Even so, I am prepared to vote for this legislation because its central features—the health insurance reforms—are important and overdue. I congratulate Senators KENNEDY and KASSEBAUM for their hard work and persistence on this legislation, and I urge its adoption.

The Presiding Officer. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I know the Senator from Iowa, [Mr. GRASSLEY] had wished to speak, because the State of Iowa has done some very innovative things regarding the question of health care insurance, but we are running out of time. He is going to address his full statement and make it a part of the RECORD at some point as we find time at the close of this debate. I would like to right now, though, yield 15 minutes to the Senator from New Mexico [Mr. DOMENICI].

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 15 minutes.

Mr. DOMENICI. Mr. President, I say to my friend from Massachusetts, we may not agree on the issues we just spoke of, but we agree on the issue I am going to speak of, and for that I thank him.

Mr. President, I say to my fellow Senators, about 8 months ago, I went to a meeting in Gallup, NM, at an Indian hospital. I noticed sitting in the audience a very, very handsome Indian woman. My guess is that she was probably 55, 58 years of age. And she stood up and said, ''Thank you, Mr. DOMENICI.''

I said, ''What are you thanking me for?'' And she began to cry.

When she finished, she said, ''Thank you for asking the Indian Health Service to give the modern drug called Clozaril to my schizophrenic son. He has been catatonic for 22 years. And thank you for giving him back to me. He is home now, and he is performing on almost a hundred percent in my house.''

Frankly, I did not deserve the accolade, but I was on a TV show just yesterday about the issue of ''should we stop discriminating against people like that young Indian boy who is not on Indian health coverage,'' and a representative of business said to me, ''Well, you just want to provide money for all these ladies that want to go see their shrinks.''

To which I said, ''You have not read my amendment, and most of the mentally ill people that I am seeing and have become friends with over the last 15 years, whose children have manic depression, deep depression, schizophrenia or one of the serious, serious mental diseases which are almost universally accepted as being diseases of the brain—you would not be talking about shrinks when it comes to the kind of treatment and care that psychiatrists, who have already disavowed Freud''—and I might say to my friend from New York, I am not reluctant to tell the psychiatrists in America that I believe Freud is dead and that the treatment of mentally ill people does not require 50 visits to the ''shrink,'' so to speak, but it does require that qualified doctors and health care centers diagnose and treat the severe mental illnesses as diseases.

All we ask for in this bill, of all the things we could have asked them to provide, we asked for two things, and listen carefully, I say to my fellow Senators, because we are going to do this sooner or later. We said, if you provide mental health coverage, you must provide the same lifetime coverage as you do for everybody else covered, the same total lifetime coverage and the same annual coverage. That is all we asked for.

We did not ask, nor did we say, that for those who are worried about the shrink, we did not say that you had to cover that. In fact, it is clear that they could require any kind of copayments they want. They could require a number of visits being exempt from coverage, if that is what worries them. All we said is if you cover them, don't discriminate against them, and then when they are in the fourth year of a serious illness say, ''Oops, there's no more coverage, we only gave you $50,000 worth of lifetime coverage.''

Incidentally, that is ordinary for American insurance today. While they cover the other ones for $1 million if you have cancer or heart trouble or you have a transplant—$1 million—in the same policy, they cover mental illness, however, $50,000 for your life. If that is not discrimination, I have never seen it, and if that is not a denial by our community of a reality and hiding your head, then I cannot believe it.

I honestly believe that the mentally ill should get more protection than these two components of what we offered the conferees by way of resolution, and I might say, none of my remarks are directed to Senator KENNEDY, Senator MOYNIHAN, or Senator KASSEBAUM. I believe we would have received this treatment had they been the ones making the decision.

But I will say to the American business community, you have some lobbyists representing you that it seems to me, at least, when they once get a set of facts in their heads, they forget to use their brains. And so what they say is, what DOMENICI offered with WELLSTONE on the floor cost too much.

And then I say, ''Did you look at what we offered in compromise?''

''What compromise?'' While they have been saying in the newspapers it will bankrupt them.

Frankly, there are many great American businesses toward which these comments are not directed. There already are major ones that cover with full parity, not just parity of annual and lifetime caps, and I do not address these remarks at them. But I submit, you have to face up to reality and get away from the fear that comes with talking about people who have severe mental illness and the trepidation and consternation. Just look around your neighborhood, for the CEO's of American companies, look among the hierarchy of your company, and if you don't find somebody who has a relative with schizophrenia or severe manic depression or severe clinical depression or bipolar illness, then you are a rare, rare exception to the society of the United States, because that is the way it really is.

I have been privileged to meet thousands of relatives of the severely mentally ill of this Nation. We think at any given time there are between 3 and 5 million people with severe illnesses. Frankly, I want to send them a little ray of hope. I don't want them to think we are going to remain as we have been forever.

So, today, with the Senate's permission, I ask unanimous consent that I be permitted to send a bill to the desk and that it be reported to the appropriate committee. I do not ask for any special favors today. But it is very simple.

All it says is if employers and the insurance community cover the mentally ill, they can set whatever standards they want. They can deny coverage for the first 10 visits to a medical doctor psychiatrist if they choose, but they cannot say that your total lifetime coverage is any different than the coverage for the other more well-known and longer defined physical ailments, and the same with the annual payment.

That is the bill I am sending, with my observations. This is for Senator WELLSTONE and about eight other Senators who join me, and Senator MOYNIHAN joins now. I am asking Senator KASSEBAUM and Senator KENNEDY to hold hearings as soon as we come back in September, and I believe they are going to.

That means we are going to bring this little bill out of that committee, hopefully with their support, and we are going to present it again, even in September, when we are trying to get out of here.

So for those in the business community who think they have seen the last of this, just get those fellows ready for September so they will have something to do around here.

Mr. DODD. Will my colleague yield?

Mr. DOMENICI. Yes, I yield.

Mr. DODD. Will you allow the Senator from Connecticut, the insurance capital of this country, to be listed as a cosponsor?

Mr. DOMENICI. You have it.

Mr. KENNEDY. Will you be kind enough to include me as a cosponsor?

Mr. DOMENICI. Senator KENNEDY, Senator GRASSLEY, Senator KASSEBAUM, I am delighted.

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

Mr. DOMENICI. Mr. President, I send the bill to the desk and ask it be referred to the appropriate committee.

The PRESIDING OFFICER. Without objection, the bill will be received and will be referred.

Mr. DOMENICI. I would be remiss if I did not thank a lot of Senators, because many have been asked about this and many are going to support this.

I want to say this is a great bill, the bill we are going to pass today.

I just want to make one reminder again to those who oppose the bill that I sent to the desk. There are some representing the business and insurance who say they do not want any mandates. What is the bill we are passing today? What is the bill we are passing today? Is it not a mandate? Of course it is a mandate.

Let me tell you, nobody is even talking about the cost anymore because it is so right. But it will cost a lot more than what that little bill Domenici sent to the desk will cost. To spread the risk of preexisting conditions is going to cost a lot of money, but we think it is the right thing to do. Somehow they do too, the business community and the insurance community. So let me now yield the floor and say, I am very, very grateful for the chance to present this again, soon. And I thank Senator KASSEBAUM for yielding me time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I just want to join what I know is the overwhelming number of Members here in saluting the Senator from New Mexico as well as our good friend from Minnesota, Senator WELLSTONE. I think many of us still remember the eloquence with which the Senator made his impassioned plea when the Senate debated his amendment. He has been committed and dedicated to the sensible and responsible health policy that includes mental illness. And he is absolutely correct.

I look forward to working closely with the Chair, Senator KASSEBAUM, to move that legislation out and look forward to standing side by side with him as we hopefully will pass that legislation. I think he has done a great service for the Senate. I join in commending him for his eloquence, as well as Senator WELLSTONE. I see the Senator from West Virginia, Senator ROCKEFELLER. I yield the Senator 3 minutes.

The PRESIDING OFFICER. The Senator from West Virginia is recognized for 3 minutes.

Mr. ROCKEFELLER. I thank the Senator from Massachusetts.

I just simply say this. This is not small, this legislation, Mr. President. It is not universal health coverage, but it is going to affect between 25 and 30 million Americans, and about 300,000 West Virginians. And it is extraordinary that it is being done.

Usually, in the past, we have passed a bill or tried to, and then failed. We have backed away from action. This year we did not. Because of Senator KASSEBAUM and Senator KENNEDY, we came forward and we took on a hard job. And they did it. And they deserve enormous praise.

It means that I am going to be able to call Karen McPeak, who I spoke with today. She and her husband have two children, two boys. They have hepatitis and hemophilia. They were making $80,000 a year between them, had two cars, a house, savings, the rest of it.

Because they could not get their two boys insured because they had preexisting conditions, they went through their savings, they then lost their house, they lost both their cars, they then gave up their jobs. They went on Medicaid in order to take care of their two sons, all of this because they are good parents. And that is the only way open to them in the system today.

This bill will change forever what will happen with the McPeak family. The children will be covered. The parents will be able to go back to the life that they knew. This couple is only one of those in West Virginia. And I rejoice along with them.

I close by simply saying this. I can report back to West Virginians now that we have branded a preexisting condition something which insurance companies will insure. The portability of health insurance from one job to another is something which we will vote on and make the law of the land.

I know there have been difficulties. I know there have been disputes. But today I think it is important to celebrate what it is that we in fact have actually done. And then tomorrow let us move on to the broader field of universal health care coverage in one way or another. But let us do that.

I have no way of expressing my respect to the Senator from Massachusetts and the Senator from Kansas, both of them giants on this. And America and West Virginia are better off. And I am very proud to be associated with voting for this bill. I thank the senior Senator from Massachusetts and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I yield 3 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Thank you, Mr. President.

Mr. President, let me begin by quickly commending our colleague from New Mexico, who has now left the floor. But

I just want to associate myself with his remarks and, as he mentioned at the time, to become a cosponsor of his bill. And I deeply appreciate his efforts and the efforts of Senator WELLSTONE on behalf of the mentally ill in this country and their families.

I am sure I speak for many of our colleagues here when we commit to him and others that worked so hard on this that this will be a priority, and as the Senator from New Mexico stated so eloquently, it will happen, and will pass. We regret that it is not happening today.

Second, Mr. President, while we are still a number of weeks away from this Congress adjourning sine die, I want to use the opportunity here today to say to our colleague from Kansas—and I do this with some reluctance because I do not want her career to be placed in jeopardy by having the general chairman of the Democratic National Committee commending her too flowingly and put her in some jeopardy with her constituency—but this is yet one more example of her leadership, this piece of legislation.

It is entirely fitting and proper that, in fact, her name is so closely associated with this bill, as it has been with so many pieces of legislation over her career that have benefited so many millions of people in this country and abroad. I am very proud of the fact that this last day before we adjourn for several weeks that we are completing a piece of legislation that bears her name, and that millions of people, millions and millions of people, will be benefited as a result of this effort.

Second, Mr. President, it is hard to mention the subject of health care at any point over the last three decades and not mention the name of the cosponsor of this bill. For more than 30 years every single major effort, every single major effort that I can think of that involved improving the quality of health care for Americans has borne the name of EDWARD M. KENNEDY.

It is certainly no accident that this piece of legislation bears his name as well. It is not an abstraction, this effort. He knows painfully with his own family and children how difficult these issues can be. I am just proud that this body finally acted after so many months, months that in my view should not have been wasted in dealing with an issue that should have joined every Member of this body, regardless of party and ideology, to support the simple propositions that people with preexisting conditions, that people who lose jobs ought to be able to carry with them the basic kind of health care that would relieve them and their families of the stark fear of being caught in the cracks, of being uncovered, at the time of a medical crisis.

It was 31 years ago, Mr. President, that Medicare became the law of the land. Obviously, that piece of legislation was in many ways far more comprehensive than the Kassebaum-Kennedy legislation. But there is a similarity between these two proposals and bills. By the stroke of a pen, Lyndon Baines Johnson, on that day in 1965, by the stroke of a pen, he literally placed millions and millions of people beyond the fear of a health care crisis. The mere stoke of his pen enfranchised millions of people and protected them from health care crises.

Today when we pass this bill—and within days or hours, I hope, the President of the United States, President Clinton, who has been such a strong supporter of this effort, will sign this legislation into law, and 25 million Americans immediately will be protected, immediately protected. There is no requirement that we go through a lot of agency activity and bureaucracy and regulations. But merely by passing this law and signing his name, we will relieve the fear and burden for 25 million Americans. And for that I say, a deep sense of thank you to Senators KASSEBAUM and KENNEDY for their efforts and their battle. Thank you.

Mrs. KASSEBAUM. Mr. President, I very much appreciate the thoughtful comments of the Senator from Connecticut who has been a very dedicated member of the Labor Committee, who has worked to get this accomplished from the very beginning. I appreciate his valuable support and efforts.

I now yield 3 minutes to the Senator from Wyoming, Senator SIMPSON.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 3 minutes.

Mr. SIMPSON. Mr. President, I thank my colleague from Kansas who came here when I did. We exit together as we entered together. It has been a great privilege to serve with this remarkable woman and see the legislative history that she leaves; and my friend from Massachusetts, too, who I have enjoyed thoroughly in my time here, even though certainly there are times when he tests every bit of my patience, and on more than many occasions. But I will miss him, too. I commend them both.

I just want to briefly follow up on the comments of the Senator from New Mexico. I had made some comments yesterday about my disappointment with one aspect of this conference report. We have had such a productive week here, and on so many things. But I do feel a sense of real hollowness over the failure to include even some modest version of the mental health parity in this bill.

I am a cosponsor and I spoke on the bill originally when it passed here 68–30, a sweeping definition there, when it was approved. Senators DOMENICI and WELLSTONE worked doggedly trying to assure that at least some limited form of that amendment came through this process. It had been my privilege to assist them in that cause. They have worked very hard.

The events of the last few days show again that the wall of discrimination against the mentally ill is very real. It is still too powerful for any of us to overcome, apparently. That is a very sobering fact.

I know my colleagues will not give up this fight, none of us will, even though this singular battle has been lost. I pledge I will continue to assist them. There is a great deal of work to be done in educating and enlightening the American people on the realities of mental illness.

It is troubling and disturbing to me that there still continues to be this stigma associated with mental illness. The unspoken message here is that people afflicted with mental illness are somehow not as worthy of treatment as those afflicted with cancer or heart disease or other physical ailments. No one in this Chamber would consciously ever say such a thing, but this is the message we are sending through our actions.

That is why it is so important for this Congress to revisit this important issue. We should certainly not let this bill and its silence with respect to mental health be any kind of final word on this issue. We will revisit this one in September.

I commend my colleague from New Mexico, and again thank Senator KASSEBAUM and Senator KENNEDY for this remarkable work product which we all deeply appreciate.

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 5 minutes and 19 seconds.

Mr. KENNEDY. I yield 3 minutes to the Senator.

Mr. CONRAD. I thank the Chair.

Kennedy-Kassebaum—what a team. What an achievement—25 million people protected because, working together in a bipartisan way, they have broken the gridlock here in Washington.

NANCY KASSEBAUM, who always exhibits grace, civility, and decency, and TED KENNEDY, an absolute lion in this Chamber on whatever issue he decides to weigh in on, thank goodness they weighed in on these issues of portability, so the people, when they change jobs, can take their health insurance policy with them. And preexisting conditions—millions of Americans will no longer be precluded from coverage because of a preexisting condition. This Senate should thank you both. America should thank you both.

I would be remiss if I did not register disappointment, as well, because we did pass on the floor of the U.S. Senate by a vote of 68 to 30, a sweeping change, to say that those who suffer from mental illness will not be discriminated against. A mental illness should be treated the same way as a physical illness.

Mr. President, 68 to 30, this Senate spoke with their votes and said, ''No more discrimination.'' Yet, when we look at what came back from conference, through no fault of the Senator from Massachusetts and through no fault of the Senator from Kansas, what came back from the conference

committee on mental health is the square root of zero—nothing, not even the most modest achievement, not even the most modest advancement.

I am very pleased to join Senator DOMENICI and Senator WELLSTONE in cosponsoring a bill that seeks to address this question when we return in the fall. Let me just say again, Senator KENNEDY and Senator KASSEBAUM, I am confident, will be lions in that effort, as well.

I thank the Chair. I yield the floor.

Ms. MIKULSKI. Mr. President, I rise in strong support of the Health Insurance Reform Act. There are three reasons why I support this bill. It makes health insurance portable—people can take it with them from job to job. It provides health insurance to people with preexisting medical conditions. And it makes health insurance more available to working Americans. I am pleased to vote for this bill.

Health insurance is a priority for Maryland's families. It's a top priority for me. I strongly support this commonsense health insurance reform. It's a safety net for working Americans and their families. This bill ends ''job lock.'' Working Americans won't be afraid to change jobs. They no longer have to fear that they'll lose their health insurance coverage if they do.

I know a mother in Baltimore who supports her family in a manufacturing job. Her husband stays home and cares for their disabled child. She has been offered a higher paying job. But she can't take it. I think that's outrageous. She knows if she changes jobs that her son will lose the health coverage he so desperately needs. This bill is good news for people like her. She could make that job change under this bill.

This bill helps people who have preexisting medical conditions. They won't be penalized any longer by insurance companies. They can now get health insurance if they have a disease like diabetes. I am pleased that the bill has the potential to help millions of women and their families. The legislation will help a woman who starts a new job with an employer who provides health insurance.

Under the Health Insurance Reform Act, a woman or her family can't be denied insurance coverage. She and her family can't be denied coverage for a preexisting condition. A woman who is pregnant will get immediate coverage for pregnancy care even if she is already pregnant. Her newborn or adopted child will also receive health insurance coverage. This just isn't good for families. It makes good business sense.

The bill makes health insurance more available to working Americans. It goes along way to eliminating barriers to coverage. There are more than 40 million Americans without health insurance. More than 1 million working Americans lost their insurance over the last 2 years. Workers who are self-employed will be able to take a greater tax deduction for health expenses. It treats long-term care expenses as medical expenses for the purposes of tax deductibility. This bill helps those who practice self-help.

I was disappointed that we were not able to enact comprehensive health insurance reform. After that debate came to a close, I pledged to continue the fight to reform health care—day after day and month after month. This is an important first step in that direction. I thank my colleagues Senator KASSEBAUM and Senator KENNEDY for their hard work in bringing us this far. But didn't get here without tremendous struggle.

Despite broad bipartisan support, this bill has been held up for weeks and months. But we persevered. I wanted to get this bill passed this year. And now we have done that. We have won the day. And helped many Americans gain accessibility and portability to health insurance coverage.

There is much more that I would like to be able to do to make insurance coverage affordable, accessible, portable and undeniable. I would like to see coverage for long-term care. I would like to see a comprehensive benefit package for women and children. But this is a very important step. We have a tremendous opportunity to improve the lives ofmany Americans. I am pleased to support this bill.

Mr. PELL. Mr. President, I am delighted that the Senate will today approve the conference agreement on S. 1028, the Health Insurance Reform Act. Since the House of Representatives has already acted favorably on this legislation, it will be only days before President Clinton can sign this important legislation into law. This new law will have been a very long time in coming.

We need not review the circuitous path that these health reforms have taken since the Clinton administration took over in 1993. But I believe it is fair to say that even these limited reforms could never have happened without the leadership of the President and First Lady, who brought into virtually every American home their passionate and persuasive pleas to reform our Nation's health care system. And without effective and devoted legislative warriors, led over the decades by Senator KENNEDY and joined in recent years by our distinguished Chairwoman, Senator KASSEBAUM, I believe that we would not be here today passing this bill.

Mr. President, as my 36 years on the Senate Labor and Human Resources Committee draw to an end, I could not be more pleased that we will finally see the fruition of so many years of work on health insurance reform issues. The bill before us will correct many of the flaws of our current system, including enhancing portability of insurance from job to job, and limiting the current practice of permitting exclusions for preexisting medical conditions. But, as I have said many times before, this bill does not accomplish many other things that need to be done. Most notably, the bill does nothing to make insurance more affordable to people who need it, including those with preexisting medical conditions. Just today, I got a phone call from a constituent from Pawtucket, RI, who has a thyroid condition and who wants to know whether under this legislation, her insurer will be able to charge her more. I regret very much that I will have to tell her that her insurers can, indeed, charge her more. And I regret very much that I will have to report to the many Rhode Islanders who support the Domenici-Wellstone mental health parity provision that opposing forces prevailed in deleting this provision from the conference agreement.

Health care reform being the lightning rod issue that it is, I recognize—and I hope that the American people recognize—that while this bill represents only incremental change, it is an important step forward. We all know that much, much more needs to be done if every American is to have access to high quality, affordable health care. And I hope that my colleagues who will remain in the Senate and that those who succeed me will take up the challenge as early as possible in the next Congress.

In the meantime, Mr. President, I want to thank all of my colleagues on the Senate Labor and Human Resources Committee, who approved this bill unanimously just 1 year ago. And I would like to take this opportunity to thank the many committee staffers who assisted us so ably in crafting this important legislation. I offer a special tip of the hat to Senator KENNEDY's senior health adviser, David Nexon, who has been of such great assistance to me and to my staff over these many years.

I look forward to voting for this legislation and even more, to its becoming law.

Mr. COHEN. Mr. President, in the spring of 1995, the Medicare trustees, on a bipartisan basis, issued an urgent warning that the Medicare hospital trust fund will go broke by the year 2002, unless major changes are made to protect the system. Since that alarm was sounded, the Congress has been wrestling with ways to bring Medicare spending under control, in order to forestall impending bankruptcy and to strengthen Medicare for both current and future beneficiaries. This year the situation is even more critical. The 1996 trustees' report projects bankruptcy for the trust fund by the year 2001.

I stated at the time of the trustees warning that, at a minimum, we should pass legislation to crack down on the fraud and abuse that drives up the costs of health care for senior citizens and taxpayers. Estimates are that Medicare loses over $18 billion each year to fraud and abuse, and that fraudulent schemes cost the entire health care system and our economy as much as $100 billion each year.

Today, we are reaching a historic milestone by passing one of the most comprehensive and tough anti-fraud

packages ever contemplated by Congress. It has been a long road—over 3 years to be exact—but as the author of the antifraud and abuse provisions I am proud that this Congress, in a bipartisan way, did the right thing.

Specifically, my proposal creates tough new criminal statutes to help prosecutors pursue health care fraud more swiftly and efficiently, increases fines and penalties for billing Medicare and Medicaid for unnecessary services, over billing, and for other frauds against these and all Federal health care programs, and makes it easier to kick fraudulent providers out of the Medicare and Medicaid program, so they do not continue to rip off the system. Most importantly, the bill establishes an antifraud and abuse program to coordinate Federal and State efforts against health care fraud, and substantially increases funding for investigative efforts, auditors, and prosecutors.

In early 1993, I first embarked upon writing an antifraud bill. This was based on the recommendations of a health care fraud task force set up by the Bush administration and on an investigation by the Senate Special Committee on Aging, which I chair. That legislation became the basis for the fraud and abuse section of all the Republican health care reform bills proposed in 1993 and 1994 as well as for the administration's proposal. It was one of the few truly bipartisan issues contemplated during that contentious debate. In late 1993, the criminal provisions of my bill passed the Senate unanimously as part of the crime bill but were deleted during conference. Last year, my proposal passed Congress as part of the budget reconciliation bill and were also used as framework by the administration in its budget reconciliation proposal. As we all know, the President vetoed that bill. Today, it stands as an integral part of the Kassebaum-Kennedy health insurance reform proposal, finally on its way to the President for signature.

Health care fraud is an equal opportunity employer that does not discriminate against any part of the system. All Government health care programs—Medicare, Medicaid, CHAMPUS, and other Federal and State health plans, as well as private sector health plans, are ravaged by fraud and abuse.

Similarly, no one type of health care provider or provider group corners the market on health care fraud. Scams against the system run the gamut from small companies or practitioners who occasionally pad their Medicare billings because they know they'll never get caught, to large criminal organizations that systematically steal millions of dollars from Medicare, Medicaid, and other insurers. According to the FBI, health care fraud is growing much faster than law enforcement ever anticipated, and even cocaine distributors are switching from drug dealing to health care fraud schemes because the chances of being caught are so small—and the profits so big.

The inspector general of the Department of Health and Human Services, for example, has cited problems in home health care, nursing home, and medical supplier industries as significant trends in Medicare and Medicaid fraud and abuse. Padding claims and cost reports, charging the Government and patients outrageous prices for unbundled services, and billing Medicare for costs that have nothing to do with patient care are just a few of the schemes that are occurring in these industries.

It is time that we crack down—and shut down—these schemes that are bilking billions of dollars from Medicare and other health care programs. If we have asked honest health care providers to take cuts in reimbursement and asked Medicare and Medicaid recipients to pay more out-of-pocket costs to bring spending under control, we have an absolute duty to ensure the American public that their health care dollars are not lining the pockets of criminals and greedy providers who are manipulating the system through fraud and abuse.

The proponents of strong anti-fraud proposals responded to a mandate from beneficiaries that we need to control spending and ease the burden on taxpayers. The anti-fraud provisions in the Kassebaum-Kennedy bill did precisely that in a reasonable, measured manner that did not infringe on personal liberties nor penalize innocent mistakes.

The fraud provisions substantially mirror existing fraud statutes and are designed to give enforcement more precise tools to protect consumers against fraud and abuse. The proposal simply provides adequate resources for prosecutors and investigators, long strapped by budget cuts and under staffing, to go after serious patterns and cases of abuse. The bill closes loopholes in current law and provides criminal penalties for a defined set of serious and egregious violations, such as embezzlement and misappropriation of assets. Prosecutors would continue to have an extremely high burden to prove that the violations were committed knowingly and willfully.

Despite such a reasoned approach, we were inundated at the last moment by scare tactics and blatant mischaracterizations. There were full page ads depicting a doctor shackled in stocks claiming that doctors would land in jail for committing honest mistakes. There were editorials that grossly distorted the intent and scope of the provisions in a fashion that minimized the very real threat that fraud poses to our health care system and, indeed, to the solvency of Medicare. I am sympathetic to the concerns of physicians and other health care providers that the practice of medicine has become excessively regulated. I also believe that physicians raise legitimate concerns that too often managed care plans manage costs alone at the expense of quality of care for patients and unduly limit physicians' decisions on how to best treat their patients. To blame all of these trends on the health care fraud provisions, particularly at the last stage in the negotiation process, was misguided and inaccurate. I am proud that my Republican and Democratic colleagues were not intimidated by these falsehoods and proceeded on a straight path to passing strong legislation.

As the author of these provisions, and as someone who has been involved in the negotiations of these provisions over a 3-year span, there are a couple of issues I wish to clarify as we debate final passage of the conference report.

First, the fraud and abuse control program established in the bill contemplates increased collaboration between the Department of Justice and the Office of the Inspector General [OIG] in health care law enforcement. It was not my intention, however, to expand the legal responsibility of the Office of Inspector General to private health plans. The jurisdiction of the OIG remains as it exists today, with only those augmentations of its authority specifically authorized in the bill.

Second, it was my intention that the costs covered by the funds appropriated to the Federal Bureau of Investigation provided for in the mandatory appropriation section include those associated with the hiring of additional agents and support resources as supplemental funding to address the burgeoning health care fraud problem.

Third, the moneys from the control account which are directed to the Office of the Inspector General are primarily intended to increase the ability of that office to investigate health care fraud and ensure that Medicare funds are properly spent. If the Office of the Inspector General is assigned the duty of preparing the advisory opinions, I would expect the Secretary and the Attorney General to consider a specific grant of funds for this purpose from any discretionary moneys in the control account as an addition to the amounts already available to the OIG. We would not want to see a reduction in the effort to investigate fraud, in order to provide staff for the advisory opinion function.

Finally, as the author of the original enhanced guidance to providers section, I would like to make some affirmative and declarative statements on the actual advisory opinion language. Although advisory opinions are an appropriate means of giving guidance to the industry on some issues, it is clearly unwise to have the agencies in the position of opining on the intent of the person requesting the opinion. To have a Government agency make an independent determination of what is in someone's head, based solely upon what that person chooses to tell the agency, is a highly questionable Government function.

That is why I want it clearly stated for the record of debate what has been

stated during conference and indeed what has been stated by advisory opinion proponents for the last 3 years that this issue has been debated. Advisory opinion advocates have stated definitively and consistently in conference and during many lengthy negotiations that the advisory opinion provision does not require a finding of intent. Not only do I adhere to that view, I will do everything possible to ensure while I am still here, and while this provision will be reviewed prior to implementation by the agencies, that such an expectation is followed. I will also ensure that after I am gone those who have oversight authority here in Congress, and those who are in the leadership, make sure that such an expectation is followed.

I know that the Attorney General has spoken to the Speaker of the House, the Senate Majority Leader, the chairmen of the House and Senate Judiciary Committees as well as numerous members of the Ways and Means Committee and Finance Committee about her concerns relating to the issuance of advisory opinions. None of the existing advisory opinion mechanisms available to the Federal Government require an independent determination of intent. To reiterate, statements were made by the conferees that this was the expectation here as well. I, therefore, expect the agencies to design a process for advisory opinions which does not require such a determination. I also expect that this advisory opinion process will sunset 4 years after the date of enactment of this bill as is required by the bill.

Mr. President, in conclusion, I would like to applaud members for this major antifraud victory. According to the Congressional Budget Office, these provisions will yield billions in scorable savings. I am convinced that the long-term savings are much greater, and that billions more will be saved once dishonest providers realize that we are cracking down on fraud, and that they can no longer get away with illegally padding their bills to pad their own pockets. For years, I have been saying that Federal law enforcement often feel like the mouse has outsmarted the mousetrap, because they lack adequate tools and resources to penalize egregious cases of fraud. While I know that this bill does not solve this enormous and complicated problem, I can state today that the mousetrap has sprung.

I would like to thank Senators ROTH and Dole, for all of their steadfast support and assistance over the years; Alec Vachon of the Finance Committee and Harry Damelin of the Permanent Subcommittee on Investigations, for all their hard work and perseverance; Sue Nestor, formerly of the Finance Committee, for all her hard work before she left the Senate; and Helen Albert, Mary Gerwin, and Priscilla Hanley, of my staff, for their dedication to passage of this important legislation.

MENTAL HEALTH PARITY

Mr. INOUYE. Mr. President, when we in the Senate unanimously passed the health insurance reform bill in April, we included an amendment offered by Senators DOMENICI and WELLSTONE that provided for parity coverage for mental health services.

I was proud of our vote. We did the right thing by ensuring that persons who suffer mental illness are treated fairly by insurance companies.

The conferees stripped the Domenici-Wellstone amendment out of the bill. However, by our April vote, this Chamber made a commitment to fairness in insurance coverage for persons with mental illness.

The health insurance reform bill is about fairness. Just as the bill now prevents insurers from dropping people's coverage when they change jobs or for other reasons, the bill should also have prevented insurers from discriminating against persons suffering mental illness. Leaving the Domenici-Wellstone mental health parity amendment out of the bill is wrong.

I know that the business and insurance communities raised some concerns about the cost and impact of the Domenici-Wellstone amendment with the conferees. I also know that Senators DOMENICI and WELLSTONE answered every concern raised.

While I view the CBO estimate for the cost of the original amendment as extremely reasonable, I understand that Senators DOMENICI and WELLSTONE offered a compromise to the conferees that would have provided parity coverage only for annual and lifetime caps.

This compromise slashed the cost of the original amendment by 90 percent. CBO determined that the compromise would increase private insurance premiums by four-tenths of 1 percent, of which employers would pay only sixteen one-hundredths of 1 percent.

My fellow colleagues, these figures are so low, that employers could meet this slight premium increase by raising their deductible by a mere $5 per year.

I understand that insurance and business interests also raised concerns about the loss of workers' insurance due to the compromises' cost. Considering CBO's extremely low cost estimate, no one could possibly contend that passage of the compromise would cause workers to lose their insurance.

The compromise went even further. It permitted businesses to deliver mental health services through ''carveout'' arrangements and to adjust deductibles, copayments, and visit limits for mental health services as they saw fit. Small businesses would have been completely exempt from the parity standard.

I believe that Senators DOMENICI and WELLSTONE should be commended for developing a compromise that the conferees should have accepted.

Now, we have made a promise to persons suffering mental illness in this country. We have promised they will treated fairly, just as this bill promises fairer health care coverage for other Americans.

I will personally join with Senators DOMENICI and WELLSTONE to ensure that we make good on our promise.

Mr. GREGG. Mr. President, to our citizens outside of the beltway, Washington politics seem to be the cause of all that ails us. The disease is easy to diagnose: Washington politics getting in the way of real cures. However, I am pleased to stand up today and say that maybe—just maybe—the games have paused as Congress finally passes this incremental step in health care reform.

Health care reform. Three words that have become part of many's vocabulary over the last 3½ years. Obviously, health care reform efforts have been going on since the delivery of health care became something of an organized system. But Federal health care reform has never seemed so necessary as it has in the past few years, and so viable as it is right now, for two critical reasons.

First—because the American public has been bombarded with rhetoric about all of the things that are wrong with their health care system.

Obviously, the U.S. health care system is not without flaws, but I think it is important that the treatment not be worse than the ailments. The ''shot in the arm'' posed by the Administration during the 103rd Congress in 1993 and 1994 was roundly rejected by the American public. The Health Security Act, drafted by the First Lady and her team of elite health care reform gurus, was 1,342 pages of promises for ''universal coverage'' for American citizens under a federal program of limited mandated benefits, price controls and tax increases. The tome sent up to Capitol Hill prescribed that centralized bureaucracies run this national program, that the Federal Government regulate medical schools, and that Washington decide what pharmaceuticals and medical procedures would be paid for.

This proposal would have resulted in a further disconnect between the patient and the payer. We have seen through other Federal programs that separating those making demands on the system from those paying for the care ends up both driving up costs and limiting the availability of services. This is not what the American public had in mind as it got involved in asking Washington for positive change in federal policies.

Once the glitter and hype was peeled away, Americans realized this proposal meant no choice in benefits or providers, higher taxes to generate revenue that would be shifted to pay for business subsidies and the like, and the inevitable result of government rationing of health care services. After a year of intense debate, the Health Security Act died a painful, but appropriate, death.

Second, having determined during the debate over President Clinton's Health Security Act what the American public does not want, we were given the opportunity to provide the people with what they do need. And what they need is the Health Insurance

Portability and Accountability Act of 1996—the legislation that has become known as the Kassebaum-Kennedy bill.

This legislation grew out of the testimony that was heard in countless Senate hearings on health care reform. It grew out of the recognition that some basic flaws in the regulation of health care caused American families monumental problems: workers are unable to carry their health insurance from one job to the next—portability. Individuals are subject to unfair discrimination in their access to health insurance if they have a medical condition that has required treatment before they joined that health plan.

These are simple, clear concepts. We know how to address them. However, we also know that it took us 3 years of policy development to get to the point where there was a bill that was appropriate in scope, and met the majority of needs our constituents told us they had. A long and arduous process had resulted in legislation that also obtained support from our Democratic colleagues—it looks as though we are close to allowing policy to triumph over politics.

This legislation was further improved with cultivation. During consideration of the bill on the Floor of the Senate, Members decided to act on some other ideas that had been long discussed as part of health care reform on both sides of the aisle. Medical savings accounts are not a new idea. More favorable tax treatment of long term care insurance is not a new idea. Increasing the self-employed tax deduction to 80% to provide equity is not a new idea. But these are all important ideas, that have received support on both sides of the aisle during the last several years of debate.

Why are important aspects of health insurance reform like MSA's suddenly so controversial? Because once again Washington politics got in the way of good policy work. Some Washington politicians have decided it is more important to score a political victory than to pass the type of health care policy that the American public wants: policy based on freedom of choice; policy that ends discrimination and promotes fairness and equity; and policy that forges a stronger relationship between patients, their physicians, and those who are payers for medical services, whether that payer be the individual controlling their own health care dollar, the Government, or an insurer who has offered a plan tailored to best meet the consumers' needs.

Mr. President, I believe that through a great investment of time and a tremendous amount of research we have found a cure for a great deal of what ails the American health care insurance system, and American citizens can begin to benefit from these long sought after changes to the health care system in the United States.

Mr. ROCKEFELLER. Mr. President, today hope is restored as we turn the desire for health care reform into reality. When the Kassebaum-Kennedy bill is signed into law, which will happen very soon, some of the most maddening, often cruel problems with America's health care system will begin to get fixed.

When you look at all the hard work that went into getting this bill hammered out and on the brink of enactment, we could fill Olympic Stadium with the people who deserve some of the credit. But two individuals win the health reform gold medals in achieving this victory for millions and millions of Americans. The senior Senators from Kansas and Massachusetts have been true champions in leading what turned into a legislative marathon for health care reform. On behalf of the people of my State, and from my own heart, I thank both colleagues for their incredible feat.

Over the past few years, Americans had every reason to wonder if Congress would ever be capable of doing anything ever again about the health care problems that cause them so much pain. When the fight for comprehensive health reform failed, it was hard to see how we could ever get out of the ditch of partisan politics, special interests, and fear that did us in.

But while plenty of special interests and politicians wanted health care reform to die, millions of Americans were still waiting desperately for something to be done.

The Senators from Kansas and Massachusetts realized that we had to take a different tack. We had to target just a few of the most serious problems in the health care system, and offer solutions that made obvious sense.

It took persistence, patience, cooperation, and compassion to get this bill to this point today. With this legislation, millions of Americans will be able to get the health insurance they desperately want and need—or I should say that this will happen soon, since one of the compromises was that the insurance reforms won't be effective until July of next year.

When that date is reached, the rules will change. Working Americans will be freed from the trap that locks them into jobs and situations solely because a change will mean losing their health insurance. Preexisting conditions will no longer mean an endless nightmare for the millions of children and adults who have some illness or medical problem that's the very reason they need health care. Small employers won't be shut out from the health insurance marketplace.

When I talk about the Kassebaum-Kennedy bill, I can picture the West Virginians—parents, children, small business owners, health care professionals—who have begged for help.

Now, I can report back to the West Virginian who shared his agony over not being able to get coverage for his cancer, because it was branded a preexisting condition, that the law will soon require an insurance company to sell him that coverage. Now, I can send word to West Virginians who want to switch jobs, move to a different community, or even start their own business that they can hold onto their health insurance while they pursue any of these goals for themselves and their families.

And most importantly, now I can tell all West Virginians, and we can tell all Americans, that health care reform is not dead, it's not code for gridlock, and it's not a pipedream.

The Kassebaum-Kennedy bill also represents the art and necessity of compromise. Some proposals that would have helped numerous families were dropped, because opposition just couldn't be overcome.

And one proposal, to open the door for medical savings accounts, worries me. It is labeled a ''demonstration,'' and I just hope that Congress will be honest and responsible about taking a true look at how people do when they turn from conventional insurance to tax breaks and catastrophic-only coverage. I know that most people don't plan on getting sick or having an accident or developing a serious disease, and I fear that an MSA will go from being a financial benefit into an overwhelming burden for many Americans when the unexpected happens.

But I also know that we won't achieve any positive health reforms without making concessions. And the work will always be difficult. There are too many insurance companies that want to chase after healthy customers, and avoid the sick. There will always be ideology that gets in the way of telling the private sector to do anything differently, no matter how many families are hurting. There will always be fear of the unknown, no matter how many problems exist in the present.

Today, however, let's celebrate what is getting done. And then tomorrow, let's move on to the next round of health care reform. Today, let's thank Senator KASSEBAUM and Senator KENNEDY for their gift to at least 25 million Americans, and many thousands of West Virginians. And then tomorrow, let's be inspired by their leadership to get even more done for millions more who still suffer because they can't get or afford decent health care.

Ms. MOSELEY-BRAUN. Mr. President, 3 years ago, this Senate blocked attempts to act on comprehensive health care reform. While that year's effort to achieve the major reforms that are so needed and so long overdue did not succeed, the problems that led the President to make that proposal have not disappeared. Far from it.

As a nation, we spend 15 percent of our gross domestic product on health care, over $1 trillion. No other industrialized nation spends more than 10 percent of their GDP and the gap is widening. Yet today, there are over 40 million Americans without health insurance, and over 23 million of those Americans are employed. Over 1 million working Americans have lost health care coverage over the past 2

years. And 60 percent or more of all Americans worry about losing their current health insurance coverage. The case for reform, therefore, is perhaps even more compelling now than it was 3 years ago.

I am proud that today the Senate is taking a significant step toward reforming the health care system. The Kassebaum-Kennedy Health Insurance Reform Act is not the panacea for our health problems, but it does represent progress. It is an important step in the right direction.

This bill has many good features. Perhaps the most important is the limits on exclusions for preexisting conditions. This bill says that no one can be denied health insurance coverage for more than 1 year due to a medical condition. If there is any concern which every person has about health insurance, it is the ''trap'' of preexisting conditions. All too often, individuals find themselves excluded from coverage because of a preexisting condition. Some 81 million Americans have preexisting conditions that could affect their insurability. And more than half of all American workers are enrolled in health insurance plans that impose some form of preexisting condition exclusion. When you consider that most Americans will have seven or more jobs in the course of their working life, the preexisting condition problem affects virtually every American family. The General Accounting Office [GAO] estimates that 21 million Americans will be helped by the limits on exclusions for preexisting conditions included in this health care bill.

In my own State of Illinois, almost 8 million people have private health insurance and almost 2 million are uninsured. This bill will make a critical difference in their lives, and in the lives of similarly situated people all across the Nation.

This bill also includes portability provisions which will end ''job lock'' by making health coverage portable between jobs. For Americans who might want to leave their jobs to start their own businesses—or who might have to leave their jobs because of corporate restructuring—but who might have a preexisting condition or a family medical history that would currently make it difficult to impossible for them to purchase an individual health policy, this bill will make a huge difference. It will guarantee their access to health insurance.

Families with a small child suffering serious health problems will no longer face the prospect of being unable to obtain health insurance if the parents change jobs. It is tough enough for families to deal with a serious health problem affecting one of their children without having to face the additional problem of losing access to health insurance if they are laid off, restructured out of their jobs, or want to change jobs for new or better paying jobs.

Similarly, this bill will guarantee that small businesses with only a few employees will not lose their group health coverage because one of their employees develops a serious health problem, as is the case now. Moreover, it will help make health insurance more affordable for those small groups, making it more likely that more small businesses will provide health insurance benefits for their employees. Furthermore, the increase in the deductibility of health insurance expenses from 30 percent to 80 percent for self-employed individuals will make health insurance more affordable for those thousands of people who operate their own businesses.

I am also pleased that members have been able to reach a bipartisan agreement on medical savings accounts [MSA]. Issues surrounding the availability of MSAs have held up movement on this important legislation too long. The compromise provision would provide many small businesses and self-employed individuals access to more affordable health insurance options. The MSA options will provide valuable information as to the impact of broader scale high-deductible health plans on cost control and general insurability.

The Health Insurance Reform Act represents a practical, caring attempt to deal with the real health care problems facing so many Americans, based on their everyday realities. This bill is all about incremental reform—but nonetheless real reform. It will help virtually every working American, as well as millions of Americans who are temporarily out of the work force. And it will work because it is based on what is actually going on in the world of people who need health care.

It's worth thinking a bit about those everyday realities of life. Statistics tell us that the average American works at a job about 4½ years. As I stated earlier, over the course of a working career, an average American working person could hold seven or more jobs. That fact alone makes it all too clear just how important it is for Americans to have portable health care coverage. And that fact alone is a good indication of how necessary it is to end preexisting condition restrictions that result in Americans having to pay enormous sums for new health care policies, losing access to health insurance altogether, or having to avoid—at virtually all costs—changing jobs in order to retain affordable health care.

Access to affordable health care is no less important to the American people than pension planning, not only because Americans can't enjoy their retirement if they are in poor health, but because they face being bankrupted by health care costs if they are not able to retain access to affordable health insurance. Being able to roll over insurance coverage, therefore, is just as important as being able to roll over pension savings. Maintaining health security, therefore, deserves the same level of attention we give retirement security, any measures that protect and enhance that health security deserve the same kind of consensus support.

Facing the loss of health insurance is a debilitating fear for all too many Americans, and without reform, it is all too great a risk for every American. This bill will end that fear, and it does so in a manner that makes sense and will work. It is far from the total answer to our health problems, but I do not think we should underestimate the importance we will be achieving once this bill becomes law.

I want to conclude by congratulating the chairman of the Labor and Human Resources, Senator KASSEBAUM, and the ranking democratic member of that committee, Senator KENNEDY, for their leadership and for all the hard work they have put in to bring the bill to this point. I want to particularly congratulate them for the bipartisanship they displayed in putting this bill together.

Mr. DASCHLE. Mr. President, I am delighted to cast my vote for this bill—it is an important first step in ensuring health security for working Americans.

Health security has always been, and always will be, a Democratic priority. It is at the top of our agenda, and we won't give up until every American has access to meaningful, affordable coverage.

Unfortunately, even this small step was controversial.

Senator Dole promised 2 years ago that health reform would be the first thing Republicans would focus on if they controlled Congress. As it turns out, health reform was nearly the last thing they focused on. And only because we insisted they finally act.

This bill was approved unanimously in the Senate Labor Committee exactly 1 year ago on August 2, 1995. But for 8 months, secret Republican ''holds'' delayed it.

When the bill finally reached the Senate floor on April 18 1996, the Republican leadership tried to attach to the bill poison pills, like MSA's to kill it. Then, 4 more months passed as the Republican leadership tried to stack the conference committee to ensure that MSA's were included in the final bill.

In the meantime, the Republican leadership tried to water down the bill's portability provisions to guarantee that health insurance can be carried from job to job. But they did not succeed.

I am delighted and relieved these ''delay and destroy'' tactics were finally abandoned and that Republicans joined us in fixing the most badly broken parts of health system. Make no mistake—this bill is badly needed.

One Republican Senator told the Washington Post last year that ''Health care is not very bright on anybody's radar screen, if it shows up at all.'' That's not what I hear in South Dakota and across the country. This issue is still very much on the minds of Americans.

When health reform failed in 1994, Americans' problems securing coverage

didn't go away. The problems fueling the health care and insurance crisis still exist today. Forty million people are without insurance, and insurance remains prohibitively expensive for far too many people. The public expects and wants us to tackle this issue.

The bill before us breathed new life into health reform efforts. Still, it does not come close to solving all our health care problems—it is a modest, incremental downpayment on reform.

But this bill does deal with one of the most pressing problems in our system—portability. Indeed, GAO says this legislation could help up to 25 million Americans each year, at no cost to taxpayers. This bill gives workers dismissed from their jobs or looking for better jobs peace of mind.

This bill means that never again will fear of losing their insurance trap people in their jobs.

Still, passage of this bill is the beginning of the debate, not the end of it.

Every single day in this country, 60,000 people lose their health insurance. Unfortunately, only a small fraction of that group will be helped by this legislation. We must do more to provide real health security to every American.

As we celebrate this bill's passage, let us pledge to tackle even more difficult issues. We must ensure that every child has health coverage. We must eliminate barriers to pregnant women getting prenatal care. We must make coverage more affordable for small businesses. We must ensure every child is immunized appropriately. We must end cherry picking by insurance companies. We must ensure rural Americans have the same access to quality care their urban neighbors enjoy.

In sum, we must guarantee every American access to affordable, quality coverage. This will be on the top of the Democrats' agenda in the next Congress.

Despite its limitations, this is an important bill. It's a victory for the President, who put this issue on our collective radar screens. It's a victory for Senators KENNEDY and KASSEBAUM, who worked so hard to make this happen. It's a victory for Democrats, who consider this a priority item.

Most importantly, it's a victory for America's working families.

Mr. KERRY. Mr. President, I am delighted that Americans will finally receive the benefits of the health care reforms contained in the Kennedy-Kassebaum bill—benefits which the General Accounting Offices estimates will help over 21 million people.

But I want to talk today about one particular person who will benefit from this bill, a woman from Florence, MA, who wrote me recently about her daughter. She supports this bill, she said, because her daughter has diabetes and the family had a terrible time finding health insurance that would cover her. In her letter she told me, ''I think it's immoral for health insurance companies to cut off coverage even while the people they cover are paying their premiums. No health insurance company should have the power to do this to their clients.''

Millions of Americans have medical histories or preexisting conditions that make it difficult to get comprehensive insurance coverage. As many as 81 million Americans have preexisting medical conditions that could affect their insurability. Many people are locked in their jobs because they fear they will be unable to obtain comprehensive insurance in new jobs. And many people who work in small businesses often have trouble getting insurance especially if 1 employee has medical problems.

This bill takes very important steps forward to correct these problems. But we must do more so that ultimately we have coverage for all Americans. Currently, 40 million Americans live without health insurance, and 23 million of the 40 million are workers, according to a study by the Tulane University School of Public Health. Furthermore, an average of more than 1 million children a year have been losing private health insurance since 1987. In Massachusetts alone, there are more than 130,000 children—one-tenth of all the children in my State—who are without any health insurance, private or public, for the entire year. And many more children lack health insurance for part of the year. A recent study in the Journal of the American Medical Association reported that almost one-quarter of U.S. 3-year-olds in 1991 lacked health insurance for at least a month during their first 3 years, and almost 60 percent of those lacked insurance for 6 or more months. It is time that we help the American people get the health insurance they rightfully deserve.

Mr. President, this Congress continues to have an unacceptable record when it comes to addressing the real needs of American workers and families. Political divisions and Presidential politics have become an everyday feature of Senate floor action, making it impossible for us to do much of the people's business. Fortunately, this bill is a notable exception.

Finally, I want to applaud the vision, commitment, and political savvy of the distinguished chairman of the Labor and Human Resources Committee, Senator KASSEBAUM, whom I greatly admire, and the distinguished ranking member of that committee, the senior Senator from my State, who has been a leader for his entire career on health care issues. To a very considerable extent we all are in their debt as we send this legislation to the President, because it was their commitment, stamina, and statesmanship that worked past what again and again appeared to be intractable differences of opinion among 535 members of the House and Senate. This is a tremendous victory for the American people, but it is also a richly deserved personal victory for both Senator KASSEBAUM and Senator KENNEDY. I will proudly vote to send this bill to the President's desk for his signature.

Mr. FAIRCLOTH. Mr. President, Yesterday, when the Senate passed welfare legislation we took an important first step toward reforming our failed welfare system. Similarly, the health care reform bill before us today takes another important first step toward addressing some of the serious flaws that exist in our Nation's health care system.

We must ensure that this health care bill becomes a step in the right direction, a step away from excessive government regulation and a step toward a health care system based on free-market principles that benefits and empowers individuals.

I am very pleased that the conference report includes the foundation for the full implementation of Medical Savings Accounts, this is the single most important feature of this legislation.

When we debated medical savings accounts in April, opponents of the provision argued that anyone who want to include MSA's really wanted just to kill the Kassebaum bill. I believe that the conference agreement has proven them wrong.

This real issue behind medical savings accounts is a question of whether health care reform should move toward greater government control of our health care system, as President Clinton advocates, or whether health care reform should place more decision making authority in the hands of individuals. Once individual Americans have the power to control how their own health care dollars are spent, they will never allow the government to take that power back.

I am certain that when the four year trial period for medical savings accounts ends successfully, the Congress will overwhelmingly endorse MSA's as an unlimited nation-wide policy.

Mr. President, while this conference report is a first step, it is not too soon to consider what our next steps should be. We badly need meaningful reform of our medical malpractice and antitrust laws as well as full deductibility of health care expenses for the self-employed.

The health care reform conference report will improve the health care coverage available to individual Americans. But to preserve those gains, we must make sure that future health care legislation seeks free-market solutions, not big-government solutions.

Mr. SIMON. Mr. President, like most bills, the Health Insurance Portability and Accountability Act contains both good and more worrisome provisions. Some of the better provisions, such as portability, are not perfect and others of importance, such as mental health parity, are now completely absent.

One important provision in this bill that has not received much attention is administrative simplification. It sounds innocuous enough. It aims to

cut administrative costs by standardizing the way medical information is electronically stored and transmitted. No one is against cutting health care costs.

This standardization, however, accelerates the creation of large data bases containing personally identifiable information. All this information is transmitted over electronic networks. We need to be very careful about how safe and secure that information is from prying eyes. Some of it may be extremely sensitive and could be used in a malicious or discriminatory manner.

Not only do we need to hold this information securely, we also need to give individuals control over who actually has access to their medical records. We have been working in this Congress this year to try to come up with federal privacy laws for medical records. Senators BENNETT, LEAHY, KASSEBAUM, KENNEDY, DOMENICI, WELLSTONE and MACK have all been concerned with the need to craft meaningful privacy legislation. I commend their efforts in this area. It has been extremely difficult legislation to craft, however.

The States themselves have enacted some medical privacy laws. For instance, several States have passed laws that protect the confidentiality of mental health records or HIV status. We should not preempt such protections. I am glad to see that the preemption of State law in this area has been removed from this bill. I commend the Finance Committee, and particularly Anne Marie Murphy of my own staff, for their work in helping to rectify this problem.

I am still troubled by the possible time lag between the enactment of standardization and the development of privacy regulations by the Secretary of HHS. The way this provision is currently drafted, standards will be developed by standard setting organizations that are mainly business groups, solely on the basis of cost, within 18 months of enactment of this Act. HHS will submit to Congress detailed recommendations on standards with respect to the privacy of individually identifiable health information within 12 months of enactment of this Act. If Congress does not act on these recommendations within 36 months of enactment, the Secretary of HHS will promulgate privacy regulations within 42 months of enactment. There is, therefore, a possible time lag of 36 months between standard setting and privacy regulations.

This puts the cart before the horse. Obviously, privacy should come first. I don t think there is one Senator here who would like to have his or her own medical privacy play second fiddle to business costs.

Furthermore, this order of cost first, privacy later, may in fact be much more disruptive to business. For example, it does not make good privacy sense to use social security numbers as a unique health identifier; it would be far too easy for others to decode these. It might, however, make for easy, cost-effective, standardization. If the standards developed need to be fully revised to take account of privacy concerns, then business will be forced to standardize twice, with probably twice the expense.

It makes much more sense to have the standards developed with both privacy and cost in mind and for the standards to be enacted after and in accordance with the privacy regulations. I would urge my colleagues to alter these dates and modify this section to couple these two very admirable goals of cost reduction and medical records privacy.

In general, although there are weaknesses in this bill and it is far, far less reform than we need, I am pleased that we are finally moving ahead with modest initiatives in the area of access to health insurance. Many Americans will be helped by this legislation. It should be clear, however, to anyone who looks at what is happening to health insurance coverage in this country that this bill is just a first step of many we need to take to meet the health care needs of our Nation. This is especially true in regard to children, where we will fall even farther behind as a result of the Welfare bill we just passed, and in regard to equitable coverage of people with mental illnesses.

Senator DOMENICI and Senator WELLSTONE deserve great credit for fighting for equitable treatment in coverage for the mentally ill. I hope they will win this fight in the near future. I will do everything I can to help in this effort before the end of this Congress.

I hope it will also not be long before the Senate acts to ensure universal access to health care coverage for all children and pregnant women. More than 9.3 million children and half a million expectant mothers in our Nation have no health insurance of any kind. Projections are that by the year 2002 we will have 12.6 million children without coverage and nearly 5 million more may be added to that as a result of proposed changes in Medicaid. When we passed the Kennedy-Kassebaum bill earlier this year, the Senate accepted a sense of the Senate resolution I offered stating that the issue of adequate health care for our mothers and children is important to our nation's future and that the Senate should pass health care legislation ensuring health care coverage for all of our nation's pregnant women and children. The Senate must be held to account on this resolution.

It is unacceptable in our rich country to permit these inequities to continue and to permit so many of the most vulnerable in our society to be denied assurance of even basic health care. While I applaud everyone who worked so hard to bring this agreement to the floor, I hope those who follow us in the next Congress will move on from here to make more fundamental progress toward the fair, just and accessible health care system all of our citizens deserve in this great Nation.

Mr. DODD. Mr. President, the legislation before us today—the conference report on the KASSEBAUM/KENNEDY Health Insurance Reform Act—gives this body a unique and historic opportunity—to pass a sensible, incremental and common-sense health reform measure that will help millions of Americans.

Our actions today will give an estimated 25 million Americans a much needed and deserving helping hand.

This bill would guarantee to American working families—if you change your job you will not lose access to health insurance. This bill will limit pre-existing condition exclusions. It will guarantee renewability of health insurance policies. And it will help self-employed individuals, by increasing the deduction for health insurance expenses.

It's been a long difficult process to reach this point. But, finally these most basic health insurance reforms will become law, exactly 1 year after the Labor and Human Resources Committee unanimously reported the bill.

This bill will not solve every problem in our health care system, but it's an important first step. It is good public policy and it deserves the support of every member of this body.

Frankly, I feared that the majority party would prevent this day from happening.

This legislation passed in the Labor Committee 1 year ago, but objections by members of the majority party prevented this bill from receiving consideration by the Senate until the following April.

President Clinton came to the Congress in January and in his State of the Union address urged us to quickly pass this legislation. But still it took 4 months for the majority party to respond.

Finally, when the Senate was allowed to consider the bill it passed 100–0. These days, not too much in this body is agreed upon in a bipartisan manner. But the unanimous support for the Kassebaum/Kennedy bill is a clear indication that this legislation is an effective, fair, and most important, bipartisan measure.

But again, even after this unanimous vote, the majority tried to load the bill with controversial provisions, rather than move to quickly pass a bill we could all agree upon.

Mr. President, this legislation should have passed last year and if we had done so, the American people would already be reaping the benefits. However, I am pleased that reason prevailed and today we can finally deliver these important protections to the American people.

While this bill is an important step forward, I consider it only a first step in an ongoing process. Many problems remain in our health system. I won't

go into all of them today. But I do want to talk briefly about continuing problems in guaranteeing children access to health care.

Our system simply does not work for millions of America's children. We all lose when the worker of tomorrow is crippled for life by the untreated illness of today. We all lose when completely preventable diseases like measles ripple through the child population.

The General Accounting Office, in a series of reports issued to me this summer have reported on trends in children's health insurance that are cause for genuine alarm.

In 1994, the percentage of children with private insurance coverage reached its lowest point since the census began consistently tracking coverage.

In 1987, almost 74 percent of our Nation's children had private coverage. By 1994, that number had dropped to 65 percent.

While Medicaid has certainly helped millions of children who would otherwise be without coverage, the number of children without any insurance rose to its highest point in 1994. Ten million children under age 18, or 14.2 percent, were uninsured in 1994.

In States such as Alabama, Arizona, California, New Mexico, Oklahoma, and Texas, almost 20 percent or more of children are without health care coverage. That means 1 out of every 5 children in these States are lacking coverage.

Too many of our children do not have access to basic health. So, I hope, Mr. President, that no one thinks that we've made the health care system right, because we still have a long way to go.

Let us not forget that approximately 40 million Americans continue to lack health care coverage. Of those, 12 million are children under the age of 21. We still have a commitment to those people to make this measure the first, not the last, step on the road to meaningful health care reform.

So today, we have a historic opportunity to help millions of America's working families keep their health care coverage. It is a chance that must not slip away, and so I urge all my colleagues to join me in supporting this common sense and sensible reform measure.

Mr. LAUTENBERG. Mr. President, I rise in support of this conference report. This is a good first step in trying to provide affordable health care coverage to all Americans. This bill will ensure that people who move from job to job will be able to keep their health insurance, even if they have a pre-existing condition. It also will give the same protection to people who lose their jobs and must get health insurance on their own.

This bill also provides some tax incentives for families to better afford health care. The legislation increases the health insurance deduction for self-employed individuals from 30 percent to 80 percent, bringing health care coverage within reach of many more Americans.

This bill also expands the tax deduction for nursing home and long term care coverage. This will help families better cope with the staggering costs of nursing home coverage for their loved ones. In some facilities, a year in a nursing home can cost over $30,000.

This bill also includes an experiment in Medical Savings Accounts (MSA's). The Senate originally rejected the concept of MSA's by a bi-partisan vote. But the House Republicans insisted on a full blown implementation MSA's even though we have never even evaluated the efficacy of such health policies. Fortunately, this conference report only includes a limited demonstration of MSA's. This makes sense because this concept is untested. I am concerned that MSA's could drain the young, healthy and wealthy out of the traditional insurance system. This could leave old and sick people to cope with escalating insurance premiums, making it even tougher to afford health insurance. Therefore, I am pleased that this is only a time limited experiment.

Mr. President, unfortunately, this bill does not include the so-called mental health parity amendment authored by the Senators DOMENICI and WELLSTONE. This amendment passed overwhelmingly in the Senate but was completely dropped in conference. I hope that some day this amendment will become law so that we can do away with insurance policies that provide more coverage for physical illnesses than for mental illnesses. Families with members who have mental illnesses deserve this much.

Mr. President, while this bill makes improvements in our health care system, we must remember that this is only a first step. We have much more work to do in the next Congress to move toward providing health care coverage for all Americans. This should continue to be our goal.

Tragically, there are now 41 million Americans who do not have health insurance, up from 37 million in 1993. For the most part, these are working Americans. Eighty-four percent of the uninsured work, but they do not get health insurance at their jobs.

We must do something to rectify this. We must continue to enact legislation so that one day no family is without health security.

I yield the floor.

Mr. GLENN. Mr. President, I support the conference agreement on H.R. 3103, the Health Insurance Reform Bill. I am pleased that the Congress is taking long overdue final action on this legislation which is so important to working Americans and their families. As you know, it was approved by the Senate Labor and Human Resources Committee 1 year ago today, and it passed the Senate in April. Once again, I would like to commend Senator KASSEBAUM and Senator KENNEDY for their untiring efforts to work with our colleagues and all interested parties to forge the bipartisan bill we will pass today and send to the President for his signature.

The bill we are passing today is not comprehensive health care reform, but it is an important step forward in addressing problems in our current health insurance system. People who maintain continuous health insurance coverage will not be denied insurance for preexisting conditions, after one initial 12-month exclusion, even if they change jobs or insurance plans; and individuals who lose their jobs or change jobs will be guaranteed the opportunity to continue their insurance through a group or individual plan.

A compromise was made on medical savings account [MSA] provisions passed by the House of Representatives but rejected by the Senate. The bill provides for a four year pilot program in which up to 750,000 taxpayers with high-deductible health insurance plans can make tax deductible contributions to a medical savings account. At the end of the 4-year period, Congress would have to vote to expand the MSA program.

This legislation also increases the health insurance deduction for self-employed individuals from 30 percent to 80 percent over a 10-year period, provides for a medical expense deduction for long term care insurance, and allows terminally ill individuals to receive tax free benefits from their life insurance.

I regret that the Domenici-Wellstone amendment, which passed the Senate, was not included in this conference report nor was any compromise that the sponsors proposed. This amendment would require private health plans to provide medically necessary mental health services that are equal to the medical services provided. A great deal of progress has been made in diagnosing and treating mental illnesses, and I believe that we should provide health insurance coverage that will make this care affordable to people who need it. I will work with my colleagues during the remainder of this Congress to ensure that in the future people with mental illnesses have equal access to the care they need.

The Health Insurance Reform Act will provide peace of mind to many working Americans who have health insurance but fear losing it, and it is a major improvement in our current health insurance system.

PROVIDING TAX EXEMPTION TO STATE HIGH RISK HEALTH INSURANCE POOLS

Mr. COCHRAN. I am pleased that the conference report for the Health Insurance Reform Act includes a provision which confirms the availability of the Federal tax exemption for State health insurance risk pools which has been pending in Congress for the last several years. The purpose of a health risk pool is to make available health and accident insurance coverage to individuals

who, because of health conditions, would otherwise not be able to secure health insurance coverage. Health risk pools are one option contemplated by the Health Insurance Reform Act that States could implement as part of their health care reform efforts to seek to ensure access to health insurance.

Since 1976, 28 States have enacted legislation establishing a health insurance pool aimed at protecting uninsurable and high-risk individuals. Most of the pools were established in the last 10 years.

For example, the Comprehensive Health Insurance Risk Pool Association Act was enacted by the Mississippi State Legislature during the 1991 legislative session and became effective April 15, 1991. At that time Mississippi became the 25th State to enact such legislation. This act created the Mississippi Comprehensive Health Insurance Risk Pool Association to implement such a health insurance program. Members of the association include insurance companies, nonprofit health care organizations and health maintenance organizations [HMO's] which are authorized to write direct health insurance policies and contracts supplemental to health insurance policies in Mississippi. The association also includes third-party administrators who are paying and processing health insurance claims for Mississippi residents.

Over the past 4 years, the association has issued medical insurance policies to approximately 1,200 Mississippians. The association is funded by premiums paid by policyholders and quarterly assessments against members of the association. The assessments are necessary to supplement the premiums and operate the program on a financially sound basis. There is no public funding—State or Federal—involved.

Currently, over 100,000 individuals nationwide are members of a State health risk pool. Nationally, there are an additional 1 to 3 million people who are uninsured and uninsurable, and who could be eligible for inclusion in a State health risk pool.

As my colleague knows, unfortunately, several State health risk pools, including the Mississippi Comprehensive Health Insurance Risk Pool Association, have applied for and have been denied exemption for Federal taxation under Internal Revenue Code sections 501(c)(4) and/or 501(c)(6). Generally, the Internal Revenue Service's [IRS] rationale for such denial has been that the sole activity of the health risk pools is the provision of health insurance for individual policyholders. The IRS perceives health risk pools as a regular business ordinarily carried on for profit, which primarily provide commercial type insurance. Moreover, the IRS takes the position that health risk pools are primarily serving the private interests of its members and not the common interest of the community as a whole.

Would my colleague agree that the IRS's position is incorrect?

Mrs. KASSEBAUM. I would agree with the Senator.

Mr. COCHRAN. Is it not the case that health risk pools have been created by statute in the several States to serve a public function of relieving the hardship of those who, for health reasons, are unable to obtain health insurance coverage? Additionally, that these pools do not carry on an activity ordinarily carried on by insurance companies and not designed to make a profit? Further, that they are established by State statute and none of the net earnings benefit any private shareholder, member, or individual?

Mrs. KASSEBAUM. I would agree with the Senator.

Mr. COCHRAN. The Federal Government should serve as an impetus for, not an impediment to, State health care reform. We should do all we can to increase the ability of States to help the uninsured. The Health Insurance Reform Act recognizes the value of health risk pools and includes vital roles for health risk pools in their health care reform legislation.

Would my colleague not agree that in order to allow States flexibility in designing effective health care plans, State health risk pools should be exempt from taxation and that it was never the intent of Congress that health risk pools be subject to taxation?

Mrs. KASSEBAUM. I would agree with the Senator.

Mr. COCHRAN. Would my colleague agree that it is the intent of Congress through this legislation to clarify that health risk pools be exempt from taxation?

Mrs. KASSEBAUM. The Senator is correct. This legislation will clarify the intent of Congress that health risk pools should not be subject to taxation.

Mr. COCHRAN. I thank my colleague for her assistance. By passing this legislation, we will promote State-based health care reform by expressly confirming that State health risk pools are exempt from Federal taxation, notwithstanding the IRS' position. By clarifying the intent of Congress, the IRS should recognize this legislation as confirming the interpretation of existing law, and not creating new law, and accordingly grant tax exempt organization status to all health risk pools that have applied for such status.

ORGAN DONATION INSERT CARD

Mr. DORGAN. I am pleased that the conference committee on the Health Insurance Reform Act has included a small, but lifesaving provision that Senator FRIST and I offered as an amendment to the Senate bill. I am referring to the organ donation insert card provision.

This measure, which I first introduced in 1994, would require the Secretary of the Treasury to send out information about organ and tissue donation with each tax refund mailed in 1997. This provision will help give a new chance at life to the more than 46,000 Americans who are desperately waiting right now for an organ or tissue transplant.

Many opportunities for a lifesaving organ donation are missed each year because family members hesitate to authorize organ or tissue donation when their loved one dies. By providing information to 70 million Americans next year, we can raise awareness about the need for donors and, in the process, we will save lives.

I do want to mention a concern I have about one of two technical changes made to the organ donation insert card amendment during conference. At this time, I would like to engage in a colloquy with Senator FRIST, a cosponsor of this Amendment, and Senator ROTH, the chairman of the Finance Committee, to clarify Congress' intent with regard to this provision.

The conference agreement alters my original provision to read that organ donation information will be included with tax refunds mailed in 1997 to quote ''the extent practicable'' unquote. I want to make it clear that I feel strongly that providing this information to millions of Americans is not only a cost effective way to save lives but is also a practical measure that does not pose an unreasonable burden on the Department of the Treasury.

Mr. FRIST. Senator Dorgan, is it true that the Treasury Department regularly includes insert cards with the refunds it mails each year?

Mr. DORGAN. The Senator from Tennessee is absolutely correct. This year, for example, taxpayers who receive a refund also received information about how to purchase Olympic commemorative coins. In 1994, an advertisement for World Cup Soccer commemorative coins was mailed along with refunds.

Mr. FRIST. It is my understanding that the cost to the Treasury Department of printing and inserting this information is negligible. Since the Federal Government already incurs this cost on an annual basis, I do not believe this would create a burden. Is that also your belief?

Mr. DORGAN. Yes, it is. I would like to ask the distinguished gentleman from Delaware [Senator ROTH], to clarify for us what the conference committee intended by making this technical change to the Senate's amendment.

Mr. ROTH. The conference committee's intent regarding this change was to ensure that there be no delay in the mailing of refund checks because of this provision. The language ''to the extent practicable'' originally read ''to the maximum extent practicable'' to address any potential administrative issues that may arise. For example, if the Internal Revenue Service ran out of organ donor cards we would not want to insinuate that the check could only go out if a donor card was enclosed. The Treasury Department specifically asked us to delete ''maximum'' from the language.

It was not the conference committee's belief that this provision should

cause a delay, and we fully expect that the Treasury Department will make every effort to ensure that all of the individual taxpayers who are mailed refunds in 1997 will also receive organ donation information.

Mr. DORGAN. Thank you Senator ROTH and FRIST. I want to again thank Senators KENNEDY, KASSEBAUM, and FRIST, Congressman RICHARD DURBIN, and the many supportive organizations who have worked with me to get this provision enacted.

Mr. President, I rise today in support of final passage of the Health Insurance Reform Act. It has not been an easy road to agreement on this bill, but for the sake of the American people, I am glad we were able to put aside our differences and reach a compromise on those issues where we do agree.

We are fortunate in our country to have one of the finest health care systems in the world. But unfortunately, not all Americans have access to that health care system or can afford the escalating prices of care.

This bill is not the total answer to those issues. In fact, compared to the health care plan proposed by President Clinton several years ago, which I did not support because I thought it was too bureaucratic, this bill is very, very modest.

Having said that, the Health Insurance Reform Act is a significant step forward in helping Americans who are routinely denied health insurance coverage through no fault of their own, and I am pleased to be a cosponsor and supporter.

Earlier this year, I received a heartbreaking letter from a mother in Williston, ND whose infant son was born with a rare disease called myelamacia. He often stops breathing and doctors have no idea how long he will live or what his quality of life will be. Michael is actually lucky because, right now, he is covered under his mother's employer-based health insurance plan.

But Michael's mother is desperately worried about how long his coverage will last. For one thing, Michael currently must live at the Anne Carlsen Center for Children in Jamestown, ND, which is quite a long distance from Williston. Michael's parents would like to move closer to their son so they can spend more time with him, but they are justifiably afraid that if Michael's mom switches jobs, Michael will lose his insurance coverage.

Michael's parents are not alone. A survey has found that one-quarter of Americans who would have otherwise switched jobs did not because they feared losing their health insurance coverage.

This legislation basically says to insurance companies, if someone has been a good customer of yours, paying their premiums regularly for years, you cannot drop their coverage simply because he or she gets sick or switches jobs.

This bill puts limits on the amount of time that insurance companies can deny coverage for individuals with preexisting medical conditions, even for those who change jobs or whose employer switches insurance companies. It also requires insurance companies to renew the health insurance coverage of individuals or groups as long as they pay their premiums. The bill will also help to ensure that those with preexisting conditions will be able to purchase affordable individual insurance policies if they lose their group health coverage.

This bill also contains provisions which will help many of North Dakota's small business owners and sole proprietors. I have been fighting for one of these provisions ever since I came to Congress, so I am particularly pleased that we are acting to level the playing field for sole proprietors.

Under this bill, farmers and other self-employed individuals will be able to deduct a higher percentage of their health insurance premiums. Right now, large corporations can deduct 100 percent of their health insurance expenses, but sole proprietors may only deduct 30 percent of their health insurance premiums. This bill will gradually increase the amount that the self-employed can deduct to 50 percent by 2003 and to 80 percent by 2006. I would prefer that they be allowed to deduct all of their insurance costs, as corporations already can, but this will go a long way toward making health insurance more affordable for farmers and other self-employed individuals.

This bill also will allow some small employers and their employees to experiment with medical savings accounts, or MSA's. This is a highly controversial issue, and I'm glad we were able to reach an agreement that allows us to move forward on this legislation.

I think MSA's are an intriguing idea. Common sense tells you that making health care consumers think more carefully about the type and cost of care they receive will likely have some positive impact on overall costs.

At the same time, however, I do have concerns about the impact that MSA's could have on the traditional insurance pool. The trial approach taken in this bill will minimize any negative effects on the insurance market while allowing us to evaluate the value of MSA's.

Finally, I want to mention one more provision included in this bill. It is a small, easily overlooked provision which I offered, but it is one that will save lives, and I want to thank Senators FRIST, KENNEDY, KASSEBAUM, and the many other Senators, Members of the House of Representatives and supportive organizations who have worked with me to get this provision included. I am referring to the organ donation insert card provision.

This measure, which I first introduced in 1994, would require the Secretary of the Treasury to send out information about organ and tissue donation with each tax refund mailed in 1997. This provision will help give a new chance at life to the more than 46,000 Americans who are desperately waiting right now for an organ or tissue transplant.

Many opportunities for a lifesaving organ donation are missed each year because family members hesitate to authorize organ or tissue donation when their loved one dies. By providing information to 70 million Americans next year, we can raise awareness about the need for donors and, in the process, we will save lives.

In closing, I want to thank Senators KENNEDY and KASSEBAUM and both of the leaders for their tireless work to move this worthwhile legislation to this point. I am pleased to be a cosponsor of the Health Insurance Reform Act and to finally have this opportunity to vote to send it to the President for his signature.

Mr. BURNS. Mr. President, I rise today to speak about this health insurance reform legislation now before us. After months of gridlock on this bill, I am glad that the Senate finally has a chance to once again consider and pass this straightforward legislation. I must confess, however, that I find it puzzling that this bill has been held up for 3 months over the issue of medical savings accounts—particularly in light of what we are trying to accomplish by passing this legislation.

I am a strong supporter of medical savings accounts. I truly believe MSA's empower health care consumers by giving them the freedom to choose how they spend their health care dollar. Medical savings accounts provide the competitive choice which not only enables folks to keep pace with inflation, but counters the increases that will result from the guaranteed-issue component of this legislation. Nonetheless, I am pleased that this bill creates at least a full-blown test for the MSA.

Though it disturbs me to know that we could have sent this meaningful legislation to the President for his signature months ago, the delay on this bill has given me the opportunity to hear the thoughts of literally thousands of Montanans on this issue, folks who have written to me, folks who have called me, and folks I've seen while traveling in the State. Given all the input I have received on this legislation over these last few months, one thing is certain, the folks in Montana are reaffirming what they have been telling me for years—that they want the commonsense measures contained in this bill passed into law.

It is no secret that the health insurance system in this country is in need of some fine tuning. And I know that many of my colleagues on both sides of the aisle and in both Chambers of Congress would agree with that assessment. It is estimated that 43 million Americans went without health insurance in 1995 and roughly 23 million of those are workers. Though we can't guarantee every American health care coverage—nor would I ever support a

plan to do so—we can address the barriers that keep health insurance out of the reach of most of these folks; access and affordability. And this health insurance reform legislation does just that.

There is little doubt in my mind that the Health Insurance and Portability Act will greatly reduce the barriers to obtaining health insurance coverage for millions of Americans by: one, limiting an insurer's ability to withhold coverage for people with pre-existing medical conditions; two, making it easier for workers to get and maintain health coverage; and three, because of its provisions guaranteeing coverage, this legislation will make it easier for workers to change jobs or start their own businesses without fear of losing health care coverage.

This bill also contains many other important provisions. I am especially pleased with the significant improvements in coverage for pregnant women, newborns, and adopted children. This bill will also make health care more affordable by providing the government with the means to crack down on health care fraud and abuse in the health care system, specifically in the Medicare and Medicaid programs. What's more, self-employed people will be able to deduct from their taxes 80 percent of their health insurance premiums by the year 2006, up from the 30 percent which current law allows. In addition, this bill increases tax breaks for small companies. Those provisions are especially important for my State, where 98 percent of our businesses are considered small businesses and have fewer than 50 employees.

What so personally excites me about this bill is a provision that I introduced to this bill that requires reimbursement for telemedicine services under Medicare. As many of my colleagues know, I have been a strong advocate of telemedicine since my election to the Senate. I truly believe that establishing a telecommunications infrastructure is a part of the solution to providing affordable and accessible health care. Telemedicine is being used now in Montana, and across the United States, to bring health care services to those who currently don't have access. Getting health care services can be a challenge, especially when folks in my State and in other rural areas face situations where they are 180 miles away from a specialist. But even if specialists are willing and able to visit their patients via telemedicine, the Health Care Financing Administration will not reimburse them for those services.

Mr. President, HCFA has been reviewing demonstration projects to analyze the cost effectiveness of providing health care services via telecommunications and how to reimburse the health care providers. The HCFA study has no expected deadline, but the provision contained in this bill will require HCFA to complete its study and report back to Congress by March 1, 1997. If we pass this bill today, that gives HCFA almost 8 months, in addition to the time they have already spent studying the issue, to determine the reimbursement of services provided via telemedicine. I don't feel this proposal is unreasonable. In fact, since this study is already ongoing, there is no cost associated with this. I am simply asking that HCFA finish the study and let rural areas and urban residents access the health care services that are currently out of reach geographically.

I realize that there are many Americans, including a number of folks in Montana, who have serious concerns with this legislation. Folks in my State seem to be particularly concerned that this legislation is just a step toward implementing the failed Clinton health care plan and will turn our health care system over to the Government. What's more, I have heard from a number of Montanans who are concerned about health insurance costs going up for all health care consumers. I appreciate and understand these concerns—I don't want to see either of these things take place. In fact, like most Americans, I am completely opposed, and I opposed then, the type of big-government, big-bureaucracy health care agenda that the Clinton administration proposed in 1994. Most people don't want a single-payer, government-controlled health insurance system deciding what is best for them and neither do I. That is why this bill only addresses those aspects of health insurance reform that folks have identified as important and necessary, and want to see passed.

Though I realize that this bill will not solve all the problems with our Nation's health care system—and I have concerns with certain aspects of the act as well—this legislation does take a giant step toward eliminating many of the worst abuses that exist in the private insurance market. Most important, it does all this without substantially raising costs for current health insurance policyholders, without meddling with those parts of the system that work, and without taking away the ability of States or the private sector to initiate their own reforms.

Mr. President, the Republican-led 104th Congress has once again given us an opportunity to change a system that has consistently failed millions of Americans and American families. I want to take a moment to thank the Republican leadership and all of those who have worked so hard, in both parties, to bring this legislation back to the floor. I also want to commend Senators DOMENICI and WELLSTONE for their work on mental health parity. Though this provision has been stripped from the bill, I believe their efforts will help move our country forward in treating the nearly 5 million Americans suffering from severe mental illness. I particularly want to commend the senior Senator from Kansas for leading the way on this issue. I also want to thank Senator KASSEBAUM for the time and dedication she has given over the years to the citizens of our country. I am truly sorry that Senator KASSEBAUM will be leaving us at the end of the 104th Congress. Not only will the U.S. Senate lose a fine legislator but a fine person. On that note, because of Senator KASSEBAUM's efforts, and with the overwhelming bipartisan support this bill received in the House yesterday, it looks as though we are going to see our way clear and bring about these much needed reforms to our health insurance system.

In closing, Mr. President, I believe this health insurance reform legislation is the best hope we have to help America's—particularly Montana's—families and small businesses cope with burdensome health care costs. Not only will this legislation end job lock and the misfortune of pre-existing conditions that prevent thousands of Americans from buying coverage but it will also strengthen our health care system for years to come. In short, because this health insurance reform bill contains so many commonsense measures, I was pleased to support this bill when it first came before this body in April. And because the legislation that is again before us today will immediately and measurably improve the lives and protect the health of millions of American workers and families without putting folks out of business, raising taxes or turning the health care system over to the government, I am going to vote to send this bill to the President. I hope my colleagues in the Senate will do the same. This bill's time has come. Let's not squander the opportunity we have today.

Mr. CHAFEE. Mr. President, I am pleased to support the conference report accompanying the health care reform legislation. Members of Congress have worked for many years to pass health care reform legislation, and it has been a long road. I would like to congratulate the co-sponsors of this legislation, Senators KASSEBAUM and KENNEDY. At a time when most would have doubted that any health care reform bill could pass this year, they persevered. And this legislation is a fitting tribute to the senior Senator from Kansas who retires at the end of this year.

In recent years, we have fought to reduce the number of Americans without access to health insurance and slow the rate of growth in health care costs. Two years ago we had a nationwide debate on health care reform. There were many competing proposals, and ultimately we failed to reach a consensus on comprehensive health reform legislation.

In the wake of that failure, we have put aside our differences and taken a more incremental approach to health care reform. Rather than forcing dramatic change in our health care system, we are making small, yet important changes in the health insurance market which will give working Americans something very important—peace of mind.

Once this legislation is enacted, Americans will know that if they change jobs they will be able to move from one group health insurance plan to another without worrying that preexisting conditions will limit or exclude them from coverage. Once this bill is enacted, families will no longer face being locked into their jobs for fear of losing health insurance coverage. This bill would also assure that if a worker lost his or her job or accepted a job without health insurance coverage, they would have the opportunity to purchase a health insurance policy without limitations or exclusions for preexisting conditions.

This legislation also includes provisions introduced by Senator COHEN, to crack down on individuals who knowingly commit fraud in or health care system. Not only will this help to control health care costs in the private insurance market, but it will also reduce the fraud which plagues the Medicare Program. The bill includes provisions, authored by Senator BOND, to create uniform, standards for the electronic transmission of health care information in an effort to streamline and lower administrative costs.

Finally, the language includes important tax provisions to make health insurance more affordable for the self-employed by allowing them to deduct a greater percentage of their health insurance costs. It also clarifies that the cost of long-term care insurance is deductible—encouraging more Americans to purchase private long-term care insurance. I am hopeful that this provision will lessen the burden of long-term care costs on our Medicaid Program, which many seniors fall back on once they exhaust their life-savings on nursing home care.

I recognize that there are those who are disappointed in the final outcome of some of the provisions in this legislation. Probably the most glaring is the omission of the Domenici-Wellstone provision providing parity for mental illness. During Senate consideration of the health reform proposal, I voted against the mental health parity amendment as well as other key provisions. I did so to assist the managers of the bill in trying to keep the bill free of controversial provisions that could have slowed down the process. I also had concerns that the amendment was too encompassing. I am hopeful that Congress will act in the near future on a narrower version of this important legislation.

In conclusion, no one got exactly what they wanted on every aspect of this bill, myself included. Nonetheless, I think we all should take satisfaction in the passage of this legislation and recognize that great things often come form humble beginning. Thank you Mr. President.

CLARIFYING CERTAIN DEFINITIONS

Mr. HATCH. Mr. President, with respect to the corporate-owned life insurance provision in the conference agreement to the Health Insurance Portability and Accountability Act of 1996, I would like to clarify the definition of a fixed and variable rate of interest as it relates to the deduction of interest on pre-1986 life insurance contracts.

It is my understanding that a life insurance contract with an option to elect a variable rate of interest, which has borne the same rate of interest since its date of issuance, is considered a contract with a fixed rate of interest. If the interest rate under this contract is changed to a variable rate as the result of the exercise of an election under the contract, the contract would then be considered a contract with a variable rate of interest.

Mr. ROTH. Yes, the Senator's understanding is correct.

Mrs. FEINSTEIN. In 1945, President Harry Truman proposed universal health insurance, putting on the public agenda, the goal of universal health insurance, a goal that still eludes us. Too many Americans find that just when they most need health insurance, it is not there. It is terminated. They are denied its purchase, because they are sick. They are determined to be uninsurable.

The bipartisan bill before us today does not provide health insurance to every American. We still face that challenge. But the bill before us today takes an important step toward making health insurance more secure.

This bill provides some health security in several ways:

No Arbitrary Terminations: Insurers will not be able to impose preexisting condition limitations for more than an initial 12-month period. This means that employees can change jobs without fear or facing a new preexisting condition exclusion.

Guaranteed Access: Insurers will be required to offer insurance to all groups, regardless of the health status of any member of the group and employees could not be denied group coverage based on their health status.

Guaranteed Insurance Renewal: Groups and individuals who have insurance will be able to renew their policies as long as they have paid their premiums.

Individual Coverage Guaranteed: People who leave their job where they have had 18 months of prior employer group coverage and who have exhausted their extended [COBRA] coverage would be guaranteed access to an individual policy.

NEED FOR THE BILL

The problems this bill addresses are real:

Twenty-three million Americans lose their insurance every year; 18 million people change insurance policies annually when someone in the family changes jobs.

Over 9 million Americans changed jobs in 1995; millions more wanted to. The General Accounting Office estimates that as many as 4 million employees are locked into their jobs because they fear that the insurer for the next employer will refuse to insure them because of their health condition, something the industry has called a preexisting condition. GAO has said that 21 million Americans could benefit by prohibiting preexisting condition exclusions.

Small employers are often unable to get insurance because a few of the employees are ill; insurers refuse to insure. Small employers lack the leverage of big employers in negotiating good prices and policies. In California, 84 percent of the uninsured are in working families. Fifty-two percent of uninsured employees work in small firms.

And finally, there are 10 to 20 million Americans seeking to buy insurance on their own—individual policies. These individuals, who are not part of a large pool where risk can be spread out, find that insurers refuse to sell to them or price the policies so high they are unaffordable.

GENETIC DISCRIMINATION

I especially appreciate the inclusion of provisions barring genetic discrimination in health insurance, along the lines of S. 1600, a bill I introduced with Senator MACK.

Last fall, as cochairs of the Senate Cancer Coalition, Senator MACK and I held a hearing on the status of genetics research and use of genetic tests. We learned we are all carrying around between 50,000 and 100,000 genes scattered on 23 pairs of chromosomes and that every person has between 5 and 10 defective genes, often not manifested.

Approximately 3 percent of all children are born with a severe condition that is primarily genetic in origin. By age 24, genetic disease strikes 5 percent of Americans. Genetic disorders account for one-fifth of adult hospital occupancy, two-thirds of childhood hospital occupancy, one-third of pregnancy loss and one-third of mental retardation.

About 15 million people are affected by one or more of the over 4,000 currently identified genetic disorders.

We are learning virtually everyday about the explosion of knowledge in genetic science. We know that certain diseases have genetic links, like cancer, Alzheimer's disease, Huntington's disease, cystic fibrosis, neurofibromatosis, and Lou Gehrig's disease.

But understanding genetics brings a new set of problems. Witness after witness at our hearing raised fears of health insurance discrimination. And it is not just fear. It is also reality. We heard about insurers denying coverage, refusing to renew coverage, or denying coverage of a particular condition.

In a 1992 study, the Office of Technology Assessment found that 17 of 29 insurers would not sell insurance to individuals when presymptomatic testing revealed the likelihood of a serious, chronic future disease. Fifteen of thirty-seven commercial insurers that cover groups said they would decline the applicant. Underwriters at 11 of 25 Blue Cross-Blue Shield plans said they would turn down an applicant if

presymptomatic testing revealed the likelihood of disease. The study found that insurers price plans higher—or even out of reach—based on genetic information. Another study conducted by Dr. Paul Billings at the California Pacific Medical Center, reached similar conclusions.

Here are a few examples, real-life cases:

An individual with hereditary hemochromatosis—excessive iron—who runs 10K races regularly, but who had no symptoms of the disease, could not get insurance because of the disease.

A health maintenance organization that had covered a child since birth, denied therapy after the child was diagnoses with mucopolysaccharidoses [MPS].

A Colorado insurer terminated the policy of the family of a 3-year-old with the same disease.

An 8-year-old girl was diagnosed at 14 days of age with PKI [phenylketonuria], a rare inherited disease, which if left untreated, leads to retardation. Most States require testing for this disease at birth. Her growth and development proceeded normally and she was healthy. She was insured on her father's employment-based policy, but when the father changed jobs, the insurer at the new job told him that his daughter was considered to be a high risk patient and uninsurable.

The mother of an elementary school student had her son tested for a learning disability. The tests revealed that the son had Fragile X Syndrome, an inherited form of mental retardation. Her insurer dropped her son's coverage. After searching unsuccessfully for a company that would be willing to insure her son, the mother quit her job so she could impoverish herself and become eligible for Medicaid as insurance for her son.

Another man worked as a financial officer for a large national company. His son had a genetic condition which left him severely disabled. The father was tested an found to be an asymptomatic carrier of the gene which caused his son's illness. His wife and other sons were healthy. His insurer initially disputed claims filed for the son's care, then paid them, but then refused to renew the employer's group coverage. The company then offered two plans. All employees except this father were offered a choice of the two. He was allowed only the managed care plan.

A woman was denied health insurance because her nephew had been diagnosed as having cystic fibrosis and she inquired whether she should be tested to see if she was a carrier. After she was found to carry the gene that causes the disease, the insurer told her that neither she nor any children she might have would be covered unless her husband was determined not to carry the CF gene. She went for several months without health insurance because she sought genetic information about herself.

These denials not only deprive Americans of health insurance, they affect people's health. If people fear retaliation by their insurer, they may be less likely to provide their physician with full information. They may be reluctant to be tested. This reluctance means that physicians might not have all the information they need to make a solid diagnosis or decide on a treatment.

All of us are at risk of illness. We all have defective genes. I hope that the addition of my language can help ease the fears of many Americans and discourage insurers from using genetics as a reason to deny insurance.

AN IMPORTANT STEP

This bill, while it does not address all the problems, does take an important step. As a measure of its importance, yesterday morning when agreement on the bill reached the public, my staff got a call at 9:15 a.m.—6:15 a.m. California time—from a worried constituent, asking, ''Will it help me?''

This bill can help make health insurance available to those Americans who want to buy it. It can bring peace of mind to millions of Americans. It can restore to insurance what insurance is supposed to be.

I hope we will promptly send this bill to the President for his signature and close this loophole in our erratic patchwork of health insurance.

Mr. HELMS. Mr. President, H.R. 3103, the Health Coverage Availability and Affordability Act of 1996, could very well sound the death knell for the past years of liberal efforts to socialize medicine. The truth is, it puts us well on our way to providing a meaningful health care reform for millions of working Americans.

H.R. 3103 guarantees that American workers can keep their health coverage if they change or lose their jobs, which will be greatly reassuring to millions of American workers having pre-existing conditions. Now they will be able to change jobs without fear of losing their health insurance. The portability provision, as it is called, enables employees to be covered immediately upon taking another job—regardless of their health status.

Mr. President, American dissatisfaction with the existing health care system has gained much of its momentum from the spiraling costs of medical care in the United States. In 1993, nearly $940 billion was spent on health care, more than 14 percent of the GDP; this percentage has been rising steadily for years. Tax relief and medical savings accounts provide the best of all solutions by enabling patients to make their own choices with their own money. Workers and their families—not government bureaucrats—should decide how much to spend on health care and which health care benefits best meet their needs.

This bill, H.R. 3103, will partially correct a senseless disparity in the Tax Code concerning the deductibility of health insurance premiums. Whereas under current law businesses are allowed to deduct such premiums, fully, as a business expense, self-employed workers receive only a 30-percent deduction—thereby increasing the cost of doing business. This bill raises to 80 percent the amount of health insurance they can deduct from their Federal income taxes, it allows the deductibility of premiums for long-term care policies.

Medical savings accounts [MSA's] expand consumer choice and ultimately will reduce health care costs by spurring competition and greater cost-consciousness in the use of health care. MSA's confer upon individuals financial incentive to spend their health care dollars wisely by turning part of the savings over to employees, in effect rewarding efficiency.

Mr. President, many private businesses are already using cash incentives to reduce health care costs while, at the same time, achieving great employee satisfaction with the health care afforded them. MSA's provide workers with a great deal of choice and freedom. A study by the Rand Corp. estimates that MSA's could help low-income workers reduce health care spending by up to 13 percent.

In a truly American way, MSA's harness free enterprise to promote sorely-needed efficiencies in the health care economy.

The fight over MSA's is fundamentally about power. MSA's return power to the American worker. Proponents of socialized medicine recognize that once MSA's are passed, they will dramatically become a bulwark against the liberals' hopes for a government-controlled health care system. Although this limited MSA program will not and cannot instantly solve the problem of the affordability and availability of health insurance, it will be a major step in the right direction.

Mr. President, the majority of Americans are calling for health care reform. I believe further progress can be made by further changes in the Tax Code. But this legislation puts us on the right track.

Mr. LEAHY. Mr. President, today over 62,000 Vermonters are included in the 40 million Americans who are without health insurance. Unfortunately, this number is increasing every year. Health insurance has simply become less available and affordable.

The health insurance reform bill before us today is a small step, but a step in the right direction. It puts an end to the practices of denying health insurance to people with chronic illness and denying the renewal of policies of people that become ill. It makes health care more affordable by increasing the health insurance tax deduction for self-employed individuals from the current 30 percent to 80 percent over the next 10 years and makes the cost of long-term care, such as expenses for nursing home and home health care, tax deductible just as other medical expenses are today.

The passage of this bill is a hard-won battle. I do have concerns, however, about the magnitude of the experimental provision to allow 750,000 health care policies to be withdrawn from traditional insurance system to create a medical tax shelter for routine medical bills. I plan to watch this demonstration closely to make sure that it does what it is intended to do—increase the number of insured—and not just increase premiums for people that have traditional health insurance policies.

While, as I said, this bill moves us in the right direction, I have to be clear that its passage is bittersweet. This bill does not address the larger issue of the skyrocketing cost of health care which will continue to be a looming problem that Americans face. And I am disappointed that the final bill does not include a provision to end discrimination against people with mental illness by requiring insurers to treat mental illness coverage the same as coverage for physical conditions.

I am also very concerned that the bill before us today calls for nationwide data networks for health information to be established within 18 months but contemplates delay of the promulgation of any privacy protection for 42 months. That is not the way to proceed. When the American people become aware of what this law requires and allows by way of computer transmission of individually identifiable health information without effective privacy protection, they should demand, as I do, prompt enactment of privacy protection.

Despite these concerns, the steps that this bill takes are long overdue. Two years ago, Congress was engaged in a great battle over how to get health care costs under control and make health care services available to all Americans. That battle heeded few results and left millions of Americans frustrated and disappointed that health care would continue to be out of their reach. The obstacles that prevented Americans from buying health insurance have not gone away and Congress now owes it to Americans to pass this bill to address some of the issues that these individuals face.

Mr. KERREY. Mr. President, I strongly support Senate passage of H.R. 3103, the Health Insurance Portability and Accountability Act of 1996. I am proud to have been an original cosponsor of its predecessor, S. 1028, the Kennedy-Kassebaum proposal that was originally introduced in July of last year. Although I do not believe that this legislation is as strong as the bill that passed the Senate last April, these changes are still long overdue. As many as 25 million Americans will benefit from these modest yet meaningful reforms to the insurance market—as, for example, they move from job to job or lose employer-sponsored coverage as the result of corporate downsizing.

This bill takes an incremental approach to health care reform by fixing the most egregious flaws in our employer-based health insurance system. I believe that we must move far beyond this bill, to comprehensive health care reform, in order to ensure that every American and legal resident knows that they have health insurance coverage. However, we must do what we can, now, to make the first needed changes to the American health care system.

Right now, we can help the many Americans who are currently excluded from meaningful health coverage because they are subject to preexisting condition exclusions or are unable to purchase an individual policy. This bill will address these significant problems.

This bill's great strength is that it will enable American workers to respond to our changing economy. Today, workers risk losing their existing coverage when they seek new skills or new opportunities. If they can find a replacement policy through a new employer or in the individual market, it may leave them under-insured. They can be subject to a preexisting condition exclusion that excludes a part of their body, or a significant health problem, from coverage, even though they have maintained insurance coverage for many years. Because of these constraints, many Americans don't dare switch employers or career-paths. This job-lock phenomenon, which has reportedly affected 25 percent of all Americans, would be eliminated by this bill.

In addition, the portability and renewability protections in this bill will give more Americans the health coverage flexibility they need to survive in our changing economy. This bill takes a responsible approach to ensuring continued access to health care—in the individual market if necessary—for workers who are displaced by corporate downsizing and other lay-offs. Because our economy is fluid and unpredictable, we need to fix these flaws in our employer-based health insurance system.

I believe that this is critically important legislation, but I also believe that this legislation could have been better. It should have included provisions requiring equitable treatment for mental health care—if not the parity provision originally championed by Senators DOMENICI and WELLSTONE, then the compromise proposal on benefit limits that Senator DOMENICI introduced today. I am also concerned that the portability provisions for group to individual coverage were weakened by the conference committee. I think that the original bill's guarantees for individuals who lose group coverage and seek insurance in the individual market took the right approach. Insurers should be required to offer a broad range of insurance policies to these customers. The conference agreement will allow insurance companies to offer only two policies—and even though the bill includes some requirements for these plans, I am concerned that insurers may be able to charge these individuals exorbitant rates.

I also can't pretend that this proposal will fix all of the problems in the American health care system. Many Americans will benefit from this proposal. But many of the 40 million Americans who are currently uninsured will not be among them. I am particularly concerned that so many children continue to be uninsured. In a recent study, the GAO analyzed the recent decline in health insurance among children and concluded that this decline in coverage has been concentrated among low-income children. This report also noted that the proportion of children who are uninsured—14.2 percent, or 10 million children—is at the highest level since 1987. I believe that all children should have health insurance, and that this insurance should cover children's complete developmental needs.

In addition, health insurance premiums will continue to be unaffordable for many, and the significant individual insurance market reforms will not affect people who are already uninsured. Our population will continue to age and Medicare and Medicaid spending will therefore continue to escalate. Overall health expenditures—Federal and State programs, private insurance and out-of-pocket spending which already consume more than 12 percent of GDP—will continue to grow.

We need to recognize that these insurance reforms represent an important step, but only a first step. Until all Americans are guaranteed health coverage, we cannot claim to have fixed the health care crisis. We clearly failed 2 years ago. We need to ensure that every American, regardless of their ability to pay or the generosity of their employer, maintains a meaningful right to health care. We also need to ensure that every American bears their individual responsibility pay for their health care—to the extent possible—and the information they need to make informed decisions about the quality and price of their care.

I applaud Senators KASSEBAUM and KENNEDY for their determination and hard work on this bill. Their efforts, over a number of months, to bring this proposal up before the Senate, and their perseverance since the Senate passed this bill in April, have been remarkable. I believe that the compromises included in the conference report reflect the legislation's original intent to improve access to health insurance for millions of working Americans. We still have worked to do, but this bill is a meaningful first step.

Mr. HATCH. Mr. President, it has been a long journey to this moment in history, as we prepare to approve the conference agreement on H.R. 3103, the Kassebaum/Kennedy Health Insurance Reform Act of 1996, and send it to the President for his signature. What we thought would be a sprint because the ideas made so much sense turned out to be a marathon.

As one of the original cosponsors of this important legislation, I am

pleased the impasse which prevented this bill from moving forward has been resolved.

After months of delay, the American people will soon realize the benefits of the time and energy that have been devoted in making this legislation a reality.

The Republican leadership in the House and Senate are to be commended for their steadfast commitment to reach an agreement with the White House on such contentious issues as medical savings accounts, insurance portability, mental health parity, and advisory opinions.

Overall, this legislation embraces many key elements of health care reform that have been pending in Congress for over five years, even before the 1994 health care overhaul proposal by President and Mrs. Clinton.

In my opinion, H.R. 3103 is a good bill. It represents meaningful, workable, and targeted health care reform that will provide a significant measure of assistance to millions of Americans.

The underlying insurance reforms included in the bill have now been enhanced by additional provisions that strengthen and improve the scope of the legislation.

Although much of the controversy over the past several months centered on issues unrelated to the insurance provisions, it is important that we not lose sight on the importance of the insurance reforms.

This bill will provide greater assurance to an estimated 25 million Americans that they can carry their health insurance coverage from job to job, without losing that protection, as well as obtain health insurance irregardless of preexisting health problems.

These protections are clearly the hallmark of the Kassebaum/Kennedy bill.

These protections are important because access to health insurance remains one of the fundamental problems facing Americans in today's health insurance market. The unfortunate fact of today's insurance market is that there is too little protection for individuals and families with significant health problems.

This legislation is clearly aimed at correcting that problem.

By restricting the use of preexisting limitations or exclusions on individuals, H.R. 3103 will increase access to health coverage as well as provide portability of insurance coverage for those wishing to change jobs.

Although these changes have been described as incremental by some, they are significant improvements in the manner in which Americans obtain health insurance. Through the enactment of this bill, Congress is sending a message that the status quo is unacceptable.

This bill will help a significant number of people and for that reason alone it is worthy of passage.

Aside from the insurance reforms, there are a number of other provisions added in the House and on the Senate floor to the underlying insurance bill.

For example, the bill creates a newly coordinated Federal, State and local health care antifraud and abuse program that will dramatically increase the enforcement authority of the Departments of Health and Human Services and Justice.

As Chairman of the Senate Judiciary Committee, I have been particularly interested in the development of the antifraud provisions. It is clear from the hearings conducted in the Judiciary Committee as well as other committees in Congress that more effective law enforcement tools are needed to fight health care fraud.

The problems have been well-documented by the distinguished Senator from Maine, Senator COHEN, who developed the underlying legislation from which many of the fraud provisions of H.R. 3103 were developed.

I strongly support tough and effective measures to address fraud and abuse. But in our efforts to deter, detect and prosecute fraudulent behavior, we need to ensure that these efforts do not penalize innocent behavior or unintentionally bog down the delivery of health care.

The practice and delivery of health care is overwhelmingly conducted by honest and well meaning individuals who should not be suspected of wrongdoing merely because they are physicians, hospital administrators or other health care providers.

Creating a cloud of suspension over the entire health care community will not solve the fraud problem when only a few are guilty of wrongdoing.

We need to ensure that new antifraud and abuse provisions provide clear and unambiguous guidance on what constitutes fraudulent behavior.

Equally important is that antifraud provisions avoid penalizing innocent individuals for inadvertent or clearly innocent behavior.

I would remind my colleagues that antifraud proposals over the past several years have essentially proposed to expand the scope of existing antifraud and abuse laws applicable to health care providers. A clear case is the application of the antikickback laws which are, at best, complex and confusing and are not easily conveyed in the context of managed care.

Overly broad applications of these laws are particularly worrisome.

As an example, the legislation creates a new Federal criminal statute under title 18 of the U.S. Code against health care fraud. Fines and imprisonment for up to 10 years can be imposed for violating provisions of the new statute.

Within the practice of health care, legitimate disagreements regarding medical judgment and treatment decisions should not be cause for imposing legal penalties. It is critical that the antifraud provisions be carefully crafted to avoid punishing unintentional acts by health professions.

Accordingly, I am pleased the conference report contains language I proposed that specifically defines any new Federal health care offense to include both a knowing and willful standard of intent.

The addition of willful in this standard is essential to ensure that inadvertent or accidental conduct is not deemed criminal. The standard is now clear that criminal liability will be imposed only on an individual who knows of a legal duty and, intentionally, violates that duty.

Without this clarification, legitimate disagreements regarding a physician's medical judgment and treatment decisions could have been the basis for imposing criminal penalties.

Another issue which surfaced during consideration of the antifraud provisions concerned the impact on the provision of alternative and complementary health care.

As my colleagues know, I have championed the cause of alternative and complementary medicine. I am sensitive to concerns within this community regarding unintended negative implications of the fraud language on the provision and practice of nontraditional and nonmedical forms of health care.

I want to make it clear to my friends in the alternative and complementary medicine community that under this bill the practice of complementary, alternative, innovative, experimental or investigational medical or health care itself, will not constitute fraud.

I have specifically addressed these concerns in the legislative and conference report language to clarify any misunderstandings or ambiguity arising from the implementation of the fraud provisions.

In this regard, I want to thank the National Nutritional Foods Association, the American Chiropractic Association and the American Preventive Medical Association for their input.

While it is easy to focus only on the laudable benefits of the insurance provisions in this bill, because they are so important, we must not lose sight of the very significant tax provisions that are also included in this legislation. These provisions will work to make health insurance more affordable, to ease the financial burdens of long-term care, and to allow individuals to use individual retirement account funds for catastrophic health expenses without penalty.

Mr. President, I am very pleased that this bill increases the percentage of health insurance costs that can be deducted by the self-employed to 80 percent. This provision takes a huge step toward correcting what has long been a gross inequity. No one has ever been able to defend the policy of allowing corporations to fully deduct health insurance expenses, but allowing the self-employed to deduct only a small portion. At a time when we are trying to encourage the creation of new businesses, especially by those who have

been laid off from large corporations over the past few years, this lack of full deductibility has been a real disincentive.

Although this bill takes us most of the way there by getting to 80 percent deductibility, I want to note that our job is far from finished in this area. First, 80 percent is not enough. We must find a way to go the rest of the way and allow for full deductibility.

Second, under this bill, it takes us 10 years to go from the 35 percent that is deductible under the current law to the 80 percent level that this bill finally provides. I urge my colleagues to not sit back and relax on this issue. I hope that in the next Congress, we can find a way to get to full deductibility and sooner.

The long-term care provisions of this bill are also very important, Mr. President. As our population ages, millions of families will find themselves facing the problem of how to pay for needed health care for aged loved ones. Up until now, the Medicaid program has borne the brunt of these expenses in cases where the individual or family did not have the resources to cover the often very significant cost of nursing home care or skilled nursing assistance.

It is clear, however, that our Medicaid system will simply not be adequate to cover such expenses as we move into the next century and the public's capacity to pay for these huge expenses are pushed beyond the limit.

The bill before us begins to address this problem by making it easier for individuals and families to pay for long-term care insurance, easier for insurance companies to provide such coverage, and more beneficial to employees of companies that provide such insurance as part of an employee benefit package. These changes are key in moving the majority of the responsibility for long-term care expenses from the public sector to families and individuals.

Many of these tax provisions are very similar to changes I have long advocated in long-term care legislation. These provisions are, in fact, comparable to the long-term care provisions included in the quality care for life legislation I introduced earlier in this Congress. I believe these provisions will serve to begin to shift public attitude from one largely of government dependence to one of personal responsibility. Private insurance is vital to making this shift, and these provisions will all make it much easier for insurance to be a viable alternative.

Mr. President, I also want to comment on a small, but important, provision, that will help thousands of Americans who are hit by high medical expenses. This bill allows for penalty-free withdrawals from individual retirement accounts to pay medical expenses that exceed 7.5 percent of the taxpayer's adjusted gross income.

When the IRA concept was first enacted into our tax law, penalties were placed on early withdrawals to discourage any use of the money beside that for which it is mainly intended—to provide funds for retirement. This was wise, Mr. President.

However, we also need to recognize that when devastating illness strikes a family, the need for cash is immediate. This provision helps in cases where a family is hard hit with medical expenses but has the means to help pay them in IRA funds. I also commend the provision that allows IRA funds to be used to pay for health insurance premiums in cases of unemployment. This provisions should help many families who might face the ugly choice of dropping health care coverage when the paycheck temporarily stops.

Also included in the conference report is a four year pilot project for medical savings accounts, or MSA's.

Beginning in 1997, MSA's are available to employees covered under an employ-sponsored high deductible plan of a small employer or self-employed individual. Taxpayers (including the self-employed) will be allowed to make tax-deductible contributions within limits of an MSA.

The number of taxpayers benefiting annually from an MSA contribution would be limited to a threshold level of 750,000 taxpayers.

I strongly support MSA's. I believe they will provide needed incentives for Americans to become more cost conscious as purchasers of medical services. MSA's will clearly give people more control over their health care dollars with the opportunity to save unspent MSA dollars for future health and long-term care needs.

Mr. President, overall this legislation represents an appropriate balance between the role of the Federal Government with the private insurance market in addressing the health-related problems currently facing many of our citizens.

However, we must recognize that we are breaking new ground with the enactment of this bill. The level of Federal involvement proposed in H.R. 3103 in the affairs of the historically private marketplace of insurance products does indeed raise concerns. We will not ignore these concerns in the implementation of this new legislation, and we will review carefully the long-term impact of these provisions.

Mr. President, I would also like to say to the gentleman from New Mexico, Senator DOMENICI, that I, too, am disappointed that the conferees could not work out language on mental health.

I voted for that amendment, because I strongly believe we need to do more to address the problem of mental health insurance coverage for the millions of Americans who suffer from mental illnesses that are as devastating to individuals and families as physical ones.

During our preconference sessions, I worked with my colleagues to see if there were alternatives to parity which could be pursued in this legislation, because I truly believe that we are not doing enough on mental health. One idea I put forward was to direct increased resources to mental health through the Substance Abuse and Mental Health Services Administration.

I put this proposal forward in a good-faith effort to increase our federal presence on mental health. I understand the concerns of my colleagues that this would not go far enough when compared to the Domenici amendment, but nevertheless I regret that the bill does not contain any mental health provision. I will continue to work with my colleagues on this issue.

Nevertheless, on balance, I am convinced that this bill will serve the interests of the American people who have long sought responsible health insurance reform.

Finally, Mr. President, I would be remiss if I did not take this opportunity to recognize the efforts of the distinguished Chairman of the Committee on Labor and Human Resources, Senator KASSEBAUM, who is to be commended for her leadership and perseverence, in developing this legislation.

I can think of no fitting tribute to her than the enactment of this health reform bill.

Her dedication, hard work, and common sense have been hallmarks of her career in the U.S. Senate.

Let me also thank the ranking minority member, Senator KENNEDY, who has also been an instrumental player and leader in the development of this legislation.

I urge my colleagues to support the conference report to H.R. 3103.

Mr. KENNEDY. Mr. President, I yield myself the remaining 2 minutes.

Today, in spite of 18 months of Republican attempts to deny a pay increase to the most underpaid American workers, Congress will, at long last, send the President legislation to raise the minimum wage. Finally, 5½ years after the minimum wage was last increased, Congress is taking steps to ensure that all workers can earn a living wage.

This day has been a long time coming; 18 months ago, in February 1995, I introduced legislation to raise the minimum wage to $5.65 an hour in three 50-cent increments, and joined Senator DASCHLE 1 month later to introduce S. 413, which would have raised the minimum wage by 90 cents in two increments—on July 1, 1995 and July 1, 1996.

A year ago, on July 31, 1995, I offered a resolution expressing the sense of the Senate that the Senate should take up the minimum wage increase before the end of last year. It received only two Republican votes and was defeated.

I was unable to get a hearing on our bill until December, and—month after month—the Republican chairman of the Labor Committee refused to schedule a markup session to consider it.

Finally, with the very skillful assistance of the Democratic leader, Senator DASCHLE, I was able to offer our bill as

an amendment to another bill in March, and obtained a strong vote in favor of a 90-cent increase in the minimum wage. The Republican leader at the time, Senator Dole, responded by pulling the parks bill from the floor of the Senate. He then tied the Senate in procedural knots for weeks, rather than allow a second vote on our bill.

It was only after Senator Dole left the Senate to campaign for the Presidency that we succeeded in scheduling a vote on our bill, and only after threatening to shut down the Senate. I hope every American remembers that this victory for the working poor became possible only after Senator Dole left Washington to become a private citizen.

Now 13 months have passed since the first of the increases in our original bill would have taken effect. The Republicans' delaying tactics have cost minimum wage workers almost $4 billion. I hope every American remembers how tenaciously and how long the Republicans have fought to prevent this increase in the minimum wage.

By contrast, in vote after vote, my Democratic colleagues have been united in their support of fair wages for all workers. I want to salute them for that unity and thank them for their support throughout this long fight.

Thanks to the perseverance of my Democratic colleagues, the poorest American workers will see their incomes increase by 22 percent. By the time next year that the second increase takes effect, they will see their incomes increase by $1,800 a year, enough to pay for 7 months of groceries or a year of community college.

Unlike the punitive welfare reform bill Congress has just passed, this raise in the minimum wage will actually improve the lives of millions of people. It will lift 300,000 people out of poverty, including 100,000 children, and save families across the Nation from having to make cruel economic decisions, such as choosing between keeping the utilities turned on and paying for groceries or medicine.

The real problem for much of the welfare population is their inability to find jobs that pay enough to support them and their families. If work does not pay a living wage, requiring welfare mothers to work will do nothing to end their poverty.

It is unfortunate that this good legislation for low-wage workers was coupled with a package of tax giveaways to large and small businesses. I regret that many objectionable changes to our tax laws are being made under the cover of raising the minimum wage.

On balance though, H.R. 3448 is legislation that should be passed. This long awaited raise in the minimum wage should be delayed no longer.

These are important factors for hard-working men and women in this country. This is an extremely important achievement and accomplishment. I look forward to casting my vote in favor of the increase in the minimum wage.

Mrs. KASSEBAUM. Mr. President, I say how very grateful I am to so many for all of the efforts that have gone into making the passage of the House insurance reform possible tonight.

It is not possible to name all the names, and I ask unanimous consent they be printed in the RECORD.

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

Labor Committee: Dean Rosen, Susan Hattan, Anne Rufo, David Nexon, Lauren Ewers.

Finance Committee Majority: Lindy Paull, Frank Polk, Julie James, Mark Prater, Doug Fisher, Gioia Bonmartini, Alex Vachon, Brig Gulya, Sam Olchyk, Donna Ridenour.

Minority: John Talisman, Patti McClanahan, David Podoff, Laird Burnett, Keith Lind.

Majority Leader: Annette Guarisco, Vicki Hart, Susan Connell.

Minority Leader: Rima Cohen.

Joint Committee on Taxation: Ken Kies, Mary Schmitt, Carolyn Smith, Cecily Rock, Brian Graff, Judy Xanthopoulos.

Congressional Research Service: Beth Fuchs, Madeleine Smith, Kathleen Swendiman, Jennifer O'Sullivan, Celinda Franco.

Thanks to the staff of: House Ways and Means Committee—particularly Chip Kahn, Elise Gemeinhardt, and Kathy Means; House Commerce Committee—Howard Cohan, Melody Harned; House Economic Opportunities Committee—Russ Mueller; Congressional Budget Office Staff; House and Senate Legislative Counsels—particularly Bill Baird, Ed Grossman, John Goetcheus, and Julie Miller.

Mrs. KASSEBAUM. Without the dedicated efforts of our staff, it would not have been possible. I mention Dean Rosen, Susan Hattan of my staff, and David Nexon and Lauren Ewers of Senator KENNEDY's staff, and many others who have spent countless time and effort.

It is an important piece of legislation. I am very proud we have accomplished it in a bipartisan fashion. It could not have been done without them.

Senator KENNEDY mentioned the minimum wage legislation which we will be voting on as well, in back-to-back votes. I will speak after those votes on something I regard very important to the success of both welfare reform and the minimum wage, and that is job training programs.

Without our willingness to be more innovative and skillful in how we handle job training problems, we will not succeed with the type of welfare reform or minimum wage that enables us to have skilled young people and retrained older people entering our job markets. I think that is an important component of the success of those bills.

I yield any remaining time, but say again how proud and grateful I am to all who have had a hand in the passage of this legislation.

CORRECTING THE ENROLLMENT OF H.R. 3103

The PRESIDING OFFICER. Pursuant to the previous order, the Chair announces the adoption of House Concurrent Resolution 208, just received from the House.

The concurrent resolution (H. Con. Res. 208) was deemed agreed to.

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report of H.R. 3103. The yeas and nays have not been ordered.

Mr. DOMENICI. 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. KENNEDY. Mr. President, I ask for the yeas and nays on the minimum wage increase, H.R. 3448, the Small Business Tax Relief Act.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays have been ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report on H.R. 3103.

The yeas and nays have been ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Washington [Mrs. MURRAY] and the Senator from Arkansas [Mr. PRYOR], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 264 Leg.]

YEAS—98

Abraham	Feinstein	Lott
Akaka	Ford	Lugar
Ashcroft	Frahm	Mack
Baucus	Frist	McCain
Bennett	Glenn	McConnell
Biden	Gorton	Mikulski
Bingaman	Graham	Moseley-Braun
Bond	Gramm	Moynihan
Boxer	Grams	Murkowski
Bradley	Grassley	Nickles
Breaux	Gregg	Nunn
Brown	Harkin	Pell
Bryan	Hatch	Pressler
Bumpers	Hatfield	Reid
Burns	Heflin	Robb
Byrd	Helms	Rockefeller
Campbell	Hollings	Roth
Chafee	Hutchison	Santorum
Coats	Inhofe	Sarbanes
Cochran	Inouye	Shelby
Cohen	Jeffords	Simon
Conrad	Johnston	Simpson
Coverdell	Kassebaum	Smith
Craig	Kempthorne	Snowe
D'Amato	Kennedy	Specter
Daschle	Kerrey	Stevens
DeWine	Kerry	Thomas
Dodd	Kohl	Thompson
Domenici	Kyl	Thurmond
Dorgan	Lautenberg	Warner
Exon	Leahy	Wellstone
Faircloth	Levin	Wyden
Feingold	Lieberman	

NOT VOTING—2

Murray	Pryor

The conference report was agreed to.

Mr. BREAUX. I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SMALL BUSINESS JOB PROTECTION ACT OF 1996—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the clerk will report the conference report to accompany H.R. 3448.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H.R. 3448 to provide tax relief for small businesses, to protect jobs, to create opportunities, to increase the take-home pay of workers, to amend the Portal-to-Portal Act of 1947 relating to the payment of wages to employees who use employer-owned vehicles, and to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate and to prevent job loss by providing flexibility to employers in complying with minimum wage and overtime requirements under that Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

(The conference report is printed in the House proceedings of the RECORD of August 1, 1996.)

The PRESIDING OFFICER. The question is on agreeing to the adoption of the conference report. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Washington [Mrs. MURRAY] and the Senator from Arkansas [Mr. PRYOR], are necessarily absent.

The result was announced—yeas 76, nays 22, as follows:

[Rollcall Vote No. 265 Leg.]

YEAS—76

Abraham	Frist	Mikulski
Akaka	Glenn	Moseley-Braun
Baucus	Gorton	Moynihan
Bennett	Graham	Murkowski
Biden	Grams	Nunn
Bingaman	Grassley	Pell
Boxer	Gregg	Pressler
Bradley	Harkin	Reid
Breaux	Hatch	Robb
Bryan	Hatfield	Rockefeller
Bumpers	Heflin	Roth
Byrd	Hollings	Santorum
Campbell	Inouye	Sarbanes
Chafee	Jeffords	Shelby
Cohen	Johnston	Simon
Conrad	Kassebaum	Simpson
D'Amato	Kennedy	Snowe
Daschle	Kerrey	Specter
DeWine	Kerry	Stevens
Dodd	Kohl	Thompson
Domenici	Lautenberg	Thurmond
Dorgan	Leahy	Warner
Exon	Levin	Wellstone
Feingold	Lieberman	Wyden
Feinstein	McCain	
Ford	McConnell	

NAYS—22

Ashcroft	Coats	Faircloth
Bond	Cochran	Frahm
Brown	Coverdell	Gramm
Burns	Craig	Helms
Hutchison	Lott	Smith
Inhofe	Lugar	Thomas
Kempthorne	Mack	
Kyl	Nickles	

NOT VOTING—2

Murray Pryor

The conference report was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FORD. Will the Senator yield to me?

Mr. KENNEDY. Can I ask for order, Mr. President?

The PRESIDING OFFICER. The Senate will come to order. Will Senators remove audible conversations to the Cloakroom?

The Chair recognizes the Senator from Massachusetts.

Mr. FORD. Mr. President, will the Senator yield me 10 seconds?

Mr. KENNEDY. I yield.

EXPLANATION OF ABSENCE

Mr. FORD. Mr. President, I would like for the record to reflect that our good friend and colleague, DAVID PRYOR, has missed votes yesterday and today because of the death in his family of his father-in-law and the funeral today. I want the record to reflect that because it was not official business.

I thank the Chair.

Mr. KENNEDY. Mr. President, in the last half hour, we have experienced a double-header victory for the American people: health care and a raise in the minimum wage. In a sense, both these bills had nine lives, and they needed all of them. But they have come to a successful resolution this evening and, hopefully, they will be on the President's desk in the very near future.

I would like to just take a moment—I know others want to address the Senate and we still have time for discussion on these two measures—but I do want to at this time express my very, very strong personal appreciation for the support, the assistance, and the help of our leader, Senator DASCHLE, for his leadership throughout the process on both of these pieces of legislation, as well as so much other legislation.

I pay tribute, as I did earlier, to Senator KASSEBAUM for sponsoring the legislation and for all that she has done to move it forward.

To Senator HARKIN for his work on the genetic information, the fraud and abuse provisions. He has been tireless in both of these areas, as well as many others.

Senator WELLSTONE's work on domestic violence, the mental health issues has been enormously important, and although we did not achieve them in this legislation, I think all of us have an understanding we are going to revisit those issues in September, and I look forward to joining with Senator WELLSTONE, Senator DOMENICI and others for, hopefully, an important downpayment on that issue to try and reflect what is the reality, and that is a mental illness should be treated just like every other illness in our health care system.

To Senator SIMON for his work on the privacy issues.

To Senator MIKULSKI and Senator DODD who were extremely active and involved in the markup and are always involved, Senator DODD particularly, on children's issues and Senator MIKULSKI on the impact of this legislation and also the minimum wage legislation on women in our society.

To Senator BREAUX for his help in making the compromise possible.

And to all the others who helped.

I also thank all of my staff who worked so tirelessly: David Nexon who has done such an extraordinary job over many years and has devoted the better part of his life to trying to improve quality health for American people. I think all of us at this time are mindful of the extraordinary quality of individuals on our staff who really make such an enormous difference in the legislative achievements and for changes in policy.

Carey Parker; Nick Littlefield, our overall staff director for his tirelessness in both of these endeavors; Lauren Ewers, who has been a key member of our health staff; Jim Manley; Dennis Kelleher, Sue Castleberry, April Savoy, Brian Moran.

I, too, want to thank Dean Rosen and Susan Hattan of Senator KASSEBAUM's staff.

I think we have been fortunate on our committee to have Republican and Democratic staff. There have been extremely important and cooperative, and have high talent on both sides of the aisle. Senator MOYNIHAN's staff, Laird Burnett and Jon Talisman, have been enormously helpful.

Finally, I also thank Minority Leader GEPHARDT in the House of Representatives for his strong support and advocacy in working with all of our friends and Members of our party.

Congressman DINGELL, Congressman WAXMAN and the others in the House who participated in the conference committee. I am grateful to all of them.

With respect to the minimum wage, this uphill effort against the odds could not have succeeded without the leadership and support of Secretary of Labor Bob Reich and the contributions of his Department. Many people there lent us their expertise, but let me single out Assistant Secretary Geri Palast, Chief Economist Lisa Lynch, John Fraser at the Wage and Hour Administration, and Seth Harris at the Office of Policy.

Many organizations made a difference in this effort, but I want especially to thank the U.S. Catholic Conference, the Women's Legal Defense Fund, the Mon Valley Unemployed Council, and the Business and Professional Women USA for all of their help. As always, the AFL-CIO and its unions worked very hard for this legislation,

even though very few union members earn wages low enough to be affected by this increase. They did so because they honor work and care about the well-being of every American—not just their members. Chris Owens worked with all of these groups to help educate the public and the Congress.

Finally, on my own staff, Sarah Fox devoted her phenomenal energy to this bill for a year before leaving to join the National Labor Relations Board. And Ross Eisenbrey, a congressional fellow detailed from the Department of Labor, worked very hard over the last 16 months to help us accomplish this 22 percent pay increase for millions of Americans.

I thank the majority leader for his help and assistance and courtesy on these issues, as on others.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. THURMOND. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar: Calendar Nos. 687 through 709, 711 through 715 and all nominations placed on the Secretary's desk in the Air Force, Army, Marine Corps, and Navy.

I further ask unanimous consent that the nominations be confirmed, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and that the Senate then return to legislative session.

I might say, these are military nominations.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The nominations considered and confirmed, en bloc, are as follows:

PANAMA CANAL COMMISSION

Alberto Aleman Zubieta, a citizen of the Republic of Panama, to be Administrator of the Panama Canal Commission.

UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES

Everett Alvarez, Jr., of Maryland, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring May 1, 1999. (Reappointment).

AIR FORCE

The following-named officer 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. Gilbert J. Regan, 000–00–0000, U.S. Air Force.

The following-named officer for appointment in the Reserve of the Air Force, to the Air Force, to the grade indicated, under title 10, United State Code, sections 8374, 12201, and 12212:

To be brigadier general

Col. Christopher J. Luna, 000–00–0000, Air National Guard of the United States.

The following-named officer for appointment to the grade of lieutenant general in the United States Air Force while assigned to a position of important and responsibility under title 10 United States Code, section 601:

To be lieutenant general

Maj. Gen. Roger G. DeKok, 000–00–0000.

The following-named officer for appointment to the grade of lieutenant general in the U.S. Air Force while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Patrick K. Gamble, 000–00–0000.

The following-named officer for reappointment to the grade of lieutenant general in the U.S. Air Force while assigned to a position of importance and responsibility under title 10 United States Code, section 601:

To be lieutenant general

Lt. Gen. Lester L. Lyles, 000–00–0000.

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

Maj. Gen. John B. Sams, Jr., 000–00–0000, U.S. Air Force.

The following-named officer for reappointment 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

Lt. Gen. Charles T. Robertson, 000–00–0000, U.S. Air Force.

The following-named officer for reappointment 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

Maj. Gen. Frank B. Campbell, 000–00–0000, U.S. Air Force.

ARMY

The following-named officer for reappointment to the grade of lieutenant general in the United States Army while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. David L. Benton, 000–00–0000.

The following-named Army Medical Service Corps Competitive Category officer for appointment in the Regular Army of the United States to the grade of brigadier general under the provisions of title 10, United States Code, sections 611(a) and 624(c):

To be brigadier general

Col. Mack C. Hill, 000–00–0000, U.S. Army

The following-named Army Medical Corps Competitive Category officers for appointment in the Regular Army of the United States to the grade of brigadier general under the provisions of title 10, United States Code, sections 611(a) and 624(c):

To be brigadier general

Col. Ralph O. Dewitt, Jr., 000–00–0000, U.S. Army.

Col. Kevin C. Kiley, 000–00–0000, U.S. Army.

Col. Michael J. Kussman, 000–00–0000, U.S. Army.

Col. Darrel R. Porr, 000–00–0000, U.S. Army.

The following-named officer for appointment to the grade of lieutenant general in the U.S Army while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Eric K. Shinseki, 000–00–0000.

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 major general

Brig. Gen. Michael W. Ackerman, 000–00–0000.
Brig. Gen. Frank H. Akers, Jr., 000–00–0000.
Brig. Gen. Leo J. Baxter, 000–00–0000.
Brig. Gen. Roy E. Beauchamp, 000–00–0000.
Brig. Gen. Kenneth R. Bowra, 000–00–0000.
Brig. Gen. Kevin P. Byrnes, 000–00–0000.
Brig. Gen. Michael A. Canavan, 000–00–0000.
Brig. Gen. Robert T. Clark, 000–00–0000.
Brig. Gen. Michael L. Dodson, 000–00–0000.
Brig. Gen. Robert B. Flowers, 000–00–0000.
Brig. Gen. Peter C. Franklin, 000–00–0000.
Brig. Gen. Thomas W. Garrett, 000–00–0000.
Brig. Gen. Emmitt E. Gibson, 000–00–0000.
Brig. Gen. David L. Grange, 000–00–0000.
Brig. Gen. David R. Gust, 000–00–0000.
Brig. Gen. Mark R. Hamilton, 000–00–0000.
Brig. Gen. Patricia R.P. Hickerson, 000–00–0000.
Brig. Gen. Robert R. Ivany, 000–00–0000.
Brig. Gen. Joseph K. Kellogg, Jr., 000–00–0000.
Brig. Gen. John M. LeMoyne, 000–00–0000.
Brig. Gen. John M. McDuffie, 000–00–0000.
Brig. Gen. Freddy E. McFarren, 000–00–0000.
Brig. Gen. Mario F. Montero, Jr., 000–00–0000.
Brig. Gen. Stephen T. Rippe, 000–00–0000.
Brig. Gen. John J. Ryneska, 000–00–0000.
Brig. Gen. Robert D. Shadley, 000–00–0000.
Brig. Gen. Edwin P. Smith, 000–00–0000.
Brig. Gen. John B. Sylvester, 000–00–0000.
Brig. Gen. Ralph G. Wooten, 000–00–0000.

MARINE CORPS

The following-named brigadier generals of the U.S. Marine Corps Reserve for promotion to the grade of major general, under the provisions of section 5898 of title 10, United States Code:

To be major general

Brig. Gen. John W. Hill, 000–00–0000, USMCR.
Brig. Gen. Dennis M. McCarthy, 000–00–0000, USMCR.

The following-named colonels of the U.S. Marine Corps for promotion to the grade of brigadier general, under the provisions of section 624 of title 10, United States Code:

To be brigadier general

Col. Robert R. Blackman, Jr., 000–00–0000, USMC.
Col. William G. Bowdon III, 000–00–0000, USMC.
Col. James T. Conway, 000–00–0000, USMC.
Col. Keith T. Holcomb, 000–00–0000, USMC.
Col. Harold Mashburn, Jr., 000–00–0000, USMC.
Col. Gregory S. Newbold, 000–00–0000, USMC.

The following-named colonel of the U.S. Marine Corps for promotion to the grade of brigadier general, under the provisions of section 624 of title 10, United States Code:

To be brigadier general

Col. Guy M. Vanderlinden, 000–00–0000, USMC.

The following-named colonel of the U.S. Marine Corps for promotion to the grade of brigadier general under the provisions of section 624 of title 10, United States Code:

To be brigadier general

Col. Arnold Fields, 000–00–0000, USMC.

The following-named officer for appointment to the grade of lieutenant general in the U.S. Marine Corps while assigned to a position of importance and responsibility under the provisions of section 601(a) title 10, United States Code:

To be lieutenant general

Maj. Gen. Carlton W. Fulford, Jr., 000–00–0000.

The following-named officer, on the active-duty list, for promotion to the grade of brigadier general in the U.S. Marine Corps in accordanmce with section 5046 of title 10, United States Code:

Theodore G. Hess, 000–00–0000.

NAVY

The following-named officers for promition in the Naval Reserve of the United States to the grade indicated under title 10, United States Code, section 5912:

UNRESTRICTED LINE

To be real admiral

Rear Adm. (lh) James Wayne Eastwood, 000–00–0000, U.S. Naval Reserve.

Rear Adm. (lh) John Edwin Kerr, 000–00–0000, U.S. Naval Reserve.

Rear Adm. (lh) John Benjamin Totushek, 000–00–0000, U.S. Naval Reserve.

RESTRICTED LINE

To be rear admiral

Rear Adm. (lh) Robert Hulburt Weidman, Jr., 000–00–0000, U.S. Naval Reserve.

STAFF CORPS

To be rear admiral

Rear Adm. (1h) M. Eugene Fussell, 000–00–0000, U.S. Naval Reserve.

The following-named officer for appointment to the grade of vice admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10 United States Code, section 601:

To be vice admiral

Rear Adm. (Selectee) Lyle G. Bien, 000–00–0000.

NAVY

The following-named officer for reappointment to the grade of Admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10, United States Code, sections 601 and 5033:

CHIEF OF NAVAL OPERATIONS

To be admiral

Adm. Jay L. Johnson, 000–00–0000.

AIR FORCE

The following-named officer for appointment to the grade of general in the U.S. Air Force while assigned to a position of importance and responsibility under title 10 United States Code, section 601:

To be general

Lt. Gen. Howell M. Estes III, 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. Gerald A. Rudisill, Jr., , 000–00–0000.

AIR FORCE

The following-named officer 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. Garry R. Trexler, 000–00–0000.

The following-named officers for appointment in the Reserve of the 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. Keith D. Bjerke, 000–00–0000, Air National Guard.

Brig. Gen. Edmond W. Boenisch, Jr., 000–00–0000, Air National Guard.

Brig. Gen. Stewart R. Byrne, 000–00–0000, Air National Guard.

Brig. Gen. John H. Fenimore, V, 000–00–0000, Air National Guard.

Brig. Gen. Johnny J. Hobbs, 000–00–0000, Air National Guard.

Brig. Gen. Stephen G. Kearney, 000–00–0000, Air National Guard.

Brig. Gen. William B. Lynch, 000–00–0000, Air National Guard.

To be brigadier general

Col. Brian E. Barents, 000–00–0000, Air National Guard.

Col. George P. Christakos, 000–00–0000, Air National Guard.

Col. Walter C. Corish, Jr., 000–00–0000, Air National Guard.

Col. Fred E. Ellis, 000–00–0000, Air National Guard.

Col. Frederick D. Feinstein, 000–00–0000, Air National Guard.

Col. William P. Gralow, 000–00–0000, Air National Guard.

Col. Douglas E. Henneman, 000–00–0000, Air National Guard.

Col. Edward R. Jayne II, 000–00–0000, Air National Guard.

Col. Raymond T. Klosowski, 000–00–0000, Air National Guard.

Col. Fred N. Larson, 000–00–0000, Air National Guard.

Col. Bruce W. Maclane, 000–00–0000, Air National Guard.

Col. Ronald W. Mielke, 000–00–0000, Air National Guard.

Col. Frank A. Mitolo, 000–00–0000, Air National Guard.

Col. Frank D. Rezac, 000–00–0000, Air National Guard.

Col. John P. Silliman, Jr., 000–00–0000, Air National Guard.

Col. George E. Wilson III, 000–00–0000, Air National Guard.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nominations beginning Gregory O. Allen, and ending Stephen M. Wolfe, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 3, 1996.

Air Force nominations beginning Derrick K. Anderson, and ending Joni E. Young, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 3, 1996.

Air Force nominations beginning Stephen D. Chiabotti, and ending John M. Lopardi, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 3, 1996.

Army nominations of Wayne E. Anderson, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of June 18, 1996.

Army nominations beginning Ann L. Bagley, and ending *Burkhardt H. Zorn, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 11, 1996.

Army nominations beginning James W. Baik, and ending Peter C. Young, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 11, 1996.

Marine Corps nominations beginning Richard L. West, and ending Paul P. Harris, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 9, 1996.

Marine Corps nomination of John Joseph Canney, which nominations was received by the Senate and appeared in the CONGRESSIONAL RECORD of July 11, 1996.

Navy nominations of Michael P. Agor, and ending Donald H. Flowers, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 17, 1996.

Navy nominations beginning William S. Adsit, and ending Crispin A. Toledo, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 3, 1996.

Navy nominations beginning Johnny P. Albus, and ending Mark E. Schultz, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 3, 1996.

Navy nominations beginning Anthony L. Evangelista, and ending Laura C. McClelland, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 9, 1996.

NOMINATION OF ADM. JAY L. JOHNSON

Mr. WARNER. On that list, Mr. President, appears the name of Admiral Johnson, who will take over as Chief of Naval Operations, succeeding Admiral Boorda, a man for whom all of us had the highest respect, a man in whom the Navy, from the lowest ranking enlisted sailors to the top flag officers, had confidence. In the wake of the tragedy concerning Admiral Boorda, it will be a challenge for Admiral Johnson to lead the Navy. But having gotten to know him, having talked to many, many naval officers who know him, both active and retired, I can say that he is regarded as the man best qualified in the U.S. Navy today to assume this role of leadership at this time in the Navy's history.

Mr. President, I would like to read from a letter forwarded to me by a former Chief of Naval Operations, Admiral Trost. Admiral Trost once served with me in the Department of the Navy. He was my naval aide. He writes as follows: ''Admiral Johnson enjoys the confidence of his fellow flag officers who see him as the team leader who will lead them in successfully meeting the challenges which face our Navy now and in the future. He is the officer deemed best-suited to lead our superb Navy onward into the 21st century.''

May the new Chief have ''fair winds and following seas.''

I yield the floor, Mr. President.

Mr. BYRD. Mr. President, I do not support the nomination of Admiral Johnson for the top uniformed position in the Navy, Chief of Naval Operations. I take this position because I believe that the stormy seas that the Navy has experienced in recent years call for the selection of Navy leaders who can serve as an inspiration not only in their warfighting specialties and military prowess, but who also demonstrate a solid commitment to the avoidance of the slightest appearance of conflict of interest.

In this case, Admiral Johnson received substantial sums of money, over $175,000 over the last 6 years, to serve on the board of an insurance company, USAA, which caters to military officers. I know that his acceptance of this position was legitimate, and was entirely legal. I do not know how much

time the position demanded of Admiral Johnson in his off-duty hours. I do not raise any issue of wrongdoing in this matter. But there is the inherent appearance of conflict of interest in serving as an active duty Admiral while appearing to endorse a commercial insurance service catering to other naval officers, by virtue of the fact that he accepted a paid position on its Board of Directors. I note that the Secretary of Defense has now disallowed this practice of serving on such boards for renumeration, but I think it does not show the kind of judgement I would expect of someone whose personal example must guide the Navy after an era with too many instances of misconduct and poor judgment on the part of Navy leaders.

I support the Navy. It involves tough, demanding work, with long periods of family separation serving in dangerous environments across the world. The spirit of courageous service and the expertise the Navy daily demonstrates in warfighting and in making ready for warfighting needs to be matched with better judgement in areas involving apparent financial conflicts of interest. These issues of character need to be addressed in a way that will serve as a sorely needed example in a society where standards and values seem to be slipping away from where they should be. This is the message I wish to convey in stating my opposition to this nomination. Let the record show that, if a roll call vote were taken on this nomination, I would be recorded as voting ''no.''

Mr. KEMPTHORNE. Mr. President, I rise in strong support of the nomination of Adm. Jay Johnson to serve as Chief of Naval Operations.

As the chairman of the Personnel Subcommittee of the Armed Services Committee, I have taken a very close look at Admiral Johnson's record of service, his leadership qualities, his vision for the Navy and his character to insure he will lead the Navy with distinction and honor into the next century.

Based upon all of the information provided to the Armed Services Committee and a private meeting in my office, I have concluded Admiral Johnson is the best person to assume the challenges and opportunities that appear on the horizon for the next Chief of Naval Operations.

Admiral Johnson has an exceptional record of performance as a naval aviator. During his career, Admiral Johnson has also served with distinction in numerous command positions such as Commanding Officer VF–84, Commander Carrier Air Wing One, Commander Carrier Group Eight, Commander Theodore Roosevelt Battle Group, Commander Second Fleet, Commander Striking Fleet Atlantic, and Commander Joint Task Force 120. In March, 1996 Admiral Johnson reported for duty as the 28th Vice Chief of Naval Operations.

A review of Adm. Jay Johnson's record indicates leadership qualities that will serve him well as our Nation's next Chief of Naval Operations. I strongly support Admiral Johnson's confirmation to serve as the next CNO. I have every confidence Admiral Johnson will serve our Nation well in this important position.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I will only take a moment, if I may.

A TRIBUTE TO LEADERSHIP

Mr. KERRY. Mr. President, I would like to pay a special tribute to the leadership of two Senators on the issues that we have just passed. There are a lot of people who often question what happens around here and the meaning of the life of being a Senator, and some people have, obviously, chosen to engage in a different life and move on, some out of frustration from what you can get done around here.

I think the example of my senior colleague, Senator KENNEDY from Massachusetts, on the legislation that we have just passed, both the health care bill and the minimum wage, is precisely what being a U.S. Senator is all about and why it is so important for people to be able to make a difference in the lives of our fellow citizens.

Both of these bills have happened because of many people, and Senator KENNEDY graciously mentioned many of those involved in it.

But I think all of us know that on day after day after day he was down here on the floor blocking, pushing tenaciously, advocating on behalf of people who do not often have a loud voice on the floor of the U.S. Senate. Millions of Americans will now earn more and millions of Americans will preserve more of their income as well as the fabric of their lives as a consequence of his extraordinary commitment to these two issues. I think the entire Senate should salute the meaning that he has given to being a Senator and a legislator in the course of these efforts.

For Senator KASSEBAUM, who will be leaving the U.S. Senate, I think that this health care bill would not have been on the floor, notwithstanding Senator KENNEDY's great efforts, had she not stood up and made it clear that this bill was going to find its moment on the floor of the U.S. Senate. She stood up to the leadership on her side and made that clear.

So this bill is a legacy to two Senators who have cared and remain steadfast in their sense of priorities and of public rectitude. I wanted to pay tribute to both of them for those efforts. And there are many, many Americans whose lives will be better because of what has been achieved here today.

I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, the Senator from Massachusetts has said it so well. I wish to associate myself with his remarks.

This is a very important day for all of us. But I cannot think of anyone who deserves more credit and more commendation for the tremendous work that it has taken to get us to this point of passage of essential health reform than the senior Senator from Massachusetts, Senator KENNEDY.

It has been my great pleasure to work with him, not only on this legislation but on so many other matters. In the view of many of us, he is a professional's professional. His dedication, his intelligence, his integrity, his willingness to compromise and work with Senators from both sides of the aisle on both sides of the issues has been proven throughout this effort to pass this health bill.

His persistence and perseverance to ensure that at some point in this session we would enact the Kennedy-Kassebaum bill is a tribute to him and to the extraordinary effort that he has put forth. So I want to commend him, commend his extraordinary staff and all of those responsible for bringing us to this point this afternoon.

As the distinguished junior Senator from Massachusetts indicated, the Senator from Kansas also deserves our thanks and a great deal of credit for working so diligently with Senator KENNEDY and all of us to bring about this very important accomplishment.

This is a day that will affect many, many millions of Americans, Americans who care deeply about their health and the health of their families, Americans who deeply need help to find and afford adequate health insurance. We are going to be able to help families do that in large measure, thanks to the accomplishments and to the extraordinary leadership demonstrated today by Senators KENNEDY and KASSEBAUM.

I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Thank you, Mr. President.

HEALTH CARE AND MINIMUM WAGE LEGISLATION

Mrs. BOXER. Mr. President, I rise to say how pleased I am on behalf of the people of California that we have made such progress on raising the minimum wage tonight and passing a long overdue health care bill. The things that we did tonight are going to ripple throughout this country. There has been much discussion of the trickle-down effect. People who work hard at the bottom end of the economic ladder deserve dignity and an income to support their

families. Today is a good day for them. It is a good day for all of us.

I also want to pay tribute to the senior Senator from Massachusetts, Senator KENNEDY. I had the privilege and honor of standing with him at numerous press conferences and briefings. We brought small business people out who said that they paid their people more than the minimum wage, and they were proud of it. They had loyal and hard-working employees.

At another, we had working women tell us that the difference to them between the hourly wage they are getting and the wage they will get after this 90-cent-an-hour increase meant that they could pay for some long overdue doctor bills. So we have done something very fine here today.

And health care—two of the provisions of the Clinton health care bill were taken out of that bill and passed in the form of a Kassebaum-Kennedy bill. People can take their health insurance with them from job to job. It is a lifting of a burden and a worry. People with pre-existing conditions, like high blood pressure, will not be denied coverage. We should be very, very proud as we leave here this evening.

Mr. President, in closing, I want to call attention to one issue that was not so good, not so kind, not so nice to the American people. When the minimum wage bill left the Senate, it had in it a provision that I was honored to author. It would have protected widows and widowers from poverty when the working spouse with a pension dies first. Currently, when the working spouse dies with a pension, the surviving spouse's pension is cut 50 percent under the only pension option required by federal law.

We can fix this problem without any cost. We can offer those couples when they do their pension planning an option that ensures the surviving spouse pension is not cut in half. We could have done that in this bill. We did it in the Senate's bill on an overwhelming 96–2 vote. But the House leadership took the provision out.

I look forward to coming back here after the break and working with my colleagues on the Family First agenda that Senator DASCHLE has laid out: Income security, pension security, health care security, security in our communities by putting more police on the beat.

These are the things Democrats are working for. I know we can reach across this aisle, as we did on the two bills that just passed, to carry out that agenda. Then we can really feel good about what we do here in the U.S. Senate.

Thank you very much, Mr. President. I yield the floor.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

HEALTH INSURANCE LEGISLATION

Mr. GRASSLEY. Mr. President, Congress has been struggling to address the problems of our health care system for at least 4 years now. We have a bill before us which constructively addresses some of these problems. And the President has indicated that he will sign it.

The bill preserves the essence of the Kassebaum bill. It provides a medical savings account opportunity. It increases the health insurance deduction for the self-employed. It will facilitate and encourage the purchase of private long-term care insurance. And, it will provide major new weapons in the fight against health care fraud and abuse.

Senator KASSEBAUM's legislation addresses some of the most distressing health insurance problems of Americans. It should increase the availability of health insurance by requiring insurers to issue health coverage to businesses which want to purchase health insurance for their employees.

It should substantially increase the portability of health insurance by limiting the ability of group health plans to impose pre-existing condition exclusions on workers moving from one job to another. Workers insured in one job will now be able to move to another job without fear of losing their health insurance. It will also improve portability for individuals moving from the group to the individual health insurance market.

The bill still defers to health insurance reforms passed by the states. In my State, we enacted earlier this year a good health insurance reform law. The Kassebaum bill defers to State insurance reforms which substantially achieve the ends the Kassebaum bill seeks. So, my expectation is that Iowans will continue to receive health insurance under the terms of the Iowa reforms.

But many States have not enacted health system reforms. Should those States continue without their own reforms, the Kassebaum bill will provide their citizens with these protections.

The bill includes a medical savings account program. As the sponsor of one of the major medical savings account proposals in the Senate, I am very pleased to see that the conferees agreed to include a modified version of the original proposal introduced by Congressman ARCHER and myself.

The provisions contained in the bill retain the essential structure of the MSA concept. I would have preferred to see the maximum annual contribution to an MSA account be larger than 65 or 75 percent of the deductible for an individual or a family. I would have preferred that more than 750,000 be able to participate. I do not see as a major limitation the fact that participation will be limited to smaller businesses and the self-employed. That's where the problem of the uninsured is greatest; hence, MSA's make sense for those individuals.

If I have any concerns about the MSA provisions, Mr. President, it is that I have been given to understand that the those provisions are elaborate and complicated. Given this, I can only hope that the MSA program laid out in this bill will not fail because of this complexity. If we must have a trial of this concept, we have the right to expect that it will have a fair chance to succeed, and not hamstrung by overly complicated rules and regulations.

The farm community and the small business community strongly support this MSA concept. In my State of Iowa, a great many people are familiar with high deductible health insurance policies. I believe that many Iowa farmers and small businesspeople will want to participate in this program.

Another feature of the bill that will be welcomed by the small business community in my State is an increase in the deductibility of health insurance premiums for the self-employed from 30 percent to 80 percent by the year 2006.

One of the great inequities in our health care system is that businesses that offer health insurance as an employee benefit can deduct the cost of that insurance from their Federal taxes. The employees of those companies get those benefits, which are a part of their earned compensation, tax free. The self-employed, however, get only the current law 30 percent deduction for what they must spend for health insurance.

The bill provides a medical expense deduction for payment of qualified long-term care insurance premiums and expenses. This should give a boost to the use of private long-term care insurance. Given our Federal budget deficit problem, and the difficulty we are going to have as a government and society paying for the benefits we have already promised, we simply must encourage increased use of private long-term care insurance. These provisions should help.

Second, Senator COHEN's waste, fraud and abuse legislation is included in the bill. These provisions constitute a substantial increase in the remedies available to law enforcement for combatting health care fraud and abuse. The General Accounting Office has estimated that fraud represents as much as 10 percent of total health care spending.

Perhaps 10 percent does not sound like much. But 10 percent of more than $900 billion per year is a huge amount of money. We must do our very best to insure that we are not defrauded of any of this money and that not a penny is wasted.

Mr. President, we have been promising these incremental reforms since at least 1992. Most of us have been saying, since at least 1992, that we could easily enact reforms such as those in this bill. We should pass it.

Mr. President, I feel that I should conclude by making clear to my own constituents what this bill is not designed to do. I think we will be making a serious mistake if we over-sell what it is designed to do and, therefore, what it will accomplish. If we do exaggerate what this bill is designed to do,

the American people will be very disappointed and disillusioned when they discover that the bill does not live up to their expectations.

Therefore, I want to make clear, at least to the people I serve in Iowa, what this bill has never been designed to do.

It does not attempt to make health insurance more affordable;

It would not completely eliminate denial of coverage for pre-existing conditions;

It would not provide portability between different individual policies; and

It would not necessarily mean that currently uninsured individuals would have to be sold a health insurance policy.

Having said that, let me conclude by saying that this monumental piece of legislation is the kind of incremental common sense reform individuals and families across the country have been looking for. I am proud to support it and I urge the President to sign it.

GOOD SAMARITAN FOOD DONATION BILL

Mr. SANTORUM. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 2428, which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2428) to encourage the donation of food and grocery products to nonprofit organizations for distribution to needy individuals by giving the Model Good Samaritan Food Donation Act the full force and effect of law.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. SANTORUM. Mr. President, I rise to support the passage of the Good Samaritan Food Donation Act, H.R. 2428. This important measure will encourage the charitable distribution of food by establishing a single national liability standard for the good-faith donation of food and grocery products. It has been named in honor of my good friend, the late Bill Emerson, who staunchly advocated this measure as well as other nutrition programs during his service in the House of Representatives, and I believe it is a fine tribute to his interest and commitment to ensuring that hungry Americans are properly fed. I would also like to commend Senator BOND and Senator LEAHY for their efforts in seeing this bill brought to the floor as quickly as possible.

Liability concerns are the overriding reason why unsalable, but otherwise wholesome, food is destroyed rather than donated to charity. In 1990, Congress attempted to address these concerns with enactment of the Model Good Samaritan Food Donation Act, which gave States a model statute to enact in order to provide some measure of protection from liability. All 50 States and the District of Columbia have enacted some form of legislation aimed at extending liability protections to donors and distributors of donated food. Unfortunately, States have taken a wide variety of approaches to this issue, leaving donors and distributors of food with a confusing patchwork of laws with which to contend.

It is my understanding that none of the various State laws have been tested in the courts. Nevertheless, the fear of potential liability continues to discourage potential donors 6 years after passage of the model statute. When Second Harvest, the Nation's largest network of food banks, commissioned a survey last year to examine the factors affecting food donations, the fear of liability remained the single most important reason why food is destroyed rather than donated.

Computerization and new inventory practices by some of the Nation's largest food retailers and distributors have meant less food is wasted in this country. For food banks, this new efficiency has made it more difficult to obtain food donations. Fear of liability only makes their essential work harder.

By enacting this measure, Congress will be helping to ensure that food banks can respond to the needs of the hungry in our communities. This modest bill should be just the first step in a sustained effort to see that other obstacles to charitable activities are removed as well.

AMENDMENTS NOS. 5148 AND 5149

Mr. SANTORUM. I understand there are two amendments at the desk, one by Senator LEAHY and one by Senator KENNEDY. I ask unanimous consent they be considered en bloc.

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

The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM] proposes amendments en bloc numbered 5148 and 5149.

Mr. SANTORUM. I ask unanimous consent reading of the amendments be dispensed with.

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

The amendments (No. 5148 and 5149) were agreed to, en bloc, as follows:

AMENDMENT NO. 5148

Beginning on page 2, strike line 16 and all that follows through page 3, line 11, and insert the following:

(C) by striking subsection (c) and inserting the following:

''(c) LIABILITY FOR DAMAGES FROM DONATED FOOD AND GROCERY PRODUCTS.—

''(1) LIABILITY OF PERSON OR GLEANER.—A person or gleaner shall not be subject to civil or criminal liability arising from the nature, age, packaging, or condition of apparently wholesome food or an apparently fit grocery product that the person or gleaner donates in good faith to a nonprofit organization for ultimate distribution to needy individuals.

''(2) LIABILITY OF NONPROFIT ORGANIZATION.—A nonprofit organization shall not be subject to civil or criminal liability arising from the nature, age, packaging, or condition of apparently wholesome food or an apparently fit grocery product that the nonprofit organization received as a donation in good faith from a person or gleaner for ultimate distribution to needy individuals.

''(3) EXCEPTION.—Paragraphs (1) and (2) shall not apply to an injury to or death of an ultimate user or recipient of the food or grocery product that results from an act or omission of the person, gleaner, or nonprofit organization, as applicable, constituting gross negligence or intentional misconduct.''.

AMENDMENT NO. 5149

On page 2, line 8, insert ''the title heading and'' before ''sections''.

On page 2, strike line 15 and insert the following:

Samaritan'';

(C) in subsection (b)(7), to read as follows:

''(7) GROSS NEGLIGENCE.—The term 'gross negligence' means voluntary and conscious conduct (including a failure to act) by a person who, at the time of the conduct, knew that the conduct was likely to be harmful to the health or well-being of another person.'';

On page 3, line 11, strike the period and insert ''; and''.

On page 3, between lines 11 and 12, insert the following:

(E) in subsection (f), by adding at the end the following: ''Nothing in this section shall be construed to supersede State or local health regulations.''.

On page 4, after line 1, insert the following:

(c) CONFORMING AMENDMENT.—The table of contents for the National and Community Service Act of 1990 is amended by striking the items relating to title IV.

Mr. KENNEDY. Mr. President, H.R. 2428 provides limited immunity from tort liability for nonprofit food banks. I am pleased to support the bill now that it includes my amendment clarifying that nothing in the bill supersedes State or local health regulations.

Tort liability is a central pillar of our legal system. It protects consumers by providing an incentive for reasonable care, and it ensures reimbursement for those who are injured by negligent conduct. Any exceptions to the general rules of tort liability must be narrowly tailored.

I do not object to the effort embodied in this bill to provide a measure of additional protection against liability for food banks. These organizations engage in important work, and they deserve our support. I have some concerns about the scope of the protection we are extending to food banks. I would have preferred a definition of gross conduct which made clear that conduct, including a failure to act, by a person who knew or should have known that the conduct was likely to be harmful to the health or well-being of another person would still be actionable. But I am satisfied that the standard contained in this bill still requires that food donors and food banks exercise care to ensure that the food they donate or distribute does not harm the people receiving the food.

My amendment makes explicit the fact that nothing in this Good Samaritan Food Donation Act supersedes State or local health regulations. If we diminish the protections afforded by the tort laws, it is vital for the health

and safety of those who consume donated food that regulatory protections remain in place.

I also remain concerned about subsection (b) of the bill, which transfers this provision from the National and Community Service Act to the Child Nutrition Act. But I will not object or seek to amend that subsection based on my understanding that the Labor and Human Resources Committee will continue to exercise jurisdiction over this provision in conjunction with the Agriculture Committee.

I ask the Senator from Missouri if my understanding of this jurisdictional matter is correct.

Mr. BOND. I agree with the Senator from Massachusetts that we have reached that understanding.

Mr. KENNEDY. I thank my friend.

Mr. SANTORUM. I ask unanimous consent the amendments be agreed, to en bloc.

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

The amendments (Nos. 5148 and 5149) were agreed to, en bloc.

Mr. SANTORUM. Mr. President, I ask unanimous consent the bill be deemed read the third time and passed, and the motion to reconsider be laid upon the table.

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

The bill (H.R. 2428) was deemed read the third time and passed.

Mr. BOND. Mr. President, I am pleased that the Senate supported overwhelmingly the passage of H.R. 2428, the Bill Emerson Good Samaritan Food Donation Act.

This is a tremendous tribute to my good friend and colleague from Missouri, Congressman Bill Emerson, who represented southeast Missouri's Eighth Congressional District for 16 years. Bill Emerson was well known in this body, and certainly to many around this city, and was loved by the people of southeast Missouri. He had a long and distinguished career of service in the U.S. Congress.

Bill was especially well known for his work in agriculture and in the fight against hunger, including being an ardent supporter of food distribution programs. One of his legislative priorities this session was a bill that would make it easier for millions of tons of unused food by restaurants, supermarkets, and other private businesses to end up in food pantries and shelters rather than in garbage cans and dumpsters.

The Bill Emerson Good Samaritan Food Donation Act is identical to legislation championed by Bill Emerson before his death. In the past, private donors have been reluctant to make contributions to nonprofit organizations because they are concerned about potential civil and criminal liability. With this legislation, private donors will be protected from such liability, except in cases of gross negligence and intentional misconduct. Those in need will truly benefit from this legislation.

Again, I am happy to be a part of this commonsense approach to fight hunger, and I appreciate the cooperation of all Members involved in this process.

Mr. SANTORUM. Mr. President, I want to say this bill was a long time coming. We have been hassling through a variety of different amendments. I want to thank Senator LEAHY, Senator KENNEDY, and others for their cooperation in finally getting this bill to pass.

This is a bill that really is a tribute to a friend of mine and many here in this body, Bill Emerson, who recently passed away after a long bout with cancer. Bill did tremendous work in the area of nutrition on the Agriculture Committee in the House. This is a fitting tribute, a bill that will bear his name, that will provide much more food for food banks to be able to feed needy families all over this country.

I am very proud to have been involved with this effort. Thank you, Mr. President.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

HOMEMAKER IRA'S

Mrs. HUTCHISON. Mr. President, I want to say, along with many others who have talked about some of the really important legislation that has been accomplished in the last few weeks in Congress, along with the one that I have worked the hardest for, and the one that I think will have a lasting impact, not tomorrow and not next year, but 20 years from now, and that is the homemaker IRA's.

When I got to the Senate, I was very surprised that there was still the inequity against homemakers being able to save for their retirement security in the same way that someone who works outside the home is now able to do. In fact, this penalizes the one-income-earner family when the homemaker stays home and raises children. I think we should be encouraging homemakers to be able to do that, rather than discouraging them. That is why Senator MIKULSKI and I introduced the homemaker IRA bill in 1993.

We have been working for these 3 years, and this year, Senator ROTH, the chairman of the Finance Committee took up our cause. He and Chairman BILL ARCHER said that this would be a priority for them, and I want to thank Chairman ARCHER and Chairman ROTH for not only saying it would be a priority, but for delivering on that promise. They have delivered homemakers of this country an equal opportunity to save for their retirement security.

What this means, Mr. President, is that a homemaker will now be able to set aside $2,000 a year toward retirement security, accruing tax-free. That can make a difference of over $150,000 in a lifetime of savings, so that now a one-income-earner couple, if they both save the maximum amount for 30 years, would have around $350,000 as a nest egg. That could make a big difference in retirement planning, especially for people who are squeezing to make ends meet so that one parent can stay home and raise the children.

So this is a wonderful accomplishment. It is one for which will not be appreciated, probably, in the near future because it does have to accrue into retirement. But this was a great bipartisan effort.

I do want to commend Senator LOTT for helping us move this through. I want to commend Senator ROTH and Congressman ARCHER for shepherding it through the committees in the House and Senate. I just want to say how much I appreciate Senator MIKULSKI, Senator FEINSTEIN, NANCY JOHNSON, and JENNIFER DUNN and SUSAN MOLINARI on the House side, along with BARBARA KENNELLY, for making sure that this did become an accomplishment of this session of Congress.

Thank you, Mr. President. I yield the floor.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997—CONFERENCE REPORT

Mr. COATS. Mr. President, in a moment, I am going to propound a unanimous-consent request that we move to the conference report to accompany H.R. 3230, the National Defense Authorization Act for fiscal year 1997. I note the absence of members of the other party on the floor. Obviously, they will want to be notified of this. I do not intend to pull any surprises here. I will be propounding that UC in a few moments.

The reason I do this, Mr. President, is that we have worked long and hard and very diligently this year to avoid the problems that we encountered last year in not moving the defense authorization bill for fiscal year 1996 as quickly as we would have liked. There were some issues that were contentious, and we had difficulty resolving some of those issues.

There was a determination on the part of the chairman and members of the committee this year to avoid the problem we had last year. I commend Senator THURMOND for the extraordinary work that he led in bringing this item to closure in a timely fashion. We held hearings earlier than we ever have, we held markups earlier than we ever have—at least since I have been on the committee—and we moved forward in an extraordinarily efficient way. We resolved the contentious issues and the differences between Members and between our parties on those issues, and we have legislation which now has passed both the House and Senate, and we have a conference report that we ought to be prepared to vote on.

Now, the reason why this is so important is that within this conference report are a number of significant items that are important to the security of

this Nation. Most important is funding for antiterrorist activities that goes to various committees. And there probably is not a more pressing issue before the American people right now other than this terrorist activity that has taken place in the United States and questions as to what the response of the Congress and the administration is going to be.

This legislation provides for $122 million for the strengthening of domestic preparedness to deal with threatened or actual use of nuclear, chemical, biological, or radiological weapons. We are facing a new world today, a world that leaves no American safe in their home, on the streets, at the Olympic games, in New York City, in Indianapolis, IN, or anywhere else. It is vitally important that we move forward in providing for adequate counters to these threats that exist to the American people. This legislation begins the process of doing just that, and the $122 million that is authorized in this authorization bill is important to accomplish that purpose.

If we cannot move forward before we break for recess, we will have delayed, for at least 30 days, and probably more, moving this legislation onto the President's desk for signature, so that we can begin the process of dealing with the terrorist situation that we face.

There is $201 million in here to carry out the provisions of the Defense Against Weapons of Mass Destruction Act, the Nunn-Lugar Act. This is a cooperative effort between the United States and the former Soviet Union. It is important to the security of the United States.

We have a number of other items in here, including pay raises for military uniform personnel and civilian personnel. We have a dental insurance plan for retired service members and their families. We have money in here, or authorization, to support research into the gulf war veterans' illness. We have $466 million of authorized funds for construction of new barracks, dormitories and family housing.

For those Members who are familiar with the situation that exists within the military on family housing, who have bases in their districts or in their States, they know of the vital importance of moving forward with the rehab and construction of existing housing and the construction of new housing for our military. More than 60 percent of current military housing is labeled as substandard by military standards. It is housing that you, I, or anybody on this floor would not let our families live in, if we could help it. Yet, our service families have no choice. It is an urgent priority of the Secretary of Defense, the Department of Defense, and this Congress to begin to rehab and provide adequate housing for our military.

On and on it goes. There is $6 billion for increasing funding for procurement of ships, aircraft, and tactical systems; $3 billion for an increase for research and development; increased funding for development of a national missile defense system and a tactical missile defense system that protects our troops in the field and Americans here at home.

I could go on, Mr. President, but we are faced with a situation that unnecessarily delays our ability to provide necessary authorization for vital national security interests that are important to the United States. I, for one, do not understand why we can't go forward with this. I believe I would at this point——

Mr. SANTORUM. Will the Senator yield?

Mr. COATS. Yes.

Mr. SANTORUM. Will the Senator from Indiana tell me, were the Democrats who signed this conference report—my understanding was that a majority of the Democrats on the committee signed this conference report, is that correct?

Mr. COATS. This conference report is overwhelmingly supported by Members of both parties, Democrats and Republicans. I do not have the exact numbers.

Mr. SANTORUM. My understanding is that all but two Democrats signed this conference report.

Mr. COATS. That is my understanding. The issues that divided us within this report have been resolved and accepted and signed by all but two Members.

Mr. SANTORUM. I thank the Senator.

Mr. KEMPTHORNE. Mr. President, I ask the Senator from Indiana if it is his belief that, so often when there is a conflict anywhere in the world where we may have to commit troops, that the one statement that you hear universally from this body and the House of Representatives is, ''We support our troops.''

Do you believe that if we take action on this defense authorization bill that would be a strong signal to our troops that we support them and that there is nothing that can stand in the way of authorizing that bill tonight, and send the message that we support our troops?

Mr. COATS. Mr. President, I say to my friend from Idaho that, if there were outstanding issues over which we had legitimate differences and we had not been able to resolve those differences and that is one reason not to go forward, that might be understandable. But the issues have been resolved. Democrats and Republicans have agreed to the resolutions of the contentious issues.

So, whether it is missile defense, or a pay raise, or readiness, or modernization, or funds to combat terrorism, all of those issues have been decided in the conference. We have done so in an expeditious fashion, and the American public has asked us to come here and do our work. I do not know of anything more important—I do not know of any mandate the Congress has in the Constitution that is more important—than providing for the national defense. I do not know of any issue that is more important for Members of the Senate than being able to say to the people that they represent that we have provided for the national security of the United States. That is our foremost obligation.

As I said, were there outstanding differences of opinion on issues that we had not been able to resolve, I can understand why we might not be able to do this before this Congress recesses for a 30-day period of time. But, since that is not the case, since there is agreement, since it is a bipartisan agreement, I believe we ought to, in the interest of national security and the interest of combating terrorism, go forward. And I for one do not understand why we can't do that.

Mr. KEMPTHORNE. Mr. President, will the Senator yield for one further question?

Mr. COATS. Yes. I am happy to yield to the Senator.

Mr. KEMPTHORNE. This morning I received a personal phone call from the Secretary of Defense, William Perry, who thanked me as a member of the committee for all of the efforts that the committee put forth so that we could have this bill completed in conference, and the fact that it was here before the Senate. The Secretary indicated that he was so pleased with this authorization of the conference report, and he said that he was communicating to the President his strong desire that the President sign this bill because this is what the Pentagon wants, and this is what the administration wants.

Is that the Senator's understanding as well? And, again, is there any reason in the world we should not move on this tonight and give the administration what they have asked for?

Mr. COATS. I think the minority leader is about ready to tell us the reason we can't move forward tonight. Again, that just points to the bipartisan support. The administration has signaled through the Secretary of Defense, President Clinton's appointed Secretary of Defense, that they are happy with the bill. They thank us for moving forward with the bill in an expeditious fashion. They do not want to get into the situation that we got into last year any more than we want to put them in that situation. I have received similar calls. It appears to be a piece of legislation important to the United States, important to the national security, one that is supported by Democrats and Republicans, one that is supported by the administration, and, yet, we are not able to resolve to go forward in what Senator THURMOND and Senator NUNN a few hours ago said we can dispose of in 20 minutes.

Mr. SANTORUM. Will the Senator yield?

Mr. COATS. Yes.

Mr. SANTORUM. I also want to add to that laundry list of support that the House passed this bill with a vetoproof

majority. This has overwhelming support in the House of Representatives. As the Senator mentioned, the President would like this bill.

I am anxious for the Senator to propound his unanimous consent to see why we cannot move forward with this very vital piece of legislation for our national security.

Mr. COATS. Mr. President, I will now do that. I am sure the minority leader would like to comment on it. But I ask unanimous consent that we proceed immediately to the conference report to accompany H.R. 3230, the National Defense Authorization Act for fiscal year 1997.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DASCHLE. Mr. President, I appreciate very much the comments made by the distinguished Senator from Indiana and my other colleagues.

This is the bill. It is over 1,000 pages. I will not ask the distinguished Senator from Indiana whether he has read every page or not. But I daresay that I suppose that, if anybody has, he has, as thoughtful and as studious as he is. But there are very few people in this body who have read this report. It is 1,000 pages long. We got it yesterday. Two Democrats on the conference refused to sign this report because they had very serious concerns about it that they would like the opportunity to discuss.

This is the most expensive legislation that we will pass this year in one bill. I intend to vote for it, I think. I want to read it over the next couple of weeks myself. I think I will be supporting it. But I must say it wouldn't be a bad idea if we just took a little time, had a little chance to read it, and discuss whether or not it is the bill we want to vote for. That is all we are asking.

I have heard a lot of comments about how this would only take 20 minutes or 15 minutes. I must say when you have a bill like this of 1,000 pages, I can recall many times we have been on the floor—whether it was health reform or many other bills—when someone has risen, and said with indignation, ''We can't pass this because we do not know what is in it.'' I heard that speech from my colleagues on the Republican side probably a half-dozen times in the last Congress.

So I do not think it is too much to ask, Mr. President, that we have the opportunity to look at it, read it, hopefully talk about it, have a good discussion, and analyze it. After all, it is the defense of the United States that we are talking about here. We should not minimize it. We certainly should not demean it. And I am not implying that anyone is. But this is a very critical decision. This is something we ought to be careful about.

So we just are not prepared tonight, now that everybody is gone and were told that there would be no more votes, to bring this up under any circumstances, especially under a unanimous consent agreement without any debate or any thoughtful deliberation, and without having read this. I can't do that. Not many of my colleagues can do that.

So let us just take another breath, take another look, and we will be ready to go when we come back in September.

I yield the floor.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, first of all, I appreciate the fact that the minority leader is willing to read the bill over the August recess. I just want to let him know, as a member of the committee who has helped negotiate the bill and is familiar with all aspects of the bill, that I will leave him my phone number in case he has questions. He can track me down, and I will be happy to answer those.

But I would state to the minority leader that, as he well knows, we frequently bring a bill that comprises a great number of pages to the floor and pass them with less tribulation than would be accorded this particular bill. We do so because they have been subject to weeks, if not months, of negotiations between members of the committee, between leadership, between all of those involved, and all of those who have questions about the various issues.

So when the bill finally arrives at the floor, when it finally comes here for final passage, we are all very familiar with it, and we know what the differences are between us. In this particular instance, probably the most knowledgeable Member of the U.S. Senate as to the national defense issues facing this country is not a Republican but a Democrat—Senator SAM NUNN, chairman of the committee for many, many years, now ranking member of the committee. It was Senator NUNN that just an hour ago stood on the floor and said we have resolved all the differences here; there is no reason why this should take very long. And that was propounded not by a Republican. That was propounded by the Democrat ranking member of the committee. The distinguished chairman of the committee, Senator THURMOND, agreed. Those of us who serve on the committee, both Republicans and Democrats, indicated that we have looked at it. We have been meeting in rooms for weeks attempting to iron out the small details and the differences on this.

There really are no outstanding issues. We could talk about issues, but they have already been discussed and they are already familiar to everybody here. I would also point out to the minority leader that just today the minimum wage conference report came to us, the safe drinking water conference report came to us, the health bill came to us yesterday, defense came on Wednesday.

Now, of those four—minimum wage, safe drinking water, health, defense—defense is the one that got here first. Those other three were passed today without extended debate, with very limited debate. Why? Because all of the details had been worked out, because we have been debating the bill for months and various committees have been meeting and all of us had the opportunity to look and determine what is in the bill, to raise questions about any details we had concerns about, and to resolve the differences. All of that has been done.

So anybody who has been watching this proceeding knows that we have just passed three major pieces of legislation that have been in negotiation for months, and yet they were brought to the floor with less time to debate than the defense bill. As important as those bills are—health, safe drinking water, and minimum wage conference reports—I do not believe they stand higher priority than the national defense of the United States.

I regret that the minority leader felt constrained to object to this bill. I regret that we have to delay moving forward to the important provisions in this legislation that affect all Americans.

Mr. President, with that I yield the floor.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

SMALL BUSINESS JOB PROTECTION ACT

Mr. ROTH. Mr. President, parliamentary inquiry. Under the unanimous consent agreement, following the vote, we were supposed to complete the debate on the health legislation and then proceed to the legislation on the minimum wage and small business taxes. We are anxious to move ahead on the small business tax legislation.

What is necessary to get us on that?

The PRESIDING OFFICER. The Senator is correct. By a previous consent agreement, debate on the conference report to the Small Business Job Protection Act, H.R. 3448, is the pending business. The Senator from Delaware has 60 minutes under his control, the Senator from New York has 60 minutes under his control, and the Senator from Massachusetts, Mr. KENNEDY, has 30 minutes under his control.

Who yields time?

Mr. ROTH. I yield myself such time as I may take, and I will be very brief.

It is my understanding that there are no requests for time on the minority side. Is that correct?

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. That is correct. My distinguished chairman, as always, has so stated the facts. But there is a small semantic issue here. Some call this the small business relief act; others on this side call it the minimum wage bill. But

we will not resolve that tonight, nor need we.

Mr. ROTH. Could I ask the distinguished ranking member whether or not his side is willing to yield all time?

Mr. MOYNIHAN. If I may speak directly to the Senator—I ask unanimous consent to do—exactly.

Mr. ROTH. So I think both sides are willing to yield back——

Mr. MOYNIHAN. I cannot speak for the Senator from Massachusetts, who is not present.

That is the case.

Mr. ROTH. Could I ask, would it be possible to check that with the staff?

Mr. MOYNIHAN. I have just so done and am informed that is the case.

I see the Senator from Kansas is present, however.

Mrs. KASSEBAUM. Mr. President, I was going to speak, after the chairman and ranking member finish speaking, on a component I believe was important to consider along with the minimum wage and the welfare reform legislation.

Mr. ROTH. Mr. President, this has certainly been a busy month. I appreciate not only the perseverance of my colleagues, but also the willingness of the many valiant staff members who have been working around the clock—both here and on the House side.

This Congress began with great promise, and I'm pleased to say that we are drawing near conclusion with great accomplishment. With the passage of this small business legislation Americans everywhere will have tools necessary for increased opportunity, greater achievement, and more certain security. This is important. It's important for our future, for the well-being of American families, and for the strength of our communities.

And what a departure this is from the past—from the old philosophies that ran this city. It was then that Washington seemed to have only three criteria when it came to American businesses: if they moved, tax them; if they kept moving, regulate them; if they stopped moving, subsidize them.

I believe this legislation demonstrates that those days are over. This legislation demonstrates that this Congress understands that opportunity for Americans, security for our families, is directly tied to the strength of small business.

There are 22 million small business owners who provide paychecks for 6 out of 10 Americans. These risk takers provide more than half of our economy's output, and what we're demonstrating with this legislation is that this Congress is ready and willing to help create an environment where there can be greater growth, opportunity, and jobs—and environment where these small businessmen and women can hire, expand, and modernize.

Among the many important provisions offered in this legislation, first and foremost is an increase in the amount of equipment eligible for expensing. We raise the current law level of $17,500 per year to $25,000 per year, beginning in 1997 and fully phased in by the year 2003.

Next, we include a package of subchapter S corporation reforms that will permit more shareholders in S corporations, the use of S corporations for estate planning purposes, and increased flexibility for subchapter S corporation business use.

We also include a package of pension simplification provisions. An important element of this package is a new pension plan directed to small business, known as SIMPLE. The SIMPLE plan developed by Senator Dole will enable small business owners to set up pensions with less record keeping and guaranteed benefits to their employees. Additionally, tax exempt organizations, as well as State and local governments, will be able to offer section 401k pension plans.

One provision in this legislation that I'm particularly proud of is the new spousal IRA. This will permit homemakers to contribute up to $2,000 per year to an IRA, the same amount as their spouse. This represents an increase of $1,750 over current law, and will go a long way toward creating self-reliance and retirement security for American families.

Among other important changes offered by this legislation is a 6-month delay in the effective date for electronic filing of taxes for small business. In other words, small businesses will be provided more time to become familiar with, and prepare for, the electronic filing program that was part of NAFTA.

These, Mr. President, are some of the major provisions of the Small Business Job Protection Act of 1996. In addition to these important changes, we offer a package of extensions of expiring tax provisions.

These include an extension of the tax-free treatment of employer provided education expenses. Other important extensions cover the research and development tax credit, the orphan drug tax credit, and a new work opportunity tax credit. Along with these were extend tax deductible contributions of appreciated stock to certain charities, the section 29 tax credit for alternative fuels produced from biomass and coal facilities, and a moratorium on the collection of diesel tax paid by recreational boaters at marinas.

Another very important provision in this legislation—one that is not so much associated with strong businesses as it is with strong families and a strong America—is the new credit for adoption expenses. This tax credit will provide $6,000 for special needs adoptions and $5,000 for other adoptions. This, Mr. President, will go a long way to helping loving parents provide homes for children who will now be raised in families.

Mr. President, these are only a few of the many components of this important legislation. One final change, I would like to mention is that extension of the generalized system of preferences trade program, otherwise known as GSP. This extension will run through May 31, 1997, and will help our exporters better compete in the global economy.

It's important to note that this conference agreement is a bipartisan effort—a bipartisan effort that is fully paid for. It contains incentives that will go a long way toward creating an environment for growth, job creation, economic security, and real opportunity for Americans. With the changes we propose in this legislation, small business men and women will have greater incentives and resources to move our economy forward.

As I've said many times, taxation and regulation have profound influences on the ability of nations to create jobs. What we do with this legislation is take some of the burden off the backs of American small business men and women. My hope is that this is only a beginning.

Mr. President, as we complete action on the H.R. 3448, the Small Business Job Protection Act of 1996, I would like to take this opportunity to thank the many staff members who worked long and hard on this bill.

Senate Finance Committee majority staff—Lindy Paull, Frank Polk, Mark Prater, Dough Fisher, Brig Gulya, Sam Olchyk, Tom Roesser, Rosemary Becchi, Lori Peterson, Erik Autor, and Jeremy Preiss.

Senate Finance Committee minority staff—Mark Patterson, Jon Talisman, Patti McClanahan, Maury Passman, and Debbie Lamb.

Senator LOTT's staff—Annette Guarisco and Susan Connell.

Senator DASCHLE's staff—Larry Stein, Alexandra Deane Thornton, and Leslie Kramerich.

House of Representatives Ways and Means majority staff—Phil Moseley, Chris Smith, Jim Clark, Donna Steele Flynn, Paul Auster, Tim Hanford, John Harrington, Norah Moseley, Mac McKenney, Thelma Askey, and Meredith Broadbent.

House of Representatives Ways and Means minority staff—Janice Mays, John Buckley, Mildeen Worrell, Kathleen O'Connell, Beth Vance, Bruce Wilson, and Maryjane Wignot.

Joint Committee on Taxation staff—Ken Kies, Mary Schmitt, Carolyn Smith, Joe Mikrut, Cecily Rock, Ben Hartley, Mel Thomas, Harold Hirsch, Barry Wold, Steve Arkin, Tom Barthold, Tom Bowne, Barbara Angus, Brian Graff, Leon Klud, Judy Owens, Laurie Mathews, Alysa McDaniel, Joe Nega, Angela Yu, and a special thanks to Bernie Schmitt and his excellent estimating staff who worked long into the night on several occasions.

Mr. MOYNIHAN. An increase in the minimum wage is long overdue, and this legislation should be sent to the President before the August recess. The value of the minimum wage has eroded due to inflation since it was last increased in 1989.

It is true that an increase in the minimum wage will reduce demand for labor somewhat, although not significantly in my view. But if you are looking for a painless time to increase the minimum wage, it is now. The current economic expansion is in its 66th month. Unemployment is down to 5.4 percent. The Washington Post recently reported that labor shortages have developed around the country, so much so that some fast-food franchises are paying substantial signing bonuses to new employees.

In response to concerns of some on the other side that the minimum wage increase will cause hardship to small businesses, the Finance Committee took up the small business tax package last month. We worked on a bipartisan basis to craft a small business relief bill all Senators could support. It was approved unanimously by the Finance Committee on June 12, 1996. The bill passed the Senate with broad bipartisan support by a vote of 74 to 24 on July 9, 1996.

Unfortunately, many of the provisions that lent bipartisan support to the small business tax title of the bill in the Senate were dropped in conference. I will briefly mention two matters of particular importance: the tax exemption for employer-provided educational assistance, and the phaseout of the long-standing tax incentives for Puerto Rico codified in section 936 of the Internal Revenue Code.

The conference agreement inexplicably limits prospective extension of the exclusion for employer-provided educational assistance to undergraduate education. Only undergraduate education is covered prospectively here, whereas both undergraduate and graduate education were extended through 1997 in the Senate bill.

This provision is one of the most successful education programs the Federal Government sponsors. It encourages employees to upgrade their skills and thereby maintain and improve their productivity throughout their careers.

Roughly a million persons a year are assisted by their employers with higher education expenses on a tax-free basis, a quarter of them at the graduate level. Both employers and employees benefit. Many of our most successful companies know the benefits of sending valuable employees to school to learn a new field, or a field that has developed since that person had his or her education. Employers understand the opportunities for bringing a promising young person, or middle management person, to higher levels of productivity, and pay them more in the process. This is an elegant piece of unobtrusive social policy.

Second, addressing the special tax rules for Puerto Rico is a difficult subject, but the Senate approach was acceptable to the elected officials in Puerto Rico, and should have been adopted by the conference. The conference agreement fails to provide a continuing economic incentive for investment in Puerto Rico after 10 years. Puerto Rico still has significant economic problems, such as high unemployment rates and low median incomes. The island's unemployment rate is almost 14 percent. While this rate is the lowest in 20 years, we are still talking about an economy in which unemployment has routinely approached, and exceeded, 20 percent in the last two decades. It is also an economy in which the median income of the American citizens who live there is about $6,200, or half that of Mississippi, our poorest State.

Section 936 of the Tax Code has been in existence for 60 years, and nearly all have come to recognize that it is time to move to the next stage. However, we have a profound responsibility to that possession, which we obtained just short of 100 years ago in the aftermath of the Spanish-American War.

Under the Senate provision, adopted at the urging of this Senator, a permanent, although reduced, wage-based credit for jobs located in Puerto Rico would have remained for existing employers. This would have preserved a limited measure of Federal support for Puerto Rico after the remainder of the section 936 incentives are gone after 10 years. It was the least that should be done, given that the people of Puerto Rico—citizens of the United States—are being asked to pay for half or more of these tax cuts for small business, none of which will benefit Puerto Rico.

Understanding the responsibility we have to this island and its people, I hope that at a later time, as early in the next Congress as possible, we will return to this issue and adequately address our obligations to Puerto Rico. We must work together to provide effective economic incentives for new investment in Puerto Rico to provide new jobs and job security for Puerto Rican workers. The people of Puerto Rico—who are not represented in Congress—have the right to be respected and to have their interests advanced.

Thus, while I am disappointed by the resolution of the conference on the small business tax package, I will vote for the conference report because of the importance of the increase in the minimum wage. I will continue to pursue the issues that were not resolved to my satisfaction in the conference report.

Mr. ROTH. I will yield such time as the distinguished Senator from Kansas desires.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mrs. KASSEBAUM. Mr. President, I certainly thank the chairman of the Finance Committee, Senator ROTH. I appreciate his help and leadership on health insurance reform, and certainly as he worked with small business tax relief as a part of the minimum wage package.

I supported the conference report, Mr. President, on small business tax relief which includes, of course, an increase in the minimum wage. However, I have strong reservations about raising the minimum wage because I have believed that in many instances with small businesses, particularly the mom and pop operations, it will mean some loss of jobs or, indeed, reduced hours. But we will have to see.

I supported the conference report overall because I believe the detrimental effects of the minimum wage increase will be offset by many of the small business tax relief provisions. However, as this minimum wage increase moves closer to becoming law, along with health care and welfare reform, I believe it is important to point out that there is still a gaping hole in our efforts to assist workers and improve their economic security. Congress has yet to act on the legislation to reform our job training system, which is, I would suggest, in drastic need of repair.

I listened with great interest to the debate that took place yesterday on welfare reform where Senator after Senator pointed out the importance of training to bring welfare recipients into the work force. As we debated the minimum wage bill through its passage and briefly the conference report, we heard the argument that this increase is needed to raise the living standards of those who are at the bottom of the economic ladder. Yet we all know that the only way to improve the long-term prospects of those at the bottom of the pay scale is to equip them with the skills and education that will allow them to compete and move upward in today's changing workplace. It is ever more competitive, ever more demanding of new skills and, unfortunately, the training infrastructure that we have now in place is woefully inadequate. In fact, it is nothing less, I would suggest, than a national disgrace.

I will not take up the time of the Senate at this point to discuss the scores of reports documenting with overwhelming evidence why the current system is broken and must be fixed. I would just like to mention one of the latest GAO reports outlining the failure of current Federal programs.

The General Accounting Office compared control groups with participants in JTPA titles II-A and II-C, both programs for the economically disadvantaged, the very people we are trying to help with the minimum wage. Amazingly, the report found that there were no statistically significant differences over time between the earnings of both groups. This was one in which they were assisting the economically disadvantaged and others where there had been no program offered.

In other words, the Federal training these disadvantaged participants received did nothing to improve their income. It had no effect. This is nothing short of a fraud on the American taxpayer and, more importantly, a cruel hoax on the disadvantaged who think they are getting help but end up no better off. I remain astounded that we should want to continue funding these ineffective programs.

I am particularly disappointed with the Secretary of Labor, who supports this increase in the minimum wage but is also responsible for these job training programs which he knows are in a state of disarray. He has done little to advance legislation to reform job training even though bills passed both Houses with wide bipartisan margins. For 3½ years now, the Secretary has stressed the critical importance of training for the closing of the wage gap for those at the bottom. We have talked often about this. He has been supportive of early efforts. Yet he has done nothing to really try to improve our Federal job training system.

Even before the ink was dry, the Secretary recommended that the President veto the job training conference report. Secretary Reich's main concern with the job training reform bill seems to be lack of accountability. But, according to the National Journal article:

When pressed, (Secretary) Reich acknowledged that his real problem with accountability concerns the legislation's failure to require participation of mayors in local boards and federal approval of state workforce development plans.

In other words, his concerns are largely political. He wants to preserve the Federal Government's control, the status quo, and business as usual. This is not going to solve the problem.

We have such an opportunity to really try to be more innovative and try to bring to the fore something that will reinforce what we are seeking to do with welfare reform and the minimum wage legislation. When it comes to job training, I suggest the status quo is unacceptable. We must move forward this year with comprehensive job training reform. After months and months of negotiations, and compromises made on all sides, we now have a conference agreement that will bring real reform to a broken system, consolidating duplicative programs over some 80 programs. They will be combined and much duplication removed, giving the States the flexibility needed to design the programs that fit their States, whether it be Kansas, Iowa, New Hampshire, New York or California, and focus the resources there where there is the greatest need—whether it would be in vocational education or a job services initiative.

The job training conference report will encourage real partnership between educators, job trainers and the business community. And it will focus accountability on real results. If we are truly concerned about raising living standards, raising the minimum wage is only half the answer. Proponents of the minimum wage have argued that you cannot support a family on $4.25 an hour, and that is certainly correct. You cannot support a family on $5.15 an hour either. Education and training are also needed to improve one's living standards, and right now we are wasting billions of dollars on dozens of ineffective programs that are just not delivering to those who need help the most. I personally cannot believe there is anything more important we could do to really enhance those who, we have argued for months, most need assistance, than by being willing to address this issue.

I want to put my colleagues on notice that I will do everything I can to ensure the job training conference report comes to a vote this year and goes to the President.

The Senator from Nebraska, Senator KERREY, and I have asked Senator LOTT and Senator DASCHLE to bring this conference report up the week that we return from recess. I tend to believe most of us are now asking the majority leader to consider legislation the week we return. But I am hopeful our request will be met. I will continue to push this conference report because I believe it is too important—and the status quo is unacceptable—not only to the American taxpayer but, more important, to those who desperately need and want training education as well.

I yield the floor.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I am happy that the Senate is finally taking up the conference report on the Small Business Job Protection Act. The House has already overwhelmingly passed this measure in a vote of 354 to 72. Finally, we are making laws instead of rhetoric about tax relief.

Finally, American families and entrepreneurs can get a break from the tax man.

As a member of the Finance Committee, I am proud of my part in moving this legislation through the Finance Committee and through the bill's conference committee.

This bill is good, sound bi-partisan work. In my belief, great credit also goes to Finance Chairman ROTH for his leadership of the committee. To ensure that his efforts will not go unnoticed, I want to remind all Senators that Chairman ROTH completed work on three separate conference reports this week. This is no small accomplishment, and I extend my gratitude to my friend from Delaware.

For my State of Iowa, this conference report on the small business tax bill makes some vital improvements. Particularly, I want to point out the provisions enabling new loans for first time farmers. I hope that this legislation will save the future of agriculture.

LOANS FOR FIRST TIME FARMERS

I introduced this Aggie Bond legislation with Senators PRESSLER, BAUCUS, and MOSELEY-BRAUN. It improves the program that allows tax-exempt bonds to finance discount rate loans for beginning farmers.

Loans for beginning farmers are important because of the changing scene in agriculture and the inability of young farmers to get started in farming. Of particular importance are the statistics of the average age of farmers. In Iowa, our farmers average in their late fifties. In 5 to 6 years, we will have 25 percent of our farmers retiring.

The U.S. Department of Agriculture has announced that my State of Iowa has 2,000 less farms today than it did only a year ago. Four other States also lost 2,000 farms each. The largest decreases were in the States of Ohio, Alabama, Georgia, and Indiana. Clearly, farming States are still feeling the effects of the agricultural recession of the 1980's.

Young people are discouraged about becoming farmers because they cannot afford to get started. Many want to continue the family farm when their parents retire and cannot.

This Aggie Bond legislation helps by lifting the present restriction that disallows the bonds from being used to finance family to family transactions. In other words, under present law, a young person cannot get a good loan to continue the family farm. This legislation fixes that problem. I am very proud to be an agent of this important change.

CONTRIBUTIONS IN AID OF CONSTRUCTION

Mr. President, this Conference Report also includes another unrelated important change for families trying to buy a home.

The provision is called Contributions in Aid of Construction. It repeals an indirect tax that has been imposed on families building homes since the 1986 Tax Act.

It will save families up to $2,000 off the price of a new home. Current law requires that water utilities pass a ''gross up'' tax onto a family that wants to buy a home. The ''gross up'' tax can increase the cost of extending water services to a new home by 70 percent. This conference report repeals this unfair ''gross up'' tax. It will foster home ownership where it is currently out of reach.

Repealing the ''gross up'' tax is an outstanding addition to this Small Business Job Protection Act. I am pleased to have introduced the original bill.

PENSION SIMPLIFICATION

Mr. President, I want to point out that the pension simplification provisions in this bill represent a major step forward. Not much has been said about these provisions in the commentary about what we are accomplishing here this week.

But I think you can argue that these pension simplification provisions could represent one of the major accomplishments of this week of many substantial legislative accomplishments.

Their enactment should ultimately result in more pension plans being created, particularly by smaller businesses. Since it is that segment of the business community that has the greatest difficulty in offering pensions to their employees, enactment of these provisions could result in a major increase in pension coverage.

Ultimately, that means more savings and more income for retirees.

We included in the bill a number of provisions which will help clarify the treatment of church pension plans.

We included last year in the Finance Committee's portions of the Balanced Budget Act a Pryor-Grassley bill designed to deal with many of the problems the church plans were having with the rules pertaining to highly compensated employees and to nondiscrimination.

Ultimately, those provisions were dropped from the legislation on the grounds that they did not meet the requirements of the Byrd Rule.

The legislation that we are considering today will go a long way toward taking care of the most serious of the problems faced by the church plans.

Mr. President, these simplification provisions have been on our Congressional agenda for several years. I understand that President Clinton has indicated support for pension simplification provisions. It is high time they were enacted.

Finally, I just want to stress again the importance that today we are making laws instead of rhetoric about tax relief. Families and small businesses not only need it, they deserve it. I encourage all of my colleagues to support this conference report.

Mr. CONRAD. Mr. President, I strongly support the legislation before us today. I am pleased that Members from both sides of the aisle rolled up their sleeves and got the job done in a bipartisan way. In particular, the ranking member, PATRICK MOYNIHAN, has done a fine job.

The positives of this legislation are many:

It benefits working families by raising the minimum wage which now hovers near a 40-year low.

It benefits orphaned and abandoned children seeking adoption by providing a tax credit to families for adoption expenses.

This bill provides many tax benefits to small businesses encouraging investment and growth.

And, finally, it simplifies dozens of pension provisions for small businesses and working families, thereby, increasing pension savings.

Tens of millions of American workers will benefit from the increase in the minimum wage and from the tax incentives for small businesses, and we have helped them by working out our differences and allowing this measure to move forward.

The current minimum wage is near a 40-year low in purchasing power, and amounts to an annual income of only $8,800. Clearly, a family is not going to make it on $8,800 a year. Workers deserve a living wage for their labor, and this raise in the minimum wage is well earned by those workers. In 1995, 42,000 workers in my State of North Dakota received under $5.15 per hour for their work. This bill is an important and timely raise for them.

The minimum wage increase will also help families move off welfare and into jobs. Welfare reform will not work until jobs that pay a decent, living wage are available. This raise increases the chances of the poorest Americans staying off welfare. It goes hand-in-hand with our efforts to reform the welfare system.

I appreciate the recognition the conference committee gave to orphaned children who are older, handicapped, or have other special needs. Families which adopt these children will be allowed a $6,000 tax credit for adoption expenses. Families adopting nonspecial needs children will be allowed a $5,000 credit.

We have an obligation to not only protect abused, neglected, and abandoned children, but we have a responsibility to help these vulnerable children find nurturing and stable families to adopt them.

The adoption tax credit is a good first step to help place children waiting to be adopted. Many stable and nurturing families may not have the resources to pay adoption expenses and other expenses such as building ramps and modifying a home to make it accessible for an adoptive child with special needs. This will help.

I am also very pleased with the provisions benefiting small and startup businesses. First, the increase in expensing of investment for small businesses by nearly 45 percent—from $17,500 to $25,000—will help thousands of small businesses in my State and around the Nation. I am pleased that this bill permanently extends that benefit to horse ranchers as well.

Second, the modifications of the law relating to subchapter S corporations will stimulate investment and growth of thousands of small businesses. The legislation expands the number of owners allowed from 35 to 75 and provides other benefits to S corporations.

Third, the pension simplification provisions will help millions of Americans working for small businesses provide for their retirement. Anyone who has ever waded through the morass that we call pension law will understand how important these simplifications are to small business owners. Owners of small businesses are too busy running their businesses and providing jobs to have to deal with the virtually incomprehensible language of the Tax Code and of the Internal Revenue Service's rules and regulations. This pension simplification is a significant step forward. We need to make more.

One of the most important pension reforms will allow a family to provide for the retirement of a spouse who chooses to stay home. Spousal individual retirement accounts of up to $2,000 per year for qualifying families for the spouse that chooses to stay at home to take care of children ends the discrimination against families in which one parent works at home. The work of raising children is the most important job in our society.

Fourth, the extension of certain expiring tax provisions will provide incentives for investment in technology, for hiring hard-to-place workers, for producing clean fuels from low-rank coals and lignite, and for developing orphan drugs.

The rapid development and commercialization of new technologies is particularly important to the incomes of working people. High-technology provides better jobs at better pay for millions of Americans and helps keep this Nation competitive in the international marketplace. Additionally, the incentives to develop new technologies to turn our abundant coal resources into environmentally friendly fuels is critical if we are ever to make progress toward energy independence.

With regard to technology development, I am particularly disappointed that we did not continue the R&E tax credit uninterrupted. Our high-technology companies deserve a consistent and supportive tax policy from their government. It is my hope we can revisit this issue next year.

The revenue offsets have been greatly improved from the initial House package, although I continue to have serious reservations about some of them. Dropping the tax on court awarded damages for pain and suffering is a major improvement. Court-awarded damages for pain and suffering are meant to make the plaintiff whole and should not be considered income.

Concerning employee stock ownership plans, I believe that it may be a mistake to take away a portion of the tax benefits used by ESOP's. Employee stock ownership plans are a way for working families to buy a piece of America and to provide for their retirement needs.

I am also concerned that we are extending the airport and airway trust fund excise tax without a serious review of all the issues. While the extension is only for 6 months—until December 1996—it keeps in place a system designed prior to airline deregulation. That leftover tax clearly discriminates against smaller communities which tend to have high airline ticket prices. In addition, it makes little sense that one passenger will pay two to three times more taxes on the same flight as his or her seat-mate. The burden each passenger places on the FAA is the same. While some argue that the excise tax discourages wasteful airline spending since costs plus the tax must be passed on, this current tax also raises by ten percent the cost of every safety measure the airline undertakes.

Finally, I again want to compliment those who worked in a bipartisan fashion to achieve a result. Frankly, there are probably few Members on either side of the aisle that support every provision in this bill, but together, this package advances the Nation's interests. If enacted into law, it will have a positive effect on working families, small businesses, and adoptive families and their children. I recommend that it pass.

Ms. MOSELEY-BRAUN. Mr. President, I want to take this opportunity,

as we are about to vote on an extension of the Generalized System of Preferences, to raise a subject that is of great concern to all soybean growing States, including my State of Illinois, which is second only to Iowa in the production of soybeans. A number of countries, including Brazil and Argentina, employ a tax system that works to distort trade. It is designed to create an unfair competitive advantage for the processed agricultural exports of these countries at the expense of our exporters.

Let me briefly describe how this practice, known as a differential export tax scheme, or DET, works. Using soybeans as an example, under a DET system, a much higher export tax is imposed on raw soybeans than on processed soybean products, such as soybean meal and oil. This serves to restrain exports of raw soybeans, giving a foreign country's domestic oilseed processors a captive market, in effect, for raw soybeans at a price that is depressed below world market prices. Because these processors have artificially lower raw material costs, their costs of production are substantially less than those of U.S. oilseed processors. As a result of this government interference, those foreign oilseed processors are receiving an indirect subsidy that clearly violates the spirit of free and fair trade, and, if provided as a direct export subsidy, would be subject to World Trade Organization rules.

U.S. processors are placed at a terrible competitive disadvantage as a result of this practice: They not only must continue to pay the world price for raw soybeans, they are forced to sell their processed soybean products at world prices that are suppressed to the level of the DET-supported export prices. This DET-induced downward pressure on world price levels for these products has severely reduced revenues for the U.S. soybean processing industry. In addition, countries that rely on this trade-distorting practice have dramatically displaced U.S.-processed soybean sales in world markets.

I understand that efforts may be underway in some of these countries to end these tax schemes. I believe, however, unless we see some demonstrable progress by these countries in the coming months, the Senate Finance Committee should undertake a close review of this issue as part of its trade agenda in the next Congress.

Mr. DODD. Mr. President, more than 6 months ago, President Clinton came before the Congress and called for a modest increase in America's minimum wage—from $4.25 to $5.15 an hour.

And for the past nearly 6 months, 12 million Americans woke up every morning, went to work each day and continued to earn a meager $34 a day—waiting for this Congress to uphold its responsibility to working Americans and raise the minimum wage.

Today, their wait is finally over.

Today, working Americans are finally getting a break.

Americans who were being asked to live on $8,500 a year are receiving a much-needed helping hand from the U.S. Congress.

Due to this legislation, minimum wage workers will see an additional $1,800 in their paychecks by the end of the year.

Raising the minimum wage will allow millions of America's working families to pay for 7 months of groceries, 1 year of health care costs, or more than a year's tuition at a 2-year college.

And today, the nearly one in five minimum wage workers who currently live in poverty will now have a genuine opportunity to make a better life for their children.

My only regret is that it took so long to reach this moment. Over the past 6½ months, my colleagues across the aisle used every possible tool to block this legislation.

They claimed that raising the minimum wage would cost jobs—even though study after study shows this to be a fallacious argument.

They raised erroneous economic arguments—even though 101 economists endorsed an increase in the minimum wage.

They proposed amendments that would have excluded 10 million minimum wage recipients from the bill's benefits.

But, in the end, the obstructionist efforts of my Republican colleagues were overwhelmed by the voices of the American people, calling for a minimum wage increase.

For the more than two-thirds of minimum wage workers above the age of 21; for the 4 in 10 who are the sole wage earner for their families; and for all the Americans trying to make ends meet and put food on the table, this vote represents a genuine victory and a first step to a better future.

Throughout America, millions of working families are struggling to get by and the votes today on the minimum wage and Kassebaum-Kennedy health insurance bill make that process just a little bit easier.

It is something we can all take great pride in and I urge all my colleagues to join me in voting on behalf of this bill.

Mr. GRASSLEY. Mr. President, as Chairman of the International Trade Subcommittee of the Senate Finance Committee, I want to point out a provision in the Small Business Job Protection Act relating to trade that I strongly support. That is the extension of the Generalized System of Preferences [GSP]. This extension is long overdue.

The GSP is important for many reasons. From a foreign relations standpoint, it allows the United States to assist the economy of developing countries without the use of direct foreign aid. But it also is of great benefit to American businesses. That is why it is most appropriate that the extension of the GSP be included in the Small Business Job Protection Act. Many American small businesses import raw materials or other products. The expiration of the GSP has forced these companies to pay a duty, or a tax, on some of these products. That's what a duty is: an additional tax.

By extending the GSP retroactively, these companies will not be required to pay this tax. This tax is significant and can cost U.S. businesses hundreds of millions of dollars. In fact in 1995, American businesses saved $650 million due to the GSP. I wonder how many good, high-paying jobs will be created by cutting taxes by $650 million? So, Mr. President, it is very important that the GSP be extended and it is very appropriate that the Senate consider it as part of this bill.

It is essential to remember, however, that since its inception in the Trade Act of 1974, the GSP program has provided for the exemption of ''articles which the President determines to be import-sensitive.'' This is a very important directive and critical to our most import-impacted producing industries. A clear example of an import sensitive article which should not be subject to GSP and, thus, not subject to the annual petitions of foreign producers that can be filed under this program, is ceramic tile.

It is well documented that the U.S. ceramic tile market repeatedly has been recognized as extremely import-sensitive. During the past 30 years, this U.S. industry had to defend itself against a variety of unfair and illegal import practices carried out by some of our closest trading partners. Imports already dominate the U.S. ceramic tile market and have done so for the last decade. They currently provide approximately 60 percent of the largest and most important glazed tile sector according to 1995 year-end Government figures.

Moreover, one of the guiding principles of the GSP program has been reciprocal market access. Currently, GSP eligible beneficiary countries supply almost one-fourth of the U.S. ceramic tile imports, and they are rapidly increasing their sales and market shares. U.S. ceramic tile manufacturers, however, are still denied access to many of these foreign markets.

Also, previous abuses of the GSP eligible status with regard to some ceramic tile product lines have been well documented. In 1979, the USTR rejected various petitions for duty-free treatment of ceramic tile from certain GSP beneficiary countries. With the acquiescence of the U.S. industry, however, the USTR at that time created a duty-free exception for the then minuscule category of irregular edged specialty mosaic tile. Immediately thereafter, I am told that foreign manufacturers from major GSP beneficiary countries either shifted their production to specialty mosaic tile or simply identified their existing products as specialty mosaic tile on custom invoices and stopped paying duties on these products. These actions flooded the U.S.

market with duty-free ceramic tiles that apparently had been superficially restyled or mislabeled.

In light of these factors, the U.S. industry has been recognized by successive Congresses and administrations as import-sensitive dating back to the Dillon and Kennedy Rounds of the General Agreement on Tariffs and Trade (GATT). Yet during this same period, the American ceramic tile industry has been forced to defend itself from over a dozen petitions filed by various designated GSP-eligible countries seeking duty-free treatment for their ceramic tile sent into this market.

The domestic ceramic tile industry has been fortunate, to date, because both the USTR and the International Trade Commission have recognized the import-sensitivity of the U.S. market and have denied these repeated petitions. If, however, just one petitioning nation ever succeeds in gaining GSP benefits for ceramic tile, then all GSP beneficiary countries will be entitled to similar treatment. This could eliminate many American tile jobs and devastate the domestic industry. Therefore, it is my strong belief that a proven import sensitive and already import-dominated product, such as ceramic tile, should not continually be subjected to defending against repeated duty-free petitions, but should be exempted from the GSP program.

Mr. President, I would like to address one final trade issue. It is not a part of this bill but it does relate to GSP, because the problem I will discuss is a result of an inequitable tax policy put in place by some countries that are major beneficiaries of the GSP program. This tax policy, known as a differential export tax scheme or DET, is used to confer an unfair competitive advantage for these countries' exports of agricultural products, particularly soybean meal and oil, to the detriment of U.S. producers, processors, and exporters.

Mr. President, I'll briefly describe how this differential export tax scheme operates. Under a DET system, exports of a raw commodity, in this case soybeans, are taxed at a higher rate than exports of the processed derivatives of that commodity, soybean meal and oil. Since this increased tax discourages the export of soybeans, the oilseed crushers in those countries are able to purchase soybeans from their domestic growers at prices well below the world market prices paid by U.S. oilseed crushers. Because they pay a lower cost for their raw materials, these foreign crushers are then able to undercut U.S. processors in the world market for processed soybean products.

For example, the State of Rio Grande do Sul in Brazil recently changed its tax structure so that a tax of 13 percent is levied on all exports of raw soybeans, while the export tax on soybean meal and oil is only 5 percent. At current market values, this gives the Brazilian crushers an additional crushing margin of about $22 per ton. This is essentially an indirect subsidy for these crushers and significantly distorts free trade. I assume this practice would be subject to World Trade Organization rules if the subsidy were provided as a direct export subsidy.

The consequence of this type of practice is a drastic loss in the U.S. share of world export markets for processed soybean products, and artificial downward pressure on world price levels for these same products. This is not acceptable. As you know Mr. President, Iowa is, in any given year, either the first or second leading soybean producing state in the nation. This is a distinction we share with our neighbors in Illinois. So this unfair trade practice is of great concern to Iowa farmers and processors, and those in other states as well.

I understand that progress is being made on resolving this issue, but more work must be done. In the case of Brazil, it is my understanding that the Brazilian federal government strongly supports reform of this DET system, and in fact is considering the complete elimination of all taxes levied upon exports of agricultural products, both raw and processed. In the coming weeks and months, I will be closely watching how Brazil, Argentina, and other countries reform these practices. However, I am serving notice today that if these practices are allowed to continue, I will consider pursuing appropriate legislative or administrative measures to counter them.

Mr. President, I yield the floor.

A VICTORY FOR WORKING AMERICANS

Mr. KERRY. Mr. President, today—finally—we are raising the minimum wage and putting families first. We have won a major victory for every American who values work and believes in fairness. It is a victory for common sense over ideology, for bipartisanship over saber rattling.

It is a victory for 290,000 hard-working families in Massachusetts who are playing by the rules and struggling to make ends meet—who have fallen behind in the last 20 years and now have a chance to do better, to keep up, and give their children a chance at a decent life. It is a victory for the millions of Americans who were trying to make a living and raise a family on $4.25 an hour and now will get $1800 more a year—enough to buy groceries for 7 months.

Raising the minimum wage is a work force enhancement program and a family protection program for an investment of 90 cents an hour—a move which will strengthen the fabric of the American community and narrow the widening gap in the workforce.

For the first time in years, we are giving workers a raise. This is a down payment on our commitment to make sure that everyone in this economy can participate—that everyone can earn more, learn more, provide more for their families, and be part of an economy that works for families—that values the dignity of work for those at the bottom as well as the top.

Mr. President, raising the minimum wage is, in fact, the most basic welfare reform measure we could enact. It helps make work pay for those who will be returning to the workforce. It will allow working mothers who come off welfare to have a fighting chance to put food on the table for their children and still find enough to pay the rent.

In the last few months we have heard a lot of talk from many of my Republican colleagues that welfare recipients need to learn the dignity of work, and we would agree with them and we have passed a welfare reform package incorporating that concept. But I also believe that the dignity of a liveable minimum wage is that, as a society, we believe that if you are willing to work hard, you deserve the dignity of earning enough to at least pull yourself out of poverty and put food on the table and a roof over your children's heads.

Mr. President, this is the beginning of a new era of worker fairness, of giving a raise to those who need it most, and taking one more step toward relieving the insecurities of the American worker. There is no greater gift to a young mother who is trying to make ends meet, trying to pay the rent, buy food, pay child care, pay for health care, and save for the future than to say to her that we know how difficult the struggle is and we, as a nation, as a Congress, as a people are willing to do what we can to help.

Today, Mr. President, with this vote to increase the minimum wage and give workers a raise, we have sent a message to America that we have rejected the extreme, hard line policies of the ideological warriors who believe that the bottom line is the only line, and that if those at the top earn more then those at the bottom will be better off. We have sent a message, instead, that we are, indeed, a common sense, pro-family community that believes in fairness and in a fair wage for a day's work. And we have sent a message that we believe that if you increase the intrinsic value of work you decrease the emotional cost of welfare, and the emotional toll that hopelessness and fear take on hard working mothers and families.

Mr. President, we have done the right thing. Some have fought it. Some have argued vehemently against it. Some have found arguments to try to stop it. But in the end, we have struck an important blow for fairness, for work, for families; and in so doing we have brought two words back into the lexicon of the 104th Congress and they are ''compassion'' and ''community''. Increasing the minimum wage means that we understand that we are all in this together and that we care. That, Mr. President, is a victory for the principles for which I have fought during my tenure here, and for which I will continue to fight in the future.

Mr. LAUTENBERG. Mr. President, I rise to speak in support of the increase in the minimum wage.

Mr. President, 5 years is a long time to go without a raise. Senators and Representatives do not go that long. Nor do corporate executives, or even most average working people.

And neither should those who earn the minimum wage.

Mr. President, the increase in the minimum wage that we will pass today will be the first raise in 5 years for close to 12 million American workers. It's about time.

Mr. President, there's a lot of mythology about just who these minimum wage workers are.

Contrary to those prevailing myths, Mr. President, most minimum wage workers are not rich suburban teenagers who take a job for extra spending money.

The fact is—two-thirds of minimum wage workers are adults; 58 percent are women; 40 percent are the sole breadwinners for their families; and of the 25 percent that are teenagers, over half come from families with below-average income.

Mr. President, fundamental fairness dictates that a person who gets up every day, goes to work, 40 hours a week, 52 weeks a year, should earn a living wage.

And yet, a minimum wage worker who works 40-hours per week, every single week of the year, doesn't even earn enough to reach the poverty line. That's wrong. And we have an obligation to do something about it.

Mr. President, the minimum wage increase in this bill will lift 300,000 American families out of poverty. And that includes 100,000 children.

Mr. President, an increase in the minimum wage to $5.15 per hour means an increase in income of $1,800 per year for about 10 million workers.

That's enough to pay for 7 months of groceries, or 4 months of rent, or even 1 year of tuition at a 2-year college.

It's tremendously important for millions of American families.

In my home State of New Jersey, the minimum wage is currently $5.05 an hour, above the national minimum, and only 10 cents below this new minimum of $5.15.

In my State, this wage increase will amount to $4 per week for a minimum wage worker. You might think that a 10-cent-an-hour raise wouldn't be a big deal. Well, you would be wrong.

In communities and families all over New Jersey, and around this country, even such a small increase in income could mean the difference between caring for children, and having them go hungry.

Four dollars buys 2 more gallons of milk, or 2 more loaves of bread, or 8 more boxes of spaghetti.

To millions of American families, even just a few dollars more per week is a lot of money.

Mr. President, people who work hard and play by the rules should be able to provide for themselves, and their families.

The best way to encourage and honor the work ethic so important to our economic future is to ensure that even those at the bottom earn a living wage.

So, Mr. President, I urge my colleagues to support working Americans and to support this bill. It's the right thing to do. And it's long overdue.

Mr. HARKIN. Mr. President, I supported the health insurance conference agreement. I want to speak a few minutes about some of the very good and some very problematic provisions in this agreement. I want to congratulate Senator KENNEDY and Senator KASSEBAUM and others for their hard work and perseverance.

A number of the provisions of this bill follow the framework of a proposal I put forth in the last Congress. In 1994, I offered what I called a downpayment plan that would have made health insurance affordable for every child in America, provided for increased portability and other insurance reforms, full tax deductibility of health insurance costs for the self-employed and a clampdown on health care fraud, waste, and abuse. I am pleased that provisions similar to several of these items are included in this conference report.

I am very pleased that this legislation prohibits group and individual health plans from establishing eligibility, continuation, or enrollment requirements based on genetic information. I offered an amendment on this issue during committee consideration of S. 1028 and am pleased that it is included in the conference bill.

I believe this is a very important provision that will become even more important as the availability and use of genetic tests grows in the coming years. Genetic information should be used to help people stay healthy and should not be used to put a person at a disadvantage when it comes to health insurance.

While this legislation still leaves serious flaws in our health care system, it represents an important step toward reforming health care and injecting some fairness and common sense into the system.

The portability provision in the bill would provide some much-needed relief for many Americans. Provisions to gradually raise the percentage of health insurance costs that farmers and other self-employed can deduct from their taxes from 30 to 80 percent over the next 10 years, would provide greater relief, if not equity, with larger businesses.

Mr. President, the portability provisions in the bill are particularly important. Americans should not have to worry about facing preexisting condition exclusions if they get sick, change jobs, or lose their job.

This health insurance bill will provide many American families with added security and choices.

The provisions in the legislation related to preexisting conditions are important and add some common sense to the current health insurance market. The bill limits the ability of insurers to impose exclusions for preexisting conditions. Under the legislation, no such exclusion can last for more than 12 months. Once someone has been covered for 12 months, no new exclusions can be imposed as long as there is no gap in coverage—even if someone changes jobs, loses their job, or changes insurance companies.

The preexisting condition provisions will help real people who have already experienced an illness and want to switch insurers or change jobs

For example, a father from Iowa City called my office about his daughter who has a chronic health condition and will graduate from college this spring. He was worried that when she graduates and is no longer covered under his health insurance policy she will not be able to find insurance coverage for her chronic health condition.

Because the Health Insurance Reform Act would require insurers to credit prior insurance coverage, his daughter can move to another health insurance plan without being denied coverage for her preexisting condition.

The portability provision in the bill will help with so-called job lock. Workers who want to change jobs for higher wages or advance their careers often have to pass up opportunities because it might mean losing health coverage. These provisions will provide greater security for Americans currently covered under group health plans.

I've heard form Iowans who have had to pass up new job offers or forgo starting their own small business because they or someone in their family has a preexisting condition. Workers with a sick child are forced to pass up career opportunities because their new insurance may not cover a preexisting condition for 6 months or more.

These families have played by the rules and have been continuously insured—they deserve to know that if they pay their insurance premiums for years, they cannot be denied coverage or be subjected to a new exclusion for a preexisting condition because they change jobs.

But, I do want to express my concern about some of the comments that are being made on both sides of the aisle about this bill.

In today's edition of the Washington Post, House Speaker NEWT GINGRICH is quoted as saying ''it means guaranteed health insurance for everyone who's in the system.''

Mr. President, this bill is an important step forward, but it in no way means guaranteed health insurance for people now in the system. We should not overpromise or oversell this bill. American workers still face the possibility that their employer will reduce their health insurance or drop coverage altogether.

Workers still face the possibility that coverage for their children will be dropped. In fact, the number of children covered by employment-based

health insurance has been decreasing and over 9 million children have no health insurance.

If you lose your job you still face the high costs of health insurance—certainly many people who have just lost their job can't afford health insurance premiums. If you get sick, lose your job, and can't afford health insurance premiums you are still out of luck under this bill.

And, Mr. President, today if a worker switches jobs their next employer may or may not offer health care coverage. The bill before us today does not change this situation. Companies can also continue to eliminate health care coverage for retirees.

So, Mr. President, this bill does not guarantee health insurance. It is an important step forward and it should be passed.

We should not let the perfect be the enemy of the good, but we also shouldn't lead Americans to believe it does more than it really does.

While there are many positive things in this bill that merit its enactment, Mr. President, there are several provisions that I believe would substantially undermine our efforts to combat fraud, waste, and abuse in Medicare and other health programs. Our two lead agencies in combating health care fraud and abuse, the Department of Justice and the office of inspector general of the Department of Health and Human services, have also raised serious concerns with different provisions in this conference report.

First, the conference agreement includes language from the House bill that significantly raises the burden of proof on the Government to prove fraud and impose civil monetary penalties. Let me read from a letter that June Gibbs Brown, HHS inspector general wrote to me recently about this provision.

I ask unanimous consent that the relevant portion of the letter be included at this point.

LETTER FROM JUNE GIBBS BROWN, INSPECTOR GENERAL

September 29, 1995.

Hon. TOM HARKIN,
U.S. Senate, Washington, DC.

Re H.R. 2389: ''Safeguarding Medicare Integrity Act of 1995''

DEAR SENATOR HARKIN: You requested our views regarding the newly introduced H.R. 2389, which we understand may be considered in the deliberations concerning the ''Medicare Preservation Act.'' We strongly support the expressed objective of H.R. 2389 of reducing the fraud and abuse which plagues the Medicare program. The proposed legislation contains some meritorious provisions. However, if enacted, certain major provisions of H.R. 2389 would cripple the efforts of law enforcement agencies to control health care fraud and abuse in the Medicare program and to bring wrongdoers to justice.

The General Accounting Office estimates the loss to Medicare from fraud and abuse at 10 percent of total Medicare expenditures, or about $18 billion. We recommend two steps to decrease this problem: strengthen the relevant legal authorities, and increase the funding for law enforcement efforts. Some worthy concepts have been included in H.R. 2389, and we support them. For example, we support:

''a voluntary disclosure program, which allows corporations to blow the whistle on themselves if upper management finds wrongdoing has occurred, with carefully defined relief for the corporation from *qui tam* suits under the False Claims Act (but not waiver by the Secretary of sanctions);

''minimum periods of exclusion (mostly parallel with periods of exclusion currently in regulations) with respect to existing exclusion authorities from Medicare and Medicaid; and

''increases in the maximum penalty amounts which may be imposed under the civil monetary penalty laws regarding health care fraud.''

As stated above, however, H.R. 2389 contains several provisions which would seriously erode our ability to control Medicare fraud and abuse, including most notably: making the civil monetary penalty and anti-kickback laws considerably more lenient, the unprecedented creation of an advisory opinion mechanism on intent-based status, and a trust fund concept which would fund only private contractors (not law enforcement). Our specific comments on these matters follow.

MAKING CIVIL MONETARY PENALTIES FOR FRAUDULENT CLAIMS MORE LENIENT BY RELIEVING PROVIDERS OF THE DUTY TO USE REASONABLE DILIGENCE TO ENSURE THEIR CLAIMS ARE TRUE AND ACCURATE

Background: The existing civil monetary penalty (CMP) provisions regarding false claims were enacted by Congress in the 1980's as an administrative remedy, with cases tried by administrative law judges with appeals to Federal court. In choosing the ''knows or should know'' standard for the mental element of the offense, Congress chose a standard which is well defined in the Restatement of Torts, Second, Section 12. The term ''should know'' places a duty on health care providers to use ''reasonable diligence'' to ensure that claims submitted to Medicare are true and accurate. The reason this standard was chosen was that the Medicare system is heavily reliant on the honesty and good faith of providers in submitting their claims. The overwhelming majority of claims are never audited or investigated.

Note that the ''should know'' standard does not impose liability for honest mistakes. If the provider exercises reasonable diligence and still makes a mistake, the provider is not liable. No administrative complaint or decision issued by the Department of Health and Human Services (HHS) has found an honest mistake to be the basis for CMP sanction.

H.R. 2389 Proposal: Section 201 would redefine the term ''should know'' in a manner which does away with the duty on providers to exercise reasonable diligence to submit true and accurate claims. Under this definition, providers would only be liable if they act with ''deliberate ignorance'' of false claims or if they act with ''reckless disregard'' of false claims. In an era when there is great concern about fraud and abuse of the Medicare program, it would not be appropriate to relieve providers of the duty to use ''reasonable diligence'' to ensure that their claims are true and accurate.

In addition, the bill treats the CMP authority currently provided to the Secretary in an inconsistent manner. On one hand, it proposes an increase in the amounts of most CMPs which may be imposed under the Social Security Act. Yet, it would significantly curtail enforcement of these sanction authorities by raising the level of culpability which must be proven by the Government in order to impose CMPs. It would be far preferable not to make any changes to the CMP statutes at this time.

MAKING THE ANTI-KICKBACK STATUTE MORE LENIENT BY REQUIRING THE GOVERNMENT TO PROVE THAT ''THE SIGNIFICANT'' INTENT OF THE DEFENDANT WAS UNLAWFUL

Background: The anti-kickback statute makes it a criminal offense knowingly and willfully (intentionally) to offer or receive anything of value in exchange for the referral of Medicare or Medicaid business. The statute is designed to ensure that medical decisions are not influenced by financial rewards from third parties. Kickbacks result in more Medicare services being ordered than otherwise, and law enforcement experts agree that unlawful kickbacks are very common and constitute a serious problem in the Medicare and Medicaid programs.

The two biggest health care fraud cases in history were largely based on unlawful kickbacks. In 1994, National Medical Enterprises, a chain of psychiatric hospitals, paid $379 million for giving kickbacks for patient referrals, and other improprieties. In 1995, Caremark, Inc. paid $161 million for giving kickbacks to physicians who ordered very expensive Caremark home infusion products.

Most kickbacks have sophisticated disguises, like consultation arrangements, returns on investments, etc. These disguises are hard for the Government to penetrate. Proving a kickback case is difficult. There is no record of trivial cases being prosecuted under this statute.

Let me repeat, the IG says this provision will ''significantly curtail enforcement of these sanctions.'' Mr. President, this provision has no business in this conference report and flies in the face of the bill's section title ''Preventing Health Care Fraud and Abuse.''

Along with other exemptions provided in the bill, this change will cost taxpayers $200 million, according to the Congressional Budget Office [CBO].

The conference agreement also includes a provision from the House bill requiring the IG to provide advisory opinions to the public on the Medicare anti-kickback statute. The Attorney General and the HHS strongly oppose this provision. In fact, the Attorney General in a June 6, 1996 to then Majority Leader Dole and Speaker GINGRICH said:

This is an unprecedented and unwise requirement that would severely undermine our law enforcement efforts relating to health care fraud. The HHS IG said in her letter to me that similar provisions would ''severely hamper the Government's ability to prosecute health care fraud.''

She goes on to say:

Even with appropriate written caveats, defense counsel will hold up a stack of advisory opinions before the jury and claim that the defendant read them and honestly believed (however irrationally) that he or she was not violating the law. The prosecution would have to disprove this defense beyond a reasonable doubt. This will seriously affect the likelihood of conviction of those offering kickbacks.

Mr. President, I strongly support the concept of providing the public and health care providers guidance on complying with Medicare law. The government does issue advisory opinions and other guidance and it should be provided the resources to do more. But law enforcement should not be forced to

issue information that it feels will undermine compliance with anti-kickback laws.

The Attorney General and IG have said that these requirements are so damaging to their ability to prosecute fraud because they would require law enforcement to issue opinions on intent based statutes. Because of the inherently subjective nature of intent, they believe it would be impossible for them to determine intent based solely upon a written submission from the requestor. They point out that it does not make sense for a requestor to ask the Government to determine the requestor's own intent.

The Congressional Budget Office has scored this advisory opinion provision as costing taxpayers $280 million over the next 7 years. They recognize the obvious, that this provision will result in fewer successful prosecutions of health care fraud.

Mr. President, there are a number of provisions in the conference agreement that would, taken alone, improve our fight against Medicare fraud, waste, and abuse—provisions I have long advocated. The bill creates a mandatory source of funding for the IG, the FBI, and other law enforcement agencies.

Their efforts return many times their costs in savings. In order to make this change significant, though, we can't simply eliminate existing discretionary funding for these activities in the appropriations bill.

The bill also requires some steps to be taken to encourage and assist Medicare beneficiaries in identifying and reporting fraud and abuse. Significant additional steps are needed to assure that seniors really have the tools they need to fully participate in this important effort.

So, Mr. President, this bill is a mixed bag. I will support it because it provides important new protections to working Americans and tax relief for farmers and the self-employed. However, I will actively work to have the provisions which hamper our efforts to combat health care fraud and abuse removed from the books.

AID TO SMALL BUSINESSES

Mr. KERRY. Mr. President, this is a good day for hard-working Americans and small business owners across the Commonwealth of Massachusetts. The final passage of the Small Business Job Protection Act will stoke the engine of job growth in this country and will help further the current economic expansion.

Just 2 days ago, we learned that, in the second quarter of 1996, our national economy posted a robust 4.2 percent growth rate. This buoyant growth figure is just the latest indication that the Clinton economic plan which the Congress passed in 1993 without one single Republican vote is benefiting hard-working Americans. We have unprecedented low interest rates and subdued inflation and unemployment levels. In fact, the Clinton plan has created more than 10 million jobs since its enactment.

Mr. President, the Clinton plan reduced the deficit from a record-high $290 billion in 1992 to a projected $117 billion this year. That is a 60-percent reduction of the deficit in 4 years, Mr. President. But some Members on the other side of the aisle seem to forget that deficit reduction is, in and of itself, not an economic policy. Cutting wasteful spending in order to keep interest rates low whole protecting programs and services which stimulate growth and create jobs is an economic policy. It is an economic plan. It is, in fact, the core of the Clinton plan, and I am pleased to have helped shape this plan.

Just 2 weeks ago, the Chairman of the Federal Reserve, Alan Greenspan told me that our economy has not looked this sanguine in 3 years. But I reminded him during our Banking Committee hearing that all Americans have not yet felt the benefits of the Clinton plan. Accordingly, I introduced the American Family Income and Economic Security Act this year. Several provisions of my 20-point plan will become law when the President signs the conference report before us.

One of these provisions is raising the minimum wage to $5.15 per hour, which I will address in a separate statement later this afternoon.

Two other provisions of my bill which are echoed in the Small Business Job Protection Act are the extension of the credit for research and experimentation and the deduction for employer-provided educational assistance.

This bill will extend the R&E Tax Credit, sometimes called the Research and Development Tax Credit, until May 1997. Mr. President, for years, I have fought to make this credit permanent; it is one of the most important tax provisions for our high-technology, high-wage, job-crating industries, many of which are found in my home State. I am disappointed this bill does not make the credit permanent or retroactive; however, I am pleased the Congress is once again acknowledging the significance of the credit.

The bill will also extend the exclusion, up to $5,250, for employer-provided educational assistance through May 1997. This provision gives many Americans an opportunity to further their education while working. It allows them to upgrade their skills in order to survive and compete in the changing global economy.

These provisions are the logical complements to the Clinton economic plan. They will help more working Americans to enjoy the benefits of the current robust economic growth. I will continue to fight for other provisions of my American Family Income and Economic Security, like allowing more Americans to save for their retirement through IRA's, safeguarding pension plans from corporate raiders, reducing capital gains tax rates for investors in targeted, high-technology industries, furthering training programs and expanding stock option programs.

Mr. President, there is one last provision of the small business job protection bill of which I am extremely proud. For almost 8 years, hard-working owners of fishing vessels in New Bedford, MA, have been subject to an Internal Revenue Service ruling that would have resulted in approximately $11 million in penalties. This situation arose from an IRS misinterpretation of the Tax Code as applied to crewmembers on small fishing vessels. The IRS' interpretation and assessment nearly devastated the fishing families in southeastern Massachusetts—a region struggling with the departure of the textile industry and the demise of the fishery. I am pleased that this bill includes a correction to this wrong-headed interpretation. This action is providing relief for four fishing vessels in New Bedford—F/V *Edgartown*, F/V *Nordic Pride*, F/V *Lady J*, F/V *Steel*—by rendering moot a court action against them.

Life on the seas requires fishermen to be ruggedly independent individuals. Fishing boat operations reflect this independence in that they are fundamentally small business operations with crews that typically vary from trip to trip, with each crewmember acting as a free agent. Recognizing that there was a unique worker arrangement on fishing vessels, Congress amended the Tax Code in 1976 to clarify the employment status of crewmembers as self-employed and required the self-employed crewmembers to be compensated solely with a share of the catch.

It is common practice on fishing boats around the country to provide a small cash payment called a pers to the cook, first mate and engineer in recognition of additional duties they perform at sea. These pers represent only 1 to 5 percent of the total compensation which amounts to approximately $500 annually on a $30,000 income.

This bill will allow the pers payments—which are essentially calculated as a share of the catch—without jeopardizing the self-employment status of crewmembers. Let me emphasize, Mr. President, that the boat owners believed they complied with the new tax laws and regulations, and in fact they did comply with the law as Congress intended it to be applied to small fishing vessels.

With my colleagues from Massachusetts, Senator KENNEDY and Congressman FRANK, I tried to remedy this situation for 7 years. We appealed to the Treasury Department and the Internal Revenue Service, and introduced legislation that was vetoed twice by President Bush. Today, I am pleased that this issue will be resolved as soon as President Clinton signs this bill.

Mr. President, this has been a long and difficult struggle to provide relief for the fishing families of New Bedford. Like the hard-working people of southeastern Massachusetts, small business owners and American workers will enjoy the benefits of this bill. I am

pleased that the Senate will speak with a strong bipartisan voice to raise the minimum wage, to provide tax incentives for small businesses and, especially, to assist the families of New Bedford, MA.

I yield the floor.

EMPLOYER SECURITIES IN ERISA PLANS

Mr. BREAUX. Mr. President, I rise today to address the full Senate and the distinguished chairman of our Finance Committee, Senator ROTH. On June 5, I suggested to the Finance Committee that it adopt a provision that would permit subchapter S corporations to sponsor ESOP's, or employee stock ownership plans.

When the precise language of my proposal was published as section 1316 of H.R. 3448, I was disappointed to read that some of the special tax benefits that currently are available with respect to ESOP's would not be available in the case of an ESOP that acquires and holds subchapter S corporation stock.

I would like to note that the provision in the bill before us related to employer securities and sub S ERISA plans is not to take effect until January 1, 1998. Between now and then, I will review how we can make it possible for subchapter S corporations to avail themselves of the special ESOP tax benefits, which will encourage greater use of this provision.

After this review, I hope to be able to offer reasonable alterations to H.R. 3448 that will expand our policy of promoting employee ownership through ESOPs.

Mr. ROTH. Mr. President, I appreciate the comments of the Senator from Louisiana and look forward to reviewing any thinking he may have for future legislation on this matter.

DISCRIMINATION UNDER NEW IRS SECTION 936

Mr. GRAMS. Mr. President, I am very concerned about regulations that were just issued by the IRS in May regarding the section 936 possession tax credit. These new regulations cast aside regulatory rules upon which companies have relied for many years permitting arm's length pricing in the purchase of components. The new regulations produce the discriminatory result that an arm's length third-party price can be used to value outbound sales of components but not inbound purchases of components by the possession company for purposes of the section 936 calculation. I believe that a fair and workable solution can be developed to address these concerns and would ask the Senator to join me in encouraging the Treasury Department to seek such a solution.

Mr. ROTH. I believe this is an area that Treasury and the IRS need to revisit. I join the Senator from Minnesota in encouraging them to do so.

Mr. HATCH. Mr. President, I rise today to describe why the repeal of Internal Revenue Code section 956A, which is included in the Small Business Tax Relief bill, is important to both U.S. businesses and American workers.

In his remarks 2 days ago, the distinguished senator from North Dakota insisted on referring to the repeal of 956A as opening a tax loophole. This is simply not true. Rather, what the repeal does is loosen a noose that has been strangling the competitiveness of many of our U.S. businesses.

How many of my colleagues would stand up and say, ''Yes, I would like to hamper the competitiveness of U.S. businesses abroad by imposing tax restrictions on them unequal to any restriction imposed on their competitors.'' Or, how many of my colleagues would say that they are in favor of discouraging U.S. firms from increasing employment at home by taking advantage of business opportunities abroad. Yet, in essence, this is the effect of not repealing section 956A.

I don't believe there is even one Senator in this Chamber who wants to go home in August and brag about putting U.S. companies at a competitive disadvantage. I don't believe there is even one Senator who wants to go home and brag about eliminating jobs for U.S. workers. Yet, this is exactly what section 956A does.

Mr. President, let me briefly discuss the history of section 956A. Until 1993, when President Clinton signed the largest tax increase in the history of this Nation, the U.S. generally did not tax the active income earned by a U.S. corporation's foreign subsidiaries until that income was actually repatriated to the U.S. parent. This tax deferral enabled U.S. companies with foreign affiliates to compete on a reasonably level playing field with foreign competitors. This is because no other industrial nation's tax law forces a parent corporation to pay taxes on income earned by a subsidiary until that money is sent home to the parent.

However, in 1993, the Clinton administration proposed and Congress enacted a limitation on this tax deferral. The provision, now known as section 956A, forces the parent corporation to pay tax on a portion of its foreign subsidiary corporation's active income to the extent it has an excessive accumulation of passive assets.

Mr. President, this new restriction did not close a tax loophole. Instead, 956A closed doors of opportunity for U.S. business and hindered employment and investment growth. As I mentioned, section 956A has no counterpart in the tax laws of our foreign competitors. Hence, it effectively places an undue burden on U.S.-owned companies abroad—a burden that our competitors do not have.

There are some who want us to believe that the enactment of section 956A would discourage U.S. companies from moving jobs overseas. Mr. President, this is just not true. In fact, the provision has resulted in just the opposite effect—it encourages U.S. companies to employ more overseas workers.

Let me explain. As I stated before, section 956A subjects excessive passive assets to U.S. tax before profits are repatriated to the United States. This provision has actually created an unintended incentive for companies to invest in hard assets, such as manufacturing facilities, outside the United States. Doing so enables the subsidiary to increase its hard assets and thus lower the ratio of it passive assets to total assets, which effectively lowers the tax. Manufacturing facilities, unlike passive assets, require workers, almost always hired from the host nation. Thus, the perverse effect of section 956A is to provide an incentive for U.S. multinational companies to invest in jobs overseas for non-U.S. workers.

Contrary to what some contend, U.S. companies generally do not invest abroad simply to take advantage of lower labor costs. In fact, most foreign investments by U.S. companies are in countries where labor costs are often higher than in the United States. In 1993, two-thirds of the assets and sales of U.S.-controlled foreign corporations were in seven primary locations: Germany, France, Japan, United Kingdom, Netherlands, Canada, and Switzerland. The average annual compensation paid to foreign workers in these countries was 15 percent higher than the average paid to workers in the United States by the parent corporations.

U.S. foreign businesses are almost always established in order to better service foreign customers, to have a local presence, to avoid excessive transportation costs, or to develop natural resources in the geographic locations where they are found. In other words, decisions of where to invest are made for solid business reasons—not for tax avoidance. Many foreign countries insist that contracts be made only with local entities.

It is also important to note that these U.S. subsidiary corporations seldom take jobs away from the United States, but actually supplement domestic production and increase U.S. jobs. U.S.-owned foreign corporations are large purchasers of exports from their affiliated companies in the United States. According to the U.S. Department of Commerce, 40 percent of U.S. multinational corporations' exports are sold to U.S. affiliates overseas.

For every one billion U.S. dollars in manufactured exports, over 14,000 manufacturing jobs are created in the United States. Employment growth between 1987 and 1992 at U.S. plants that started or continued exporting during that time was 17 to 18 percent greater than at comparable plants that did not export.

These statistics clearly indicate that expanding U.S. business overseas increases growth back home, including employment growth. We cannot ignore the global economy we are living in by discouraging U.S. companies from expanding to other countries.

Repeal of section 956A doesn't benefit just a handful of large corporations, as has been suggested. Small businesses must invest overseas also. In today's

world, any business that doesn't recognize the necessity to go global is in jeopardy of losing out to foreign competition. In fact, many small Utah businesses are having great success in exporting and are finding a need to invest outside the U.S. to establish a global presence. Does this mean we are losing jobs in Utah? Hardly. Rather, such international growth has further fueled my State's employment boom.

Finally, Mr. President, let me emphasize that repealing 956A will give no special treatment to U.S. businesses with foreign affiliates. In fact, the tax treatment of U.S. businesses after the repeal of 956A will be the same as the tax treatment received by a U.S. individual who holds shares in a company and defers U.S. tax on the earnings of the company until the company actually pays the dividend to the shareholder.

Until 1993, our tax law has always taxed the active profits of American-owned companies abroad when those earnings were sent to the U.S. company through dividend, transfer payment, or other means. Let me reiterate that repeal of section 956A does not change this basic concept of the Internal Revenue Code. Rather, it restores the traditional treatment that was changed by the misguided 1993 provision.

I am proud to say that I stand for creating employment for American workers. I stand for increasing our exports and developing foreign markets, and I stand for repealing section 956A to remove the strangling provisions it places on U.S. businesses trying to compete on a level playing ground with foreign competitors.

Ms. MOSELEY-BRAUN. Mr. President, I rise in support of the Small Business Job Protection Act, particularly its minimum wage provisions. I would like to commend Chairman ROTH and members of the Finance Committee who worked in a bipartisan fashion to put together a very comprehensive bill that helps small businesses invest, grow and create new jobs.

I am particularly proud to have succeeded in including a large number of provisions in the Small Business Job Protection Act that I, along with my colleagues, worked very hard to place in the bill and retain in conference. These provisions will help to change peoples lives by creating pension equity, providing educational assistance, preventing job loss, moving people from welfare to work, encouraging research and development and giving assistance to first-time farmers.

One of my primary focuses during this Congress has been to identify and resolve the current pension laws that are and have been inequitable toward women throughout history. As a result of this effort, earlier this year, I introduced the ''Women's Pension Equity Act of 1996.'' This bill begins to assist millions of women retain pension benefits earned during many years of marriage. Today, I want to thank Chairman ROTH for including in this small business tax legislation two of the most important provisions from my women's pension bill, provisions which received broad bipartisan support. One requires the Department of Treasury to create model language for spousal consent with respect to survivor annuities for widows. The second requires the Department of Treasury to create model language for Qualified Domestic Relations Order forms used to divide pensions during divorce.

Pension retention—issues associated with holding onto earned pension rights—are important safeguards against ''retirement surprise.'' Pensions are often the most valuable financial asset a couple owns—earned together during their many years of marriage. Unfortunately, it is now all too easy for a woman to unknowingly compromise her right to a share of her spouse's pension benefits in case of widowhood or divorce. If she reads ''lifetime annuity'' to mean her lifetime and signs the forms waiving survivor benefits, she loses her pension if her spouse dies. In case of divorce, if both spouses do not sign a complete QDRO form, she loses her right to any pension benefits, even if the marriage lasted fifty years. The provisions adopted in this bill will make it more likely that women will be able to protect their rights and retain their pensions.

Additionally, I am an original cosponsor of the Spousal IRA Equity legislation. This provision will allow a deductible IRA contribution of up to $2,000 per year to be made by each spouse including homemakers. Currently, a spouse who works outside the home is allowed to make tax-free contributions to an Individual Retirement Account up to $2,000 annually. However, the spouse that works in the home is only allowed to contribute $250 annually. This Congress has agreed for the first time to right this wrong and provide fairness for women who work both outside of and in the home.

I regret the deletion by the conference committee of safeguards against the taxation of non-physical compensatory damages. That provision is inequitable because it makes a distinction between physical and non-physical compensatory damages. Under this bill, victims of sex discrimination, race discrimination, and emotional distress would be required to pay taxes on any damages they receive while, on the other hand, victims of battery will not be taxed. Not only is this provision bad tax policy but it is discriminatory, and will make it more difficult for victims of these crimes to achieve justice. I hope the Congress will revisit this issue and correct this injustice.

Despite my displeasure with this particular provision, this is a good bill. The bill increases investment by small businesses and creates incentives for businesses to move people from welfare to work. It creates a new tax credit, called the Work Opportunity Tax Credit, which replaces the old targeted jobs tax credit program. The Work Opportunity Tax Credit encourages employers to hire people from populations suffering from high unemployment, who are on government assistance or who have limited education. I am just delighted that the conference bill includes a provision I authored, along with my Colleagues Senators BAUCUS and HATCH, that will help expand the pool of eligible employees by adding a category for indigent 18- 24-year-olds. Adding this category encourages employers to hire young people who are all too often overlooked, promotes self-sufficiency and prevents our young people from returning to the welfare system. The Work Opportunity Tax Credit will enable employers to access the credit after an employee has worked 400 hours, thereby providing additional incentives for job training.

Job training and educational assistance by employers is essential to create a strong work force. That is why I am so pleased that I was able to work with Senators ROTH and MOYNIHAN to enable employers to provide educational assistance to their employees without including the costs associated with such assistance in their gross income. This exclusion ended December 31, 1994 and is retroactively reinstated in this bill. However, the program only applies to undergraduate study until January 1, 1998 and it troubles me that the House would not agree to extend the benefit to employees who are in graduate school past June 1996. Employer-provided educational assistance on a graduate level helps our national competitiveness, and I hope that we will revisit the limitations of this bill.

The investments we make today in education and research will determine our global competitiveness in the future. That is why I am happy that this bill extends the Research and Experiment Tax Credit through May 31, 1997 however, I believe it should have been retroactively reinstated in this bill and hope that it will be made permanent in the future. If government does not encourage research and development, it will have a negative impact on our international competitiveness and our national security. The R & E tax credit has demonstrated its efficacy, and it should be continued with sufficient certainty to encourage long term planning and investment in this area.

A tax credit for nonconventional fuels is yet another investment that will help develop new sources of coal and methods to recycle biomass that will increase our technological advancement. The section 29 tax credit is important for recovering and managing landfill gas such as methane. In so doing, it helps to improve the quality of life around landfills, reduce smog, and alleviate global warming. With this tax credit, landfill gas has become a practical fuel for use in conventional electrical generating equipment. However, the extension of the credit will be less effective as it relates to coal because an additional year is needed to

get plants up and running given the complexity in converting coal into synthetic fuels. I hope we will revisit the effective date of the ''placed in service'' deadline.

The effective date was changed in the conference agreement for the repeal of the fifty percent interest income exclusion for financial institution loans to Employee Stock Ownership Plans [ESOPs]. In the original legislation, the House wanted to retroactively repeal the fifty percent interest income exclusion for ESOPs using October 13, 1995 as the effective date. As you may assume, that early effective date would have a devastating impact on companies that had reasonably relied upon the current laws and acted to establish an employee stock ownership plan. I am quite pleased that the conference agreement included today as an effective date. Although I am pleased that today will be the effective date for repealing this provision, I wish that we did not have to repeal the fifty percent interest income exclusion for Employee Stock Ownership Plans at all because they are good for business and good for employees. When an employee owns part of the company, their investment is greater, their work product is better and their loyalty will last longer, this bill only makes it harder for this to occur.

Not only does this bill help small businesses but it also helps first- time farm buyers. As a cosponsor of the Aggie Bond bill, I am thrilled that it is included in this conference agreement. Provisions of the aggie bond legislation helps to insure Illinois farmers and farmers all over the nation are given assistance in maximizing their participation in the first-time farm buyer program. This provision allows the purchase of farms from related parties and increases the maximum-size requirements for first-time farmer industrial development bonds.

Not only does this bill help farmers and small businesses but it also helps low wage workers with an increase in the minimum wage. Raising the minimum wage is about allowing people to realize the American Dream. It is about valuing hard work and providing people with the opportunity to provide for their families.

For the millions of American's who support themselves and their families on $4.25 an hour, the current minimum wage is not enough to raise them out of poverty. The ninety cent increase we are voting for today will make a difference to the ten million Americans that earn the minimum wage.

In Illinois, over 10 percent of the workforce, or 545,647 people, earns the minimum wage. The majority of the people earning the minimum wage—two-thirds—are adults, many are parents. Working 40 hours a week, 52 weeks a year, a person earning the minimum wage currently earns only $8,840. The poverty rate for a family of four is $15,600.

In light of our recent vote on ending the welfare safety net for children, I would like to point out that close to 60 percent of those earning minimum wage are women. These are women who are taking responsibility for themselves and their children. They go to work every single day, and still the minimum wage does not provide them with a living wage on which to raise their families. This increase in the minimum wage will make a difference to these women.

Increasing the minimum wage by 90 cents over the next year is the right thing to do. It has been almost five years since the minimum wage was last increased. As I'm sure anybody who has gone to the grocery store or the doctor's office lately can tell you, in the last five years prices have increased, but wages have stayed the same. The report on our economy issued yesterday confirms this fact: wage growth was at 0.08 percent, while our economy grew at an annual rate of 4.2 percent.

Increasing the minimum wage will raise wages, not lose jobs. Last year a group of respected economists, including three Nobel prize winners, concluded that an increase in the minimum wage to $5.15 an hour will have positive effects on the labor market, workers, and the economy. Paying a living wage does not mean that jobs will be lost.

Workers are our greatest resource. We should recognize the contributions of our workers. Our country is founded on the belief that hard work is the foundation of success—this is the American Dream. Congress should encourage, not discourage, effort and perseverance. A minimum wage should provide a living wage for those who are working day in and day out to provide for themselves and their families. Family values and the American Dream are ideas we like to talk about, but today we can actually make them more real for millions of Americans.

Although it is not perfect, this is a good bill. Women, children, and working people will all benefit, and it will help promote job-creation, and economic growth. I want to commend my colleagues on the Finance Committee, particularly Chairman ROTH and the ranking Democratic member, Senator MOYNIHAN, who have worked hard to produce a bipartisan bill that promotes growth and stability among small businesses.

I urge my colleagues to join with me in supporting the final passage of what is generally a common sense, people oriented, bipartisan bill.

Mr. CRAIG. Mr. President, I rise in opposition to the conference report on H.R. 3448.

This title of this bill is supposed to be the ''Small Business Job Protection Act of 1996''.

Title I, the tax title, is consistent with that spirit. It would make the Tax Code a little fairer, improve economic and employment opportunities, and provide some necessary tax relief.

But the problem remains that, in passing this bill as a whole, we would be driving the economy with one foot on the gas and the other on the brake.

The Senate had the chance to tip this bill in favor of creating more and better jobs and providing necessary relief for small businesses. Unfortunately, on a close vote, this body defeated the amendment offered by the Chairman of the Small Business Committee, the Senator from Missouri [Mr. BOND]. That amendment would have protected small, vulnerable employers from a one-size-fits-all mandate increasing the federal minimum wage.

The Democrat Party had two years, during which it controlled the White House and the Congress, to increase the minimum wage. They never moved a bill out of committee. They never offered an amendment on the floor. They waited until this year to strike. I just have to suspect there were some political motivations involved, and some crocodile tears shed over the workers they say they want to help.

I commend those who have labored long and hard to take a legislative lemon and turn it into lemonade. I am sorry I cannot, in good conscience, vote for the resulting bill.

All too often, Congresses and Presidents have taken a perceived problem, put it under a microscope, and tried to address it with a one-size-fits-all federal mandate. The result often has been government by anecdote. Unintended consequences and innocent bystanders have not always been taken into account in the rush to adopt a ''feel-good'' solution.

That risk of unintended consequences is definitely present in the bill before us today.

We feel for those Americans who are working hard at making ends meet. It is easy and it is tempting to look at a $4.25 an hour minimum wage and say, let's just mandate an increase in that wage. But that is the wrong answer. That approach will hurt the very persons it is meant to help—the working poor and entry-level employees.

Common sense, the laws of economics, and experience all tell us this. We've all heard the numbers. The commonly accepted figure is that a standalone increase in the minimum wage from $4.25 an hour to $5.15—a 21 percent increase—would result in the loss of at least 621,000 jobs. In Idaho, it would destroy 3,200 jobs.

I don't know how many of those jobs might be saved with the tax provisions in this bill, but it's obvious that many small employers will fall through the cracks. These are the businesses who will have little or no opportunity to use the tax relief provisions elsewhere in this bill.

These are employers who have taken pride in creating jobs and opportunities for those who need them, and who take pride in serving their customers at affordable prices.

I've heard from many small businesses in Idaho who are concerned about this bill. They are already calculating whether they will have to lay

off employees because of this bill. Restaurants are already having new menus printed up with higher prices. Jobs will not be available for young and entry-level workers, because some employers simply will no longer be able to afford them when the government arbitrarily raises the price of their labor.

Some have suggested that the economic impact of such an increase is ''negligible.'' But it's not negligible for each American who loses his or her job as a result. In many cases, the job lost would be the most important one that person will ever have—his or her first job.

In recent years, small businesses have created every net new job in this country. They take the risks of hiring and training new workers. They do not have the economies of scale of large businesses and suffer a disproportionate impact from government regulation. They tend to be labor-intensive. If you drive up the costs of their labor, they will be forced to create fewer jobs.

In fact, 77 percent of the economists who responded to a survey of the American Economics Association agreed that, by itself, a higher mandated minimum wage would have a negative impact on employment.

Obviously, that negative impact is going to fall on workers at or near the minimum wage, and especially those who are the least-skilled and need an entry-level job the most.

Realistically, the federal minimum wage today already is a training wage. The average minimum wage worker is earning $6.06 an hour after one year.

In most work places, at every level of compensation, it is common for a new employee to be paid more after a few months. That is because there is almost always a learning curve, during which the employer is investing time, energy, and money in training and acclimating the new employee. The opportunity wage in this amendment simply reflects that reality of labor economics.

Mr. President, I do want to emphasize that I support the tax title of this bill. I particularly want to express my support and appreciation for several of these provisions, including:

The Shelby-Craig adoption tax credit; enactment of this credit is compassionate, pro-family, pro-children, and long overdue; increasing the availability of Individual Retirement Accounts for spouses working in the home as homemakers; revising and extending the Work Opportunity Tax Credit, which will help employers hire and retain disadvantaged employees; restoring and extending the tax exclusion for employer-provided educational assistance; making S corporation rules more flexible; providing fairer treatment for dues paid to agricultural or horticultural organizations; improving depreciation and expensing rules for small businesses.

I also commend the conferees for accepting the House's provision restoring and making permanent the exclusion from FUTA—the Federal Unemployment Tax—for labor performed by a temporary, legal, immigrant agricultural worker. Such employees are ineligible for FUTA benefits that are financed by this tax. Therefore, this tax is imposed on employers for no reason, except that the previous exclusion simply expired.

I have supported these provisions consistently in the past and commend the Finance Committee for including them in this bill.

I do want to express one note of concern. This bill would extend the Research and Experimentation Tax Credit, but with an early sunset—May 31, 1997—and without making it available for investments made after it last expired and before July 1, 1996.

The R and E Credit is one of those ''extenders'' that keep expiring and keep getting renewed. As a matter of fairness, most, if not all, of these extenders simply should be made permanent, or at least extended for a longer period of time. Several times in the past, these provisions have been renewed retroactively, but that is not the case of the R and E Credit this year.

This stop-and-start approach to tax law undoes much of the good intended by these tax incentive provisions. We need to provide taxpayers with greater predictability in the Tax Code if we want to be effective in helping them invest and create jobs.

Overall, the tax title provisions in this bill are valuable and beneficial. I commend the Chairman and Members of the Finance Committee for their work.

We should be passing laws that boost the economy, increase opportunity and create jobs. We can and should do better than passing a bill that gives with one hand and takes away with the other. Therefore, although there are good provisions in this bill, I must cast a nay vote today.

MORNING BUSINESS

THE PRESIDENT'S ''TRAVELGATE''

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Mr. GRASSLEY. Mr. President, yesterday's display by the President of the United States, snapping at reporters' questions about the Billy Dale bill, says a lot to me.

First, it tells me the President has once again gone back on his word. This is not a surprise. It has happened so often with this President. And to be fair to him, he is certainly not the first politician that has gone back on his word, from either party.

Yet, this President has championed the little guy. He came to town declaring war against all the wrongs resulting from the Washington political culture. Then, his own White House committed such a wrong.

Initially, the President did the right thing. He said his staff had made a mistake. They had handled the matter wrong. Their display of cronyism and favoritism was at the expense of the careers and reputations of seven dedicated public servants and their families.

All the while, the President's staff was waging war against the character of these seven. It's also known as character assassination. After that, the White House launched the IRS and the FBI to harass them, as if to justify the staff's wrongdoing.

Then, they sent the Justice Department out to prosecute them. They had the full force of the Federal Government out after these seven public servants and their families.

The case went to trial. And it took no time at all for a jury to acquit Billy Dale. That is how trumped up the charges were. A jury had no problem seeing that.

Clearly, the White House drove Mr. Dale and the others right out of town with no justification. It was pure, naked politics, cronyism and favoritism. And when a White House uses the powers and resources of the Nation's No. 1 law enforcement agency, the Nation's tax collecting agency—which also happens to be the No. 1 harassment agency—and the Nation's No. 1 prosecution department, against innocent workers and their families, try telling the public that's not grotesquely wrong.

And that is why Congress moved to reimburse Mr. Dale and the others for their legal expenses.

Even the President, after the acquittal, said he regretted what Mr. Dale had to go through. But the President has now decided that the right move is to reverse himself and defend what his staff did to these seven families. He defends zealous White House staffers using the full powers and resources of the Federal Government to harass innocent people. He lines up on the side of politics, cronyism and favoritism. He fails to right a wrong that was perpetrated by the Washington culture of politics.

The President did another reversal as well. After the acquittal, the President's personal attorney, Robert Bennett, issued an inappropriate and sour-grapes response. Mr. Bennett improperly discussed in public a confidential matter involving a plea agreement he alleged Billy Dale's attorney offered. Billy Dale denies the allegation.

Upon Mr. Bennett discussing confidential information, the White House rightly said Mr. Bennett had stepped over the line. His comments were objectionable and improper. The reason is, plea negotiations are confidential. Rules exist to protect that confidentiality. Mr. Bennett may have violated the intent of those rules. And so the White House admonished him.

It turns out, Mr. President, that the plea agreement issue came up again yesterday. In public. Notwithstanding the rules of confidentiality.

But this time, the White House didn't issue a statement of admonishment.

That's because it was discussed by none other than the President himself. The President of the United States is discussing confidential information in the public arena. And in the process, he's doing exactly the same thing that his office had admonished the President's attorney for doing earlier this year.

So here is what we have learned from the President's skirmish yesterday with reporters. First, he has now done a U-turn and allowed himself to get caught up in the mean-spirited attitude of his zealous political staff. Second, he has allowed himself to stoop to the level of the leakers and character assassins by discussing confidential information. Is this behavior befitting of what is expected of the President of the United States?

At the same time, the President has not kept his eye on the central issue—the clear need to right the wrong perpetrated by zealous White House agents.

Mr. President, this Travelgate issue is marked by a curious but telling phenomenon. At the beginning, the President was saying one thing, but the government he runs was doing the opposite. Obviously, we don't want or expect this in a Presidency. You want the President to say one thing, and have those in his control do that one thing, too. You want uniformity. You want the ''saying'' and the ''doing'' to be one and the same.

But there is another variable in the equation. In the Travelgate matter, the President's words reflected the right thing, and his staff's deeds reflected the wrong thing. So the President, in seeking uniformity, made the wrong choice. Instead of making his administration conform to his admirable utterances, he went native with the wrong side. That is why he is now attacking Billy Dale like his attorney did; and that is why he has suddenly decided he will not sign the bill.

Mr. President, this episode shows that the President has failed to uphold the principle of justice, fairness, and right vs. wrong in this matter. The test of any leader is to view his actions on matters that happen in his own back yard, or which affect him personally. [This is one such matter.] And to me, the President has failed that test of leadership.

By not doing the right thing—and in fact, by now joining the wrong side in the campaign to assassinate one's character—he has undercut his own moral authority as a leader. He has abdicated his responsibility to see that justice was done for seven of his own former employees and their families. He has abandoned his commitment to stand up for the little guy. In a sense—it is okay to stand up for all these high and mighty principles—jut not in my back yard.

And that is why, Mr. President, the President's about face in the Billy Dale matter is disappointing to me. And it tells me much about his leadership capacity.

I yield the floor.

TRIBUTE TO REAR ADM. ROBERT J. NATTER, U.S. NAVY CHIEF OF LEGISLATIVE AFFAIRS

Mr. LOTT. Mr. President, I take this opportunity to recognize and say farewell to an outstanding Naval officer and dear friend, Rear Adm. Robert J. Natter, who has served with distinction for the past 33 months as the Navy's Chief of Legislative Affairs. It is a privilege for me to recognize his many outstanding achievements and commend him for the superb service he has provided this legislative body, the Navy and our great Nation.

A native of Trussville, AL, Admiral Natter comes from a patriotic family of seven boys and two girls that has contributed immeasurably to our Nation's defense. All seven boys have served as commissioned officers in our Armed Forces—six in the Navy and one in the Air Force. Four graduated from the U.S. Naval Academy, one was commissioned through Navy Reserve Officer Training Corps, and one attended Officer Candidate School. Two are currently Navy admirals. I salute this family who has served our Nation so well.

Admiral Natter enlisted in the Naval Reserve at the age of 17 as a seaman recruit. Following 1 year of enlisted service and 4 years at the Naval Academy, he was graduated and commissioned an Ensign in June 1967.

Admiral Natter's service at sea includes department head tours in a Coastal Minesweeper and Frigate, and Executive Officer tours in two Amphibious Tank Landing Ships and a Spruance Destroyer. He distinguished himself in combat as Officer-in-Charge of a Naval Special Warfare detachment in Vietnam. He later commanded the guided missile destroyer U.S.S. *Chandler* and guided missile cruiser U.S.S. *Antietam*. He has been the recipient of many awards and commendations including the Silver Star and Purple Heart.

As the Navy's Chief of Legislative Affairs, Admiral Natter has provided timely support and accurate information on Navy plans and programs. Working closely with the United States Congress, he helped maintain the best-trained, best-equipped, and best prepared Navy in the world. His strong leadership provided a legacy of innovative, affordable and technologically superior naval systems and platforms for those who will serve in the Navy decades after he steps down as the Chief of Legislative Affairs. His consummate leadership, integrity, and tireless energy serve as an example for us all.

Mr. President, Bob Natter, his wife Claudia, and daughters Kelly, Kendall, and Courtney have made many sacrifices during his 30-year naval career. They have made significant contributions to the outstanding naval forces upon which our country relies so heavily. Admiral Natter is a great credit to both the Navy and the country he so proudly serves. As this highly decorated combat veteran now departs to take command of the United States Seventh Fleet, I call upon my colleagues from both sides of the aisle to wish him fair winds and following seas. He is a sailor's sailor.

TRIBUTE TO JOHN WAYNE

Mr. THURMOND. Mr. President, John Wayne, ''The Duke''. The mere name evokes in people around the world powerful images and fond recollections of the late actor and great American. Though he has been gone for 17 years, his spirit clearly lives on through his many movies and in the minds of his millions of fans. On August 17th, hundreds of people who admire this great man will gather in Los Angeles, CA to pay tribute to an individual who is a legend and an institution.

Americans are a tough lot. We are a nation that was founded by men and women of great courage, strength, and morals. It took tough and determined people to win our independence from the British; to fight for the cause of the Confederacy or the Union; to tame the wild west; to twice lead the world to victory in two vicious global wars; and, to have led the fight against forces bent on subjugating the freedom loving people of the world under the corrupt doctrine of godless Communists. Americans are individuals who admire self-reliance, honesty, and fairness, and without question, John Wayne was someone who personified these traits as a man, and who brought these qualities to the silver screen through his prolific career as an actor, director, and producer.

In countless movies, John Wayne portrayed mythic figures of American lore. Characters that included cowboys, lawmen, soldiers, sailors, and marines in films such as ''Stagecoach,'' ''The Sands of Iwo Jima,'' ''The Fighting Seabees,'' ''The Shootist,'' ''The Green Berets,'' ''True Grit,'' and dozens of other titles that soon became classics. It was impossible not to admire John Wayne and the roles he played for they all embodied the ideals that Americans hold dear. Moviegoers knew that if ''The Duke'' took a swing at someone, they deserved it, or if John Wayne fired a weapon, it was only to protect the life of an innocent person, to uphold the law, or to help defend the Nation. The characters John Wayne played were decent men committed to doing what is honorable and just, and for those reasons, he will be remembered as a American icon for many generations to come.

Mr. President, the United States is a nation that is made up of men and women who labor tirelessly to make our county a better place. Few people think about the police officers and firefighters who put their lives on the line, or the tens of thousands of service members spread around the world protecting American security, or the

nurses who tend to our sick. Day in and day out, these people carry out heroic acts with little or no recognition. John Wayne portrayed these people in his films, and they saw their efforts chronicled and, in The Duke, these Americans saw a little bit of themselves. There will probably never again be another actor who so embodies all the best qualities of our Nation. There will certainly never be another John Wayne.

TRIBUTE TO GARRETT D. BOURNE

Mr. THURMOND. Mr. President, I rise today to pay tribute to Colonel Garrett ''Gary'' D. Bourne, as he prepares to retire from his career as an officer and a soldier in the United States Army.

Gary Bourne began his career more than 28 years ago when he was commissioned a second lieutenant in the Field Artillery, and spending his first tour of duty with the 82d Airborne Division. Throughout his career, Gary Bourne has expertly met the many challenges of military service as an Army officer, and he has faithfully served his Nation in a variety of command and staff assignments throughout the world including the continental United States, Vietnam, Europe, Southwest Asia, and Panama.

If there is one thing an officer in the Army wants to do, it is to command troops, and Gary Bourne has done so at the battery and battalion levels. He ultimately held the much coveted position of Brigade Commander when he was tapped to lead the 210th Field Artillery Brigade. During his time with the 210th, the United States faced down Saddam Hussien, and Colonel Bourne was responsible for leading his brigade from Germany to Southwest Asia where his unit served as the covering force artillery commander for the VII Corps during Operation Desert Storm.

From 1987–1990, Colonel Bourne traded in his Battle Dress Uniform for a suit and tie and joined the Army Legislative Liaison Office to the U.S. Senate. During those three years many of us came to know this dedicated officer who tirelessly worked to represent the interests of the Army to members of this Chamber, as well as to assist us with matters related to the Army.

After an almost three decade career in the Army, Colonel Bourne will soon leave his present post as Chief of Staff of the Fifth United States Army and bring his service to the Nation to an end. The Colonel's career has been distinguished, and it has been marked by his commitment to duty and selflessness. I commend Colonel Bourne on his career of accomplishment and wish him and his wife good health and great happiness in the years to come.

FDA PERFORMANCE ACCOUNTABILITY ACT

Mr. GRASSLEY. Mr. President, we have accomplished many things this Congress. Just this week we passed a comprehensive welfare reform proposal which will end welfare as we know it. We passed a meaningful small business tax relief bill. And, we will pass a momentous health insurance reform bill that will improve the availability and portability of health insurance coverage.

I would like to point out another opportunity Congress has to pass a significant reform proposal and that is the Food and Drug Administration Performance and Accountability Act. I hope we can consider this bill when we return in September.

The Senate Labor Committee has spent a considerable amount of time on this comprehensive piece of legislation. And, let me point out, this reform proposal passed out of committee on an 11 to 4 vote.

The commonsense proposals in this bill are designed to strengthen the agency's ability to ensure that safe and effective new medicines are made available to patients without delay by eliminating redtape and streamlining operations.

The FDA is designed to achieve the goal of ensuring a safe and efficient approval process. And, the FDA has been concerned to protect the public from unsafe drugs.

But, it is time to ensure that the agency becomes equally concerned about promoting public health by making safe and effective new therapies available to patients as soon as possible. Patients can be harmed by delay in approving safe and effective new medicines just as they can by the approval of unsafe new medicines.

I urge the majority leader to consider this legislation in a timely enough matter so that we can send it to the President and I ask unanimous consent to have printed in the RECORD an editorial by Senators KASSEBAUM and MIKULSKI in support of this piece of legislation.

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

[From the Washington Post, July 26, 1996]

THE FDA CAN WORK BETTER

(ByBarbara Mikulski and Nancy Kassebaum)

The Post's July 17 editorial ''Reform Isn't Risk-Free'' continues the drumbeat of negative commentary on our efforts and the efforts of a bipartisan group of our colleagues on the Senate Labor and Human Resources Committee to achieve meaningful reform of the Food and Drug Administration.

At the outset, we would make the point that a failure to make needed reforms is by no means a risk-free proposition. Inaction and delay victimize just as surely as the wrong action. We hear constantly about the deformities prevented in the early 1960s by the agency's not approving thalidomide. Rarely, however, is a word spoken about the cases of spina bifida that could have been averted had the FDA not delayed for years in permitting health claims to be made about the benefits of folic acid in preventing such neural tube disorders.

As the 1989 ''Edwards Commission'' report put it: ''The agency should be guided by the principle that expeditious approval of useful and safe new products enhances the health of the American people. Approving such products can be as important as preventing the marketing of harmful or ineffective products.'' The Edwards Commission was but one of a series of distinguished panels convened during the past two decades that have urged FDA reform.

During the year-long process in which our legislation was developed, we drew heavily from the work on these expert panels. Contrary to The Post's suggestion that we are rushing a poorly though-out piece of legislation to the Senate floor, we believe that this bill embodies the best thinking on this topic produced over years and years of study.

Moreover, we have drawn as well from the successful experience of the FDA in expediting approval of AIDS drugs without jeopardizing safety and effectiveness. In response to sustained pressure from the AIDS community, the agency demonstrated that it could, in fact, change its culture and its procedures to implement reforms it had resisted for years.

Unfortunately, this experience has not been regarded as a foundation upon which to build further improvements but, rather, has been seized upon as ''proof'' that further changes are unnecessary. Scientific methods and technology have changed dramatically since the thalidomide incident, while regulatory structures have barely bulged. Applications for the approval of new drugs typically run to hundreds of thousands of pages.

An incentive is growing for U.S. companies to move research, development and production abroad, threatening our nation's continued world leadership in new product development, costing American jobs and further delaying the public's access to important new products.

It is disconcerting to us that our efforts are being regarded as a ''hostile takeover'' of the agency, as opposed to the sincere effort it is to enhance the professionalism, stature and effectiveness of the agency. The bill maintains the FDA firmly in the driver's seat; it does not turn over all the regulatory power to the private sector, as critics have charged inaccurately. It encourages cooperation from the very beginning of the process so that costly delays can be avoided at the end of the road.

It is perhaps even more disconcerting to hear critics of our efforts suggest that we are willing to put people's lives at risk in order to collect large campaign contributions from the drug industry.

The strong bipartisan vote in the Senate Labor and Human Resources Committee reflects the desire of Republicans and Democrats alike to make the FDA work better for all Americans. We have reached out to the administration, and we are more than willing to make constructive changes in the legislation as reported by the committee. We are not, however, willing to tolerate endless rationalizations as to why the status quo should be maintained. Our goal is to maintain these core principles: streamline and clarify the regulatory process while maintaining safety and efficacy.

Our determination to move forward is fueled by the plight of countless individuals who have contacted us over the years to request assistance in speeding the FDA's evaluation of new therapies that hold promise for treating serious illnesses, such as amyotrophic lateral sclerosis (ALS), multiple sclerosis and cancer. For these individuals, the real risk is not that we will act in haste, but rather that we will fail to act at all.

Barbara Mikulski is a Democratic senator from Maryland. Nancy Kassebaum is a Republican senator from Kansas.

RETIREMENT OF COL. JOHN R. BOURGEOIS, USMC

Mr. NUNN. Mr. President, I would like to take a few moments to acknowledge the ''passing of a baton'' both in the literal and figurative sense.

On July 11, 1996, Col. John R. Bourgeois, the 25th director of the U.S. Marine Band and Music Advisor to the White House, retired. He had led the band, known as the President's Own, for 17 years.

A native of Louisiana, Colonel Bourgeois joined the Marine Corps in 1956 and joined the band just 2 years later as a French horn player. When he was appointed to his present grade, he became the first musician in the Marine Corps to serve in every rank from private to colonel.

As director of the Marine Band and Music Advisor to the White House, Colonel Bourgeois has selected the music for each Presidential inauguration since 1981 and has appeared at the White House more frequently than any other musician.

I am sure that those of my colleagues who have enjoyed the band's incredible performances at the evening parades or in other venues are not surprised that Colonel Bourgeois and the Marine Band remain the favorite of Presidents year after year.

When he retired, Colonel Bourgeois literally passed the baton—a baton that had been given to another director of the Marine Band, John Philip Sousa, over a century ago—to Maj. Timothy W. Foley, who has been nominated to become the next director.

The particular connection between the military profession and its rousing music has transcended the years and national borders. It is as much a part of history as military service itself.

As Colonel Bourgeois retires from active duty after a distinguished career of service to the Marine Corps and his country, I know all of my colleagues join me in expressing our deepest appreciation for the passion and professionalism he has brought to his duties, and the joy and pride he has brought to so many Americans.

TAIWAN STUDENTS AND FREE EXPRESSION

Mr. REID. Mr. President, in our Nation we take for granted the ability to speak freely and express what we please with no governmental interference. There are a number of celebrated legal cases that delineate the standard of time and manner regulation of speech in America and other select limitations. Moreover, here in America we don't believe that expression is allowed for one group and not for comparable organizations. Such designated permission is paramount to censorship of the party denied their speech.

In this regard, I voice my concern today about an incident that has been reported about an incident that occurred at the Olympic Games in Atlanta during a table tennis championship between Taiwan and the People's Republic of China. During the game, two Taiwanese students waving the national flags of Taiwan were arrested under the premise that they could not wave large flags, yet all around them large flags from other countries were in fact being waved by a multitude of those present at the event.

Mr. President, to understand the deep significance of this event is to know that the contentions over flags and other items of national emblems and insignia is one of the issues that has long obstructed an amiable relationship between the People's Republic of China and Taiwan. This history is extensive and, frankly, humiliating to Taiwan, which has not always been afforded the full privileges of national pride at events where both the Peoples' Republic of China and Taiwan have been represented.

Again, at these Olympic Games in Atlanta, Taiwan was subject to not displaying their recognized flag and subjecting their representatives to wearing other colors and design. While the Taiwan Government recognized the need for its official representatives to abide by an arrangement with the Olympic Committee, Taiwanese fans were not subject to such agreements. Nor should they have been. I believe the United States would have been furious if its citizens were asked to not display the Stars and Stripes or substitute the flag for another emblem under which to cheer their teams. Yet, in Atlanta, the Taiwanese citizens were arrested for ''disruption of public order by waving the flag of the National Republic of China (Taiwan).'' Mr. Hsu, a citizen of the Peoples' Republic of China and chairman of the International Table Tennis Association, admits to calling on the police to arrest the students.

I am concerned that the Atlanta Police Department was answering to a citizen of the Peoples' Republic of China in conducting arrests of individuals in America. Additionally, the question of subjecting citizens from countries to all of the agreements that the formal representatives may agree to is also a disturbing precedent. I believe the International Olympic Committee should carefully examine these circumstances, particularly since we in the United States fundamentally believe in more expression rather than less. Oliver Wendell Holmes once pronounced a need for great protection of the ''marketplace of ideas.'' We should do no less for the expression of national pride. We should not be party to restricting some individuals for waving flags when the premise of the Olympic Games is the competition of athletes representing their nations. I urge an examination of the facts of this situation by the proper authorities.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, August 1, the Federal debt stood at $5,183,636,383,503.29.

Five years ago, August 1, 1991, the Federal debt stood at $3,577,200,446,910.06, hence an increase of more than $1.6 trillion dollars—$1,606,435,936,593.23 to be exact—in the past 5 years.

SUSAN COHEN—THE TIRELESS PURSUIT OF JUSTICE

Mr. KENNEDY. Mr. President, on Monday, August 5, a distinguished American named Susan Cohen will be present in the White House when President Clinton signs H.R. 3107, the Iran and Libya Sanctions Act of 1996. Susan Cohen eminently deserves this honor. She was a dedicated and tireless leader in the effort to enact this legislation.

Susan Cohen, of Cape May Court House, NJ, is the mother of Theodora Cohen—a victim of Pan Am Flight 103. Since the bombing of that flight over Lockerbie, Scotland in December 1988, Susan and her husband, Dan, have dedicated their lives to bringing to justice those responsible for their daughter's death. In recent months, Susan has been extremely effective in her efforts to educate Members of Congress about the importance of applying this legislation to Libya, which continues to harbor the two suspects indicted in the bombing.

All of us who know Susan Cohen admire her inspiring devotion to justice. Her efforts have brought us closer to the goal. I commend her for her leadership, and I ask unanimous consent that a recent New York Times article may be printed in the RECORD.

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

[From the New York Times, July 24, 1996]

TIME PASSES, BUT THE PAIN NEVER FADES

(By Evelyn Nieves)

Susan Cohen watched the mourners toss single roses into the sea, heard a reporter talk about ''a sense of closure,'' and turned off her television, shuddering with sadness and disgust.

Of all the hard times in the week since T.W.A. Flight 800 blew up, seeing Monday's seaside memorial to the 230 victims had to be one of the worst. ''I couldn't stand to watch those people,'' she said. ''It was just too much. And to hear the talk about closure just made me want to throw up.''

The next day, her emotions were still raw. ''All these homilies about loved ones going to a better place. I just hate that,'' she said. ''The politician said eight million meaningless things. As if that could help. As if any of that could help.''

It is going on eight years since Mrs. Cohen and her husband, Daniel, lost their only child, Theodora, 20, to the terrorist bombing of Pan Am Flight 103 over Lockerbie, Scotland, which killed 270 people. ''The pain will not go away,'' Mrs. Cohen said. ''It will never go away.''

Theodora—Theo to all she knew—was a singer and aspiring actress. ''She had a beautiful soprano voice,'' Mrs. Cohen said. ''She was vibrant and artistic.''

She was on her way home from London, where she had spent a semester studying drama. A plastic explosive, hidden in a portable radio in the cargo hold ripped the jet apart and all 259 people aboard, and 11 people on the ground, were killed.

''I feel such a rage of anger that you cannot imagine,'' Mrs. Cohen said, ''Because Theo's murderers are out there. No one has been punished. I looked at Fred Goldman in that ghastly O.J. trial and knew what he was going through for his son.''

When she talks, the words spill out in coherent sentences, as if she has thought them a million times.

The Cohens have spent countless hours since the death of their daughter in pursuit of answers, and justice. Two Libyan Government agents indicted for the bombing remain in Libya, free. Over the last several months, Mrs. Cohen has spent six or seven hours a day on the phone, lobbying Congress to pass sanctions against foreign oil companies doing business in Iran and Libya. Yesterday, it passed the House. ''Because a plane blew up, not because of anything that I've done,'' she said, ''Is that what has to happen for justice? A bombing?''

Even the prospect of tough sanctions does not make her happy. Getting the bill passed was just the first step, she said. Now, ''the fight is to see it's enforced.''

She has worked on fighting Congress with a few other people who lost relatives to the Pan Am 103 bombing, but not many. Over the years, Pan Am 103 families, who won a civil suit against Pan Am, have argued bitterly over how best to pursue justice. ''There are now four groups of Pan Am families,'' Ms. Cohen said.

''We've all fought horribly. I look at the pictures today of families locked shoulder to shoulder on the beach. We started together, too. But the idea that everybody gets together as one big unhappy family is one of the myths of these tragedies.''

Another great myth: ''The Getting On with Your Life story,'' Mrs. Cohen said. ''The idea that you can move beyond the tragedy makes me want to vomit. The year is circular. Theo's birthday is coming up Sept. 10.''

When her daughter died, Mrs. Cohen, a writer like her husband, stopped writing. For months, years it seemed, she stopped doing much of anything. Days passed in bed, months in a blur. Four years ago, the Cohens moved from Port Jervis, N.Y., where they raised their daughter, to Cape May County in New Jersey. ''I couldn't stand that house any more.'' Mrs. Cohen said. ''I couldn't take the memories any more.

Though it doesn't really help, she knows she is not alone. One woman she knows who lost her 20-year-old son to Pan Am 103 visits his grave every day, sometimes twice a day. Another who lost her husband ''has been just as devastated by his loss as I am by my daughter's,'' Ms. Cohen said. ''It takes a great poet to describe this. It takes genius to be able to describe the depths of pain, and I'm not a great poet or a genius.''

The Cohens live with a dog and three cats in a ranch house with bird feeders hanging in the backyard. Mrs. Cohen belongs to a P.G. Wodehouse society, a Sherlock Holmes reading group and goes birding near home. They happen to live in one of the world's best venues for bird-watching.

''It's not like I'm living here and can't get out of bed,'' Ms. Cohen said. ''I'm living. But there's an enormous hole, a hole so huge it's the size of the Grand Canyon. It's never the same. It can never be the same.''

TRIBUTE TO MICHAEL RHODE, JR.

Mr. NUNN. Mr. President, I rise today to note the passing of and to pay tribute to Michael Rhode, Jr., of South Carolina.

Mike Rhode died after a brave bout with cancer in May, only too briefly after he retired from his position as Secretary of the Panama Canal Commission. I only recently learned of Mike's death.

I first met Mike when he served as Chief of the Army's Senate Legislative Liaison Office in the early 1970's when I was a newly elected Member of the U.S. Senate. Mike, who had combat experience in Korea and Vietnam, literally took me under his wing and played a major role in my education about the capabilities of the U.S. Army and the other services. He accompanied me on my official travels, particularly to the territory of our NATO allies. Mike was extremely knowledgeable about NATO and my first-ever report to the Armed Services Committee on NATO specifically cited Mike's invaluable assistance and expertise on NATO matters.

I continued my association with Mike when, upon his retirement from the Army after 26 years of dedicated service to our Nation, he became the Secretary of the Panama Canal Commission in 1980. Mike was extraordinarily helpful to me and the other members of the Armed Services Committee as Secretary of the Commission. He had that unique ability to explain proposed legislation and to suggest ways in which the laws governing the operation and maintenance of the Panama Canal could be modified over the years to ease the transition to Panamanian control by the year 2000.

In looking back over my association—and my friendship—with Mike over the years, I am most struck by his dedication to duty and his warm and gregarious personality. He always had a warm smile and time to spare to answer any question. Shortly before he retired from the Panama Canal Commission, Mike came by my office for a purely social call. We reminisced about old times and talked about the future that awaited both of us in private life. Mike had been in poor health but was confident that he would lick this health problem as he had all other challenges in the past. My most vivid memory of our last meeting was his broad smile and his plans for retirement with his wife Lin and spending time with his daughter, Pamela Lister, and two sons, Michael and Randy.

Mr. President, Mike Rhode was a valued friend and a dedicated and talented public servant. He will be sorely missed.

FDA REFORM

Mr. LOTT. Mr. President, I rise today to once again commend the distinguished Senator from Kansas, Senator KASSEBAUM, on her remarkable leadership on the health insurance reform bill. In addition to completing action of this important legislation, it is my hope and intention to complete action in the fall on another piece of legislation that Senator KASSEBAUM has worked on for some time—S. 1477, the Food and Drug Administration Performance and Accountability Act.

Negotiations to bring all sides together on FDA reform have been ongoing throughout the 104th Congress and the Labor and Human Resources committee has reported out S. 1477 with overwhelming bipartisan support. Since that action, it is my understanding that some very serious discussions have been underway to resolve outstanding issues and that we are very close to reaching final agreement on compromise legislation. I am encouraged by these continued discussions so that this bill can be passed in a bipartisan manner when the Congress returns.

Mr. President, it is also my understanding that the leadership in the House of Representatives is also close to reaching agreement on its FDA legislation. Working together, I am confident the House and the Senate can agree on bipartisan legislation that the President can be enthusiastic about signing.

I urge my colleagues to work with Senator KASSEBAUM to complete this important legislation to modernize the FDA, to streamline the approval process, and to bring breakthrough medications to patients, all while maintaining the highest levels of safety for consumers.

Mr. President, a remarkable amount of business has been accomplished in the past few weeks in the Senate on a bipartisan manner. It is my hope we can add FDA reform to the list.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, 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 two treaties and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 10:32 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 782) to amend title 18 of the United States Code to allow members of employee associations to represent their views before the U.S. Government.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R.

3103) 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, to improve access to long-term care services and coverage to simplify the administration of health insurance, and for other purposes.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 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, and for other purposes.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3517) making appropriations for military construction, family housing, and based realignment and closure for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3845) 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, 1997, and for other purposes.

At noon, a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 123. An act to amend title 4, United States Code, to declare English as the official language of the Government of the United States.

H.R. 2670. An act to provide for the release of the reversionary interest held by the United States in certain property located in the County of Iosco, Michigan.

H.R. 3387. An act to designate the Southern Piedmont Conservation Research Center located at 1420 Experimental Station Road in Watkinsville, Georgia, as the ''J. Phil Campbell, Senior Natural Resource Conservation Center.''

H.R. 3464. An act to make a minor adjustment in the exterior boundary of the Devils Backbone Wilderness in the Mark Twain National Forest, Missouri, to exclude a small parcel of land containing improvements.

At 12:34 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3448) to provide tax relief for small businesses, to protect jobs, to create opportunities, to increase the take home pay of workers, to amend the Portal-to-Portal Act of 1947 relating to the payment of wages to employees who use employer owned vehicles, and to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate and to prevent job loss by providing flexibility to employers in complying with minimum wage and overtime requirements under that act.

At 2:28 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House the bill (S. 1316) to reauthorize and amend title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act''), and for other purposes.

At 5:15 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 268. Concurrent resolution 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, to improve access to long-term care services and coverage, to simplify the administration of health insurance, and for other purposes.

At 6:50 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3953. An act to combat terrorism.

The message also announced that the House has agreed to the following concurrent resolutions, without amendment:

S. Con. Res. 47. Concurrent resolution to provide for a Joint Congressional Committee on Inaugural Ceremonies.

S. Con. Res. 48. Concurrent resolution authorizing the rotunda of the United States Capitol to be used on January 20, 1997, in connection with the proceedings and ceremonies for the inauguration of the President-elect and the Vice-President-elect of the United States.

The message further announced that the House agrees to the amendments of the Senate to the bill (H.R. 2739) to provide for a representational allowance for Members of the House of Representatives, to make technical and conforming changes to sundry provisions of law in consequence of administrative reforms in the House of Representatives, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 3603. An act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore [Mr. THURMOND].

At 7:41 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 782 an act to amend title 18 of the United States Code to allow members of employee associations to represent their views before the United States Government.

S. 1316. An act to reauthorize and amend title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act''), and for other purposes.

The enrolled bills were signed subsequently by the President pro tempore [Mr. THURMOND].

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3560. An act to designate the Federal building located at 290 Broadway in New York, New York, as the ''Ronald H. Brown Federal Building.''

H.R. 3710. An act to designate the United States courthouse under construction at 611 North Florida Avenue in Tampa, Florida, as the ''Sam M. Gibbons United States Courthouse.''

The message further announced that the House has agreed to the following concurrent resolution:

H. Con. Res. 207. Concurrent resolution approving certain regulations to implement provisions of the Congressional Accountability Act of 1995 relating to labor-management relations with respect to covered employees, other than employees of the House of Representatives and employees of the Senate, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 123. An act to amend title 4, United States Code, to declare English as the official language of the Government of the United States; to Committee on the Judiciary.

H.R. 2670. An act to provide for the release of the reversionary interest held by the United States in certain property located in the County of Iosco, Michigan; to the Committee on Agriculture, Nutrition, and Forestry.

H.R. 3387. An act to designate the Southern Piedmont Conservation Research Center located at 1420 Experimental Station Road in Watkinsville, Georgia, as the ''J. Phil Campbell, Senior Natural Resource Conservation Center''; to the Committee on Agriculture, Nutrition And Forestry.

H.R. 3464. An act to make a minor adjustment in the exterior boundary of the Devils Backbone Wilderness in the Mark Twain National Forest, Missouri, to exclude a small parcel of land containing improvements; to the Committee on Energy and Natural Resources.

H.R. 3560. An act to designate the Federal building located at 290 Broadway in New York, New York, as the ''Ronald H. Brown Federal Building''; to the Committee on Environment and Public Works.

H.R. 3710. An act to designate the United States courthouse under construction at 611 North Florida Avenue in Tampa, Florida, as the ''Sam M. Gibbons United States Courthouse''; to the Committee on Environment and Public Works.

The following concurrent resolution was read and referred as indicated:

H. Con. Res. 207. Concurrent resolution approving certain regulations to implement provisions of the Congressional Accountability Act of 1995 relating to labor-management relations with respect to covered employees, other than employees of the House of Representatives and employees of the Senate, and for other purposes; to the Committee on Rules and Administration.

The following bill, previously received from the House of Representatives for the concurrence of the Senate, was read the first and second time by unanimous consent and referred as indicated:

H.R. 3735. An act to amend the Foreign Assistance Act of 1961 to reauthorize the development fund for Africa under chapter 10 of part I of that Act; to the Committee on Foreign Relations.

MEASURES PLACED ON THE CALENDAR

The following measure was ordered placed on the calendar.

S. 1965. An act to prevent the illegal manufacturing and use of methamphetamine.

MEASURE READ THE FIRST TIME

The following bill was read the first time:

H.R. 3953. An act to combat terrorism.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MCCAIN, from the Committee on Indian Affairs, without amendment:

S. 1970. A bill to amend the National Museum of the American Indian Act to make improvements in the Act, and for other purposes (Rept. No. 104–350).

By Mr. STEVENS, from the Committee on Governmental Affairs, without amendment:

H.R. 1271. A bill to provide protection for family privacy (Rept. No. 104–351).

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute.

S. 982. A bill to protect the national information infrastructure, and for other purposes.

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. GORTON:

S. 2017. A bill to authorize the Secretary of Agriculture to exchange certain lands in the Wenatchee National Forest, Washington, for certain lands owned by Public District No. 1 of Chelan County, Washington, and for other purposes; to the Committee on Energy and Natural Resources.

S. 2018. A bill to approve a settlement agreement between the Bureau of Reclamation and the Oroville-Tonasket Irrigation District; to the Committee on Energy and Natural Resources.

By Mr. CRAIG (for himself, Mr. SIMON, Mr. THOMAS, Mr. REID, Mr. GRAHAM, Mr. AKAKA, and Mr. COHEN):

S. 2019. A bill to provide for referenda to resolve the political status of Puerto Rico, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. GRASSLEY (for himself and Mr. HARKIN):

S. 2020. A bill to establish America's Agricultural Heritage Partnership in Iowa, and for other purposes; to the Committee on Energy and Natural Resources.

By Mrs. FEINSTEIN (for herself and Mrs. BOXER):

S. 2021. A bill to suspend temporarily the duty on certain chemicals used in the formulation of an HIV Protease Inhibitor; to the Committee on Finance.

By Mr. THURMOND (for himself, Mr. FAIRCLOTH, Mr. HOLLINGS, Mr. COATS, and Mr. HELMS):

S. 2022. A bill to amend title 23, United States Code, to modify the minimum allocation formula under the Federal-aid highway program, to provide reimbursement to each State with respect to which the highway users in the State paid into the Highway Trust Fund an amount in excess of the amount received by the State from the Highway Trust Fund, and for other purposes; to the Committee on Environment and Public Works.

By Mr. REID:

S. 2023. A bill to provide for travelers' rights in air commerce, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Ms. SNOWE (for herself and Mrs. FEINSTEIN):

S. 2024. A bill to amend the Public Health Service Act to provide a one-stop shopping information service for individuals with serious or life-threatening diseases; to the Committee on Labor and Human Resources.

By Mr. FEINGOLD:

S. 2025. A bill to amend the Communications Act of 1934 to authorize the States to regulate interference with radio frequencies; to the Committee on Commerce, Science, and Transportation.

By Mr. FAIRCLOTH (for himself, Mrs. KASSEBAUM, Mr. COATS, Mr. ASHCROFT, Mr. DEWINE, Mr. FRIST, and Mr. GORTON):

S. 2026. A bill to amend the Fair Labor Standards Act of 1938 to make uniform the application of the overtime exemption for inside sales personnel, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. LAUTENBERG:

S. 2027. A bill to provide for a 5-year extension of Hazardous Substance Superfund, and for other purposes; to the Committee on Finance.

By Mr. LAUTENBERG (for himself, Mr. BAUCUS, Mr. REID, Mr. GRAHAM, and Mr. MOYNIHAN):

S. 2028. A bill to assist the States and local governments in assessing and remediating brownfields and encouraging environmental cleanup programs, and for other purposes; to the Committee on Environment and Public Works.

By Mr. WYDEN (for himself and Mr. D'AMATO):

S. 2029. A bill to make permanent certain authority relating to self-employment assistance programs; to the Committee on Finance.

By Mr. LOTT (for himself and Mr. EXON):

S. 2030. A bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DOMENICI (for himself, Mr. WELLSTONE, Mr. SIMPSON, Mr. CONRAD, Mr. WARNER, Mr. SPECTER, Mr. REID, Mr. DODD, Mr. GRASSLEY, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. BURNS, Mr. HARKIN, Mr. CHAFEE, and Mr. MOYNIHAN):

S. 2031. A bill to provide health plan protections for individuals with a mental illness; to the Committee on Labor and Human Resources.

By Mr. KERRY (for himself and Mr. KENNEDY):

S. 2032. A bill to designate a portion of the Sudbury, Assabet, and Concord Rivers as a component of the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

By Mr. JOHNSTON:

S. 2033. A bill to repeal requirements for unnecessary or obsolete reports from the Department of Energy, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BREAUX (for himself, Mr. MACK, Mr. GRAHAM, and Mr. COHEN):

S. 2034. A bill to amend title XVIII of the Social Security Act to make certain changes to hospice care under the Medicare program; to the Committee on Finance.

By Mr. BIDEN:

S. 2035. A bill to invest in the future American workforce and to ensure that all Americans have access to higher education by providing tax relief for investment in a college education and by encouraging savings for college costs, and for other purposes; to the Committee on Finance.

By Mr. DORGAN (for himself, Mr. BAUCUS, Mrs. MURRAY, Mr. WELLSTONE, Mr. CONRAD, Mr. WYDEN, and Mr. DASCHLE):

S. 2036. A bill to amend the Agricultural Market Transition Act to provide equitable treatment for barley producers so that 1996 contract payments to the producers are not reduced to a greater extent than the average percentage reduction in contract payments for other commodities, while maintaining the level of contract payments for other commodities, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. LAUTENBERG:

S. 2037. A bill to provide for aviation security, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DASCHLE (for himself and Mr. PRESSLER):

S. 2038. A bill to authorize the construction of the Fall River Water Users District Rural Water System and authorize the appropriation of Federal dollars to assist the Fall River Water Users District, a nonprofit corporation, in the planning and construction of the water supply system, and for other purposes; to the Committee on Energy and Natural Resources.

S. 2039. A bill to authorize the construction of the Perkins County Rural Water System and authorize the appropriation of Federal dollars to assist the Perkins County Rural Water System, Inc,. a nonprofit corporation, in the planning and construction of the water supply system, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HATCH (for himself and Mrs. HUTCHISON):

S. 2040. A bill to amend the Controlled Substances Act to provide a penalty for the use of a controlled substance with the intent to rape, and for other purposes; to the Committee on the Judiciary.

By Mr. D'AMATO (for himself, Mr. MOYNIHAN, and Mr. FAIRCLOTH):

S. 2041. A bill to amend the Marine Protection, Research, and Sanctuaries Act of 1972 with respect to the dumping of dredged material in Long Island Sound, and for other purposes; to the Committee on Environment and Public Works.

By Mr. MACK (for himself, Mr. BOND, Mr. D'AMATO, and Mr. BENNETT):

S. 2042. A bill to reform the multifamily rental assisted housing programs of the Federal Government, maintain the affordability and availability of low-income housing, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KERRY:

S. 2043. A bill to require the implementation of a corrective action plan in States in which child poverty has increased; to the Committee on Finance.

By Mr. SANTORUM:

S. 2044. A bill to provide for modification of the State agreement under title II of the Social Security Act with the State of Pennsylvania with respect to certain students; to the Committee on Finance.

By Mr. HATFIELD:

S. 2045. A bill to provide regulatory relief for small business concerns, and for other purposes; to the Committee on Small Business.

By Mr. ROCKEFELLER:

S. 2046. A bill to amend section 29 of the Internal Revenue Code of 1986 to allow a credit for qualified fuels produced from wells drilled during 1997, and for other purposes; to the Committee on Finance.

By Mr. HATCH (for himself, Mr. CONRAD, Mr. PRESSLER, Mr. PRYOR, Mr. NICKLES, and Mr. BAUCUS):

S. 2047. A bill to amend the Internal Revenue Code of 1986 to modify the application of the pension nondiscrimination rules to governmental plans; to the Committee on Finance.

By Mr. MOYNIHAN (for himself, Mr. D'AMATO, and Mr. DODD):

S. 2048. A bill to amend section 552 of title 5, United States Code, (commonly referred to as the Freedom of Information Act), to provide for disclosure of information relating to individuals who committed Nazi war crimes, and for other purposes; to the Committee on the Judiciary.

By Mr. AKAKA (for himself and Mr. INOUYE):

S.J. Res. 59. A joint resolution to consent to certain amendments enacted by the Legislature of the state of Hawaii to the Hawaiian Homes Commission Act, 1920; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 287. A resolution to authorize the production of records by the Permanent Subcommittee on Investigations; considered and agreed to.

By Mr. WELLSTONE (for himself, Mr. KENNEDY, and Mr. WYDEN):

S. Con. Res. 68. A concurrent resolution to correct the enrollment of H.R. 3103; considered and agreed to.

By Mr. SANTORUM (for himself and Mrs. FEINSTEIN):

S. Con. Res. 69. A concurrent resolution expressing the sense of the Congress that the German Government should investigate and prosecute Dr. Hans Joachim Sewering for his war crimes of euthanasia committed during World War II; to the Committee on Foreign Relations.

By Mr. MURKOWSKI:

S. Con. Res. 70. A concurrent resolution directing the Clerk of the House of Representatives to make technical corrections in the enrollment of H.R. 1975; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GORTON:

S. 2017. A bill to authorize the Secretary of Agriculture to exchange certain lands in the Wenatchee National Forest, Washington, for certain lands owned by Public District No. 1 of Chelan County, Washington, and for other purposes; to the Committee on Energy and Natural Resources.

LAND EXCHANGE LEGISLATION

Mr. GORTON. Mr. President, today I introduce legislation to authorize a land exchange between the Chelan County PUD, in Washington State and the U.S. Forest Service. The land exchange legislation will consolidate land for a wastewater treatment facility onto Chelan County PUD land. Chelan PUD would in turn own and operate the wastewater treatment facility, which serves both the Forest Service and some of the local community.

The legislation was carefully negotiated between the Forest Service and the Chelan County PUD. The Forest Service supports the legislation, and I hope that the legislation can be enacted this year.

By Mr. GORTON:

S. 2018. A bill to approve a settlement agreement between the Bureau of Reclamation and the Oroville-Tonasket Irrigation District; to the Committee on Energy and Natural Resources.

SETTLEMENT LEGISLATION

Mr. GORTON. Mr. President, today I introduce legislation that will authorize settlement between the Bureau of Reclamation and the Oroville-Tonasket Irrigation District in Washington state. Congressman DOC HASTINGS has introduced identical legislation on this subject in the House of Representatives.

This legislation will authorize a carefully negotiated settlement between the BOR and the Oroville-Tonasketi Irrigation District. If enacted, this legislation will save the BOR, and therefore the Nation's taxpayers, money that would otherwise be spent fighting with the irrigation district in court. Briefly, the legislation directs the irrigation district to release and discharge all past and future claims against the United States associated with the project—such claims are estimated at $4.5 million. The irrigation district will assume full responsibility to indemnify and defend the United States against any third-party claims associated with the project. The irrigation district will make a cash payment of $350,000 to the United States—a condition that has already been met. The irrigation district will release the United States from its obligation to remove existing dilapidated facilities—cost estimated at $150,000 in 1978. The district will also be solely responsible for the operations and maintenance of the project, and will agree to continue to deliver water to and provide for O&M of the wildlife Mitigation facilities at its own expense.

The legislation directs the BOR to release and discharge the irrigation district's construction charge obligation under the 1979 repayment contract—present value estimated at $4.2 million. Within 180 days of the date of enactment, the BOR will transfer the title of the irrigation works to district at no additional cost to the district. The BOR will continue to provide power and energy for water pumping for the project for a period of 50 years—starting October 1990—as provided for in the irrigation discount provision in the Northwest Power Act. At the end of that 50 year period, the irrigation district will have to purchase its power at nonirrigation discount rates.

Mr. President, this legislation will resolve a long standing dispute between the irrigation district and the Bureau of Reclamation that will save the taxpayers the expense of financing a long, drawn out court fight. I will work with my colleagues on the Energy and Natural Resources Committee to see that this legislation is enacted this year.

By Mr. CRAIG (for himself, Mr. SIMON, Mr. THOMAS, Mr. REID, Mr. GRAHAM, Mr. AKAKA, and Mr. COHEN):

S. 2019. A bill to provide for referenda to resolve the political status of Puerto Rico, and for other purposes; to the Committee on Energy and Natural Resources.

PUERTO RICO LEGISLATION

Mr. CRAIG. Mr. President, today I am introducing legislation which would establish a congressionally recognized self-determination process to resolve the political status of Puerto Rico. This proposal is made in light of the formal request of the Legislature of Puerto Rico, expressly directed to the 104th Congress, for a response to the 1993 plebiscite on Puerto Rico's future political status conducted under local law.

Puerto Rico Legislature Resolution 62, adopted by the elected representatives of the residents of Puerto Rico on November 14, 1994, specifically calls upon this Congress to state the ''specific alternatives that it is willing to consider, and the measures it recommends the people of Puerto Rico should take as part of the process to solve the problem of their political status.'' Even though time is running out on the 104th Congress, this Senator believes it would be wrong to adjourn

later this year without introducing in the Senate a proposal which addresses the manner in which Puerto Rico's status can be resolved consistent with both self-determination and the national interest.

The solution to Puerto Rico's status cannot be one which imposes a result on the residents of Puerto Rico or on the United States. The process we are proposing recognizes the right of self-determination on both sides of the relationship. Let me explain why my colleagues should support the bill I am offering.

Puerto Rico has been an unincorporated territory of the United States for almost 100 years, subject to the plenary powers of Congress under the territorial clause of the U.S. Constitution, article IV, section 3, clause 2. Congressional authorization for the adoption of a local constitution and delegation of authority for internal self-government in 1952 represented progress in the evolution of the territory's status, but the 3.8 million U.S. citizens residing in Puerto Rico do not yet have equal legal and political rights with their fellow citizens living in the States, or a guaranteed permanent status protected by the U.S. Constitution.

Puerto Ricans have a statutory citizenship status prescribed by Congress in 1917, with less than equal legal standing and political rights while residing in Puerto Rico because it is not a State. In 1980 the U.S. Supreme Court ruled in *Harris* v. *Rosario* (446 U.S. 651) that as long as Puerto Rico is an unincorporated territory subject to the territorial clause it does not violate the fundamental rights which all U.S. citizens have under the Constitution for Congress to treat the U.S. citizens residing in Puerto Rico differently than their fellow citizens in the 50 States as long as there is a rational basis for such unequal treatment.

While any self-determination process we establish should allow the people in Puerto Rico to express approval of this present status, the idea that perpetual territorial status for such a large and populous area is desirable for either Puerto Rico or the nation as a whole needs to be examined closely. To begin with we need to recognize that Americans from Puerto Rico have served with valor along side their fellow citizens in every war this century, but Congress never has afforded the people an opportunity to express their wishes as to the options for full self-government and a permanent status outside the territorial clause—either as a state or through separate nationhood.

In 1953 the U.N. recognized the Resolution 748 (VIII) that establishment of internal constitutional self-government with the consent of the residents was consistent with self-determination principles of the U.N. Charter, and on that basis the United States stopped reporting to the United Nations on the status of Puerto Rico. While Puerto Rico is no longer a non-self-governing for purposes of Article 73(e) of the U.N. Charter, Puerto Rico remains an unincorporated territory under the U.S. constitutional process. In 1956, 4 years after the commonwealth structure for local self-government was established, the U.S. Supreme Court recognized in *Reid* v. *Covert* (354 U.S. 1), that the status of all such unincorporated territories, results from the exercise of the territorial clause authority and ''. . . the power of Congress to provide rules and regulations to govern *temporarily* territories with wholly dissimilar traditions and institutions . . . '' (emphasis added).

The traditions and institutions in Puerto Rico most relevant to the political status of the people there are no longer wholly dissimilar to those of the United States. Puerto Ricans have been U.S. nationals since 1899, with U.S. citizenship for 80 years. Puerto Rico has been within the U.S. legal and political system and customs territory for nearly a century. A republican form of constitutional internal self-government was instituted through a democratic process 45 years ago.

Clearly, the time has come to establish a process through which the current territorial status can be ended in favor of a constitutionally guaranteed permanent status consistent with full self-government, full political participation and equal citizenship rights. That means full integration into the United States on the basis of equality, or full citizenship and a constitutionally protected political status through separate nationhood.

Again, if the residents of Puerto Rico prefer to remain in an unincorporated status and continue the present commonwealth structure for local government, any congressionally recognized self-determination process should enable them freely to express their wishes in this regard. But they will not be able to make a free and informed choice unless the legal and political nature of the current status is defined in a constitutionally valid and intellectually honest manner.

Therein lies the problem with the 1993 plebiscite, in which the status options were formulated by the local political parties. The commonwealth option on the 1993 ballot included elements which were simply unconstitutional, and policy proposals that were so implausible and misleading as to make the voting results highly ambiguous. For example, commonwealth received the lowest voter approval ever at 48 percent, while statehood received the highest vote ever at 46 percent. But the commonwealth ballot definition include permanent union, the same citizenship rights as persons born in the States, increased Federal programs, and parity with the States in Federal budget outlay—features which are constitutional guaranteed and/or politically possible only with statehood.

At the same time, the commonwealth option also called for Federal tax exemptions, fiscal autonomy, a local veto over Federal laws passed by Congress under a so-called bilateral pact, and other features more consistent with independence than territorial status. Independence received 4 percent voter approval. The combined vote for the have it both ways definition of commonwealth and independence was 52 percent, but the combined vote for statehood and commonwealth as options which involved guaranteed permanent union and U.S. citizenship was over 95 percent.

I doubt that the 103d Congress would have adjourned more than a year after the 1993 vote without breaking a deafening silence regarding the results of the plebiscite if the ballot definitions had not rendered those results both ambiguous and confusing.

Apparently due in large part to Resolution 62, in this Congress the House committees with primary jurisdiction with respect to Puerto Rico's status conducted hearings on the 1993 voting results on October 17, 1995. Each of Puerto Rico's political parties were given a full and fair hearing regarding their views on the 1993 vote.

Based on the record of that hearing, the leadership of the concerned House committees transmitted a comprehensive statement to the leaders of the Puerto Rico Legislature on February 29, 1996, setting forth authoritative policy statements and points of law regarding the 1993 voting results. On March 6, 1996, legislation consistent with the principles set forth in the February 29 policy statement was introduced in the House. After hearings in San Juan Puerto Rico in which all parties were heard once again regarding H.R. 3024—United States-Puerto Rico Political Status Act—the bill was amended to meet certain concerns that had been raised and unanimously approved by the Committee on Resources on June 26, 1996.

On June 28, 1996, senior minority members on the two House committees which had conducted the hearings on the 1993 vote also transmitted views to leaders in the Puerto Rico Legislature regarding the results thereof. In addition, on July 18, 1996, 11 members of the minority in the House, including some of the most knowledgeable and experienced Members of Congress where the issue of Puerto Rico's status is concerned, wrote to that body's minority leader expressing their support for the Puerto Rico status bill reported unanimously by the Resources Committee on June 26, 1996.

What the measures taken by House committees and members to date demonstrate is that there is some important new thinking in Congress about the Puerto Rico status issue. There is an emerging bipartisan consensus that the time has come for Congress to recognize that a process which makes definitive self-determination and permanent full self-government available to Puerto Rico is in the U.S. national interest, as well as that of the residents of Puerto Rico.

In particular, I want to point out that the July 18, 1996 letter from concerned members of the minority to House Minority Leader GEPHARDT defends the specific approach to legitimate self-determination for Puerto Rico set forth in H.R. 3024 against criticism generated by supporters of the fatally-flawed and discredited definition of commonwealth presented on the 1993 plebiscite ballot. Specifically, the July 18 letter notes that:

Some have tried to revive discussion over the language and citizenship provisions of the bill, even though these issues were dealt with in the reported text of H.R. 3024. Others claim that the ballot process is unfairly skewed toward one option or another, hoping to revert back to the three-way ballot in 1993 which yielded no clear majority. More than just attempts to amend the legislation, these efforts are aimed at delaying its consideration or tainting its language so that it will never see the light of day.

I have described the response in the House to Resolution 62 of the Puerto Rico Legislature in some detail so that my Senate colleagues can better appreciate the need for some demonstration that Members of this body have an interest in the issues raised by the formal request directed by the local constitutional authorities to the 104th Congress. The bill we are introducing today is not a definitive or final formal response to that request, but it sends an important message to the House and to Puerto Rico that the Senate also will address this matter consistent with the principles of self-determination and the national interest.

Accordingly, the legislation we are proposing, like the House version, recognizes that the commonwealth option can and should be presented accurately and fairly on a status referendum ballot. The voters must be able to evaluate the current status and the commonwealth structure for local government on the merits. But those who think that Congress is required to adopt the same 3-option ballot format employed in the 1993 local plebiscite format need to think again. While we need to respect, study, and consider the 1993 vote despite obvious flaws in the ballot, Congress cannot restrict itself to considering only past practices in Puerto Rico or the approach previously considered by Congress.

We need to keep an open mind, and this bill proposes a new approach consistent with that being developed in the House. It recognizes that Congress may determine that it could be misleading to present the status quo option without distinguishing it in any way from the options for ending territorial status and instituting fundamental changes that would be required to establish permanent full self-government and a constitutionally guaranteed status.

Only when the people who live in Puerto Rico are allowed to vote in a referendum process which defines the choices in a way that is valid and accurate will Congress be able to understand the meaning of the results. Then Congress can respond to those results by proposing the terms under which the preferred option would be possible, after which an additional informed stage of self-determination can take place. If the terms for change are not approved by the people, or the people vote for the option of continued commonwealth, then Congress will have to consider its response to that result as well.

Before my colleagues, or those responsible for these issues in the administration, attempt to defend the approach of the 1993 plebiscite ballot, I suggest they review all of the congressional documents responding to Puerto Rico Legislature Resolution 62 referred to above. To facilitate an openminded consideration of what we are proposing, those documents are included here in the order mentioned above.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

HOUSE OF REPRESENTATIVES,
COMMITTEE ON RESOURCES,
Washington, DC, February 29, 1996.

Hon. ROBERTO REXACH-BENITEZ,
President of the Senate.
Hon. ZAIDA HERNANDEZ-TORRES,
Speaker of the House, of the Commonwealth of Puerto Rico, San Juan, PR.

DEAR MR. REXACH-BENITEZ AND MS. HERNANDEZ-TORRES: The Committee on Resources and the Committee on International Relations are working cooperatively to establish an official record which we believe will enable the House to address the subject-matter of Concurrent Resolution 62, adopted by the Legislature of Puerto Rico on December 14, 1994. While the specific measures addressing Puerto Rico's status which the 104th Congress will consider are still being developed, we believe the history of the self-determination process in Puerto Rico, as well as the record of the Joint Hearing conducted on October 17, 1995 by the Subcommittee on Native American and Insular Affairs and the Subcommittee on Western Hemisphere, lead to the following conclusions with respect to the plebiscite conducted in Puerto Rico on November 14, 1993:

1. The plebiscite was conducted under local law by local authorities, and the voting process appears to have been orderly and consistent with recognized standards for lawful and democratic elections. This locally organized self-determination process was undertaken within the authority of the constitutional government of Puerto Rico, and is consistent with the right of the people of Puerto Rico freely to express their wishes regarding their political status and the form of government under which they live. The United States recognizes the right of the people of Puerto Rico to self-determination, including the right to approve any permanent political status which will be established upon termination of the current unincorporated territory status. Congress will take cognizance of the 1993 plebiscite results in determining future Federal policy toward Puerto Rico.

2. The content of each of the three status options on the ballot was determined by the three major political parties in Puerto Rico identified with those options, respectively. The U.S. Congress did not adopt a formal position as to the feasibility of any of the options prior to presentation to the voters. Consequently, the results of the vote necessarily must be viewed as an expression of the preferences of those who voted as between the proposals and advocacy of the three major political parties for the status option espoused by each such party.

3. None of the status options presented on the ballot received a majority of the votes cast. While the commonwealth option on the ballot received a plurality of votes, this result is difficult to interpret because that option contained proposals to profoundly change rather than continue the current Commonwealth of Puerto Rico government structure. Certain elements of the commonwealth option, including permanent union with the United States and guaranteed U.S. citizenship, can only be achieved through full integration into the U.S. leading to statehood. Other elements of the commonwealth option on the ballot, including a government-to-government bilateral pact which cannot be altered, either are not possible or could only be partially accomplished through treaty arrangements based on separate sovereignty. While the statehood and independence options are more clearly defined, neither of these options can be fully understood on the merits, unless viewed in the context of clear Congressional policy regarding the terms under which either option could be implemented if approved in a future plebiscite recognized by the federal government. Thus, there is a need for Congress to define the real options for change and the true legal and political nature of the status quo, so that the people can know what the actual choices will be in the future.

4. Although there is a history of confusion and ambiguity on the part of some in the U.S. and Puerto Rico regarding the legal and political nature of the current ''commonwealth'' local government structure and territorial status, it is incontrovertible that Puerto Rico's present status is that of an unincorporated territory subject in all respects to the authority of the United States Congress under the Territorial Clause of the U.S. Constitution. As such, the current status does not provide guaranteed permanent union or guaranteed citizenship to the inhabitants of the territory of Puerto Rico, nor does the current status provide the basis for recognition of a separate Puerto Rican sovereignty or a binding government-to-government status pact.

5. In light of the foregoing, the results the November 14, 1993 vote indicates that it is the preference of those who cast ballots to change the present impermanent status in favor of a permanent political status based on full self-government. The only options for a permanent and fully self-governing status are: 1) separate sovereignty and full national independence, 2) separate sovereignty in free association with the United States; 3) full integration into the United States political system ending unincorporated territory status and leading to statehood.

6. Because each ballot option in the 1993 plebiscite addressed citizenship, we want to clarify this issue. First, under separate sovereignty Puerto Ricans will have their own nationality and citizenship. The U.S. political status, nationality, and citizenship provided by Congress under statues implementing the Treaty of Paris during the unincorporated territory period will be replaced by the new Puerto Rican nationhood and citizenship status that comes with separate sovereignty. To prevent hardship or unfairness in individual cases, the U.S. Congress may determine the requirements for eligible persons to continue U.S. nationality and citizenship, or be naturalized, and this will be governed by U.S. law, not Puerto Rican law. If the voters freely choose separate sovereignty, only those born in Puerto Rico who have acquired U.S. citizenship on some other

legal basis outside the scope of the Treaty of Paris citizenship statutes enacted by Congress during the territorial period will not be affected. Thus, the automatic combined Puerto Rican and U.S. citizenship described under the definition of independence on the 1993 plebiscite ballot was a proposal which is misleading and inconsistent with the fundamental principles of separate nationality and non-interference by two sovereign countries in each other's internal affairs, which includes regulation of citizenship. Under statehood, guaranteed equal U.S. citizenship status will become a permanent right. Under the present Commonwealth of Puerto Rico government structure, the current limited U.S. citizenship status and rights will be continued under Federal law enacted under the Territorial Clause and the Treaty of Paris, protected to the extent of partial application of the U.S. Constitution during the period in which Puerto Rico remains an unincorporated territory.

7. The alternative to full integration into the United States or a status based on separate sovereignty is continuation of the current unincorporated territory status. In that event, the present status quo, including the Commonwealth of Puerto Rico structure for local self-government, presumably could continue for some period of time, until Congress in its discretion otherwise determines the permanent disposition of the territory of Puerto Rico and the status of its inhabitants through the exercise of its authority under the Territorial Clause and the provisions of the Treaty of Paris. Congress may consider proposals regarding changes in the current local government structure, including those set forth in the ''Definition of Commonwealth'' on the 1993 plebiscite ballot. However, in our view serious consideration of proposals for equal treatment for residents of Puerto Rico under Federal programs will not be provided unless there is an end to certain exemptions from federal tax laws and other non-taxation in Puerto Rico, so that individuals and corporations in Puerto Rico have the same responsibilities and obligations in this regard as the states. Since the ''commonwealth'' option on the 1993 plebiscite ballot called for ''fiscal autonomy,'' which is understood to mean, among other things, continuation of the current exemptions from federal taxation for the territory, this constitutes another major political, legal and economic obstacle to implementing the changes in Federal law and policy required to fulfill the terms of the ''Definition of Commonwealth.''

8. In addition, it is important to recognize that the existing Commonwealth of Puerto Rico structure for local self-government, and any other measures which Congress may approve while Puerto Rico remains an unincorporated territory, are not unalterable in a sense that is constitutionally binding upon a future Congress. Any provision, agreement or pact to the contrary is legally unenforceable. Thus, the current Federal laws and policies applicable to Puerto Rico are not unalterable, nor can they be made unalterable, and the current status of the inhabitants is not irrevocable, as proposed under the ''commonwealth'' option on the 1993 plebiscite ballot. Congress will continue to respect the principle of self-determination in its exercise of Territorial Clause powers, but that authority must be exercised within the framework of the U.S. Constitution and in a manner deemed by Congress to best serve the U.S. national interest. In our view, promoting the goal of full self-government for the people of Puerto Rico, rather than remaining in a separate and unequal status, is in the best interests of the United States. This is particularly true due to the large population of Puerto Rico, the approach of a new century in which a protracted status debate will interfere with Puerto Rico's economic and social development, and the domestic and international interest in determining a path to full self-government for all territories with a colonial history before the end of this century.

9. The record of the October 17, 1995 hearing referred to above makes it clear that the realities regarding constitutional, legal and political obstacles to implementing the changes required to fulfill the core elements of the ''commonwealth'' option on the ballot were not made clear and understandable in the public discussion and political debate leading up to the vote. Consequently, Congress must determine what steps the Federal government should take in order to help move the self-determination process to the next stage, so that the political status aspirations of the people can be ascertained through a truly informed vote in which the wishes of the people are freely expressed within a framework approved by Congress. Only through such a process will Congress then have a clear basis for determining and resolving the question of Puerto Rico's future political status in a manner consistent with the national interest.

Ultimately, Congress alone can determine Federal policy with respect to self-government and self-determination for the residents of Puerto Rico. It will not be possible for the local government or the people to advance further in the self-determination process until the U.S. Congress meets its moral and governmental responsibility to clarify Federal requirements regarding termination of the present unincorporated territory status of Puerto Rico in favor of one of the options for full self-government.

The results of the locally administered 1993 vote are useful in this regard, but in our view are not definitive beyond what has been stated above. The question of Puerto Rico's political status remains open and unresolved.

Sincerely,

DON YOUNG,
Chairman, Committee on Resources.
ELTON GALLEGLY,
Chairman, Subcommittee on Native American and Insular Affairs.
BEN GILMAN,
Chairman, Committee on International Relations.
DAN BURTON,
Chairman, Subcommittee on the Western Hemisphere.

CONGRESS OF THE UNITED STATES,
Washington, DC, June 28, 1996.

Senator CHARLIE RODRIGUEZ,
Majority Leader, Puerto Rico Senate, the Capitol, San Juan, PR.

DEAR SENATOR RODRIGUEZ: As the senior democrats on the House Resources and International Relations Committees we have always been concerned about the economic and political future of Puerto Rico. As the 104th Congress considers proposed legislation regarding the process of self-determination for Puerto Rico, we believe that it is time to re-examine the status issue in light of the 1993 plebiscite.

On December 14, 1994 the Legislature of Puerto Rico adopted Concurrent Resolution 62 which sought congressional guidance regarding the results of the 1993 status plebiscite. Recently, the Chairman of the relevant committees and subcommittees that deal with Puerto Rico's political status responded to this important resolution. Although we agree with many portions of the letter, we would like to outline some of our views on the issue as well.

We believe that the definition of Commonwealth on the 1993 plebiscite ballot was difficult given Constitutional, and current fiscal and political limitations. Through numerous Supreme Court and other Federal Court decisions, it is clear that Puerto Rico remains an unincorporated territory and is subject to the authority of Congress under the territorial clause. Another aspect of this definition called for the granting of additional tax breaks to Section 936 companies and an increase in federal benefits in order to achieve parity with all the states without having to pay federal taxes. It is important that any judgment on the future of Puerto Rico be based on sound options that reflect the current budgetary context in the United States. This context should also reflect the bi-partisan agreement being worked on by Congress which reduces Section 936 benefits.

Since Congress has neither approved nor resolved the 1993 plebiscite results, we are in favor of legislation that will establish a future process of self-determination for the people of Puerto Rico. This legislation should include a requirement for status plebiscites to take place within a certain number of years and define various status options in a realistic manner.

In two years, Puerto Rico will celebrate its 100th year as part of the United States. Congress has both a political and moral responsibility to ensure that the 3.5 million Americans living in Puerto Rico have a right to express their views on the important issue of political status on a regular basis.

We hope this additional response to Concurrent Resolution 62 is helpful.

Sincerely,

ROBERT TORRICELLI,
BILL RICHARDSON,
LEE HAMILTON,
DALE KILDEE,

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 18, 1996.

Hon. RICHARD GEPHARDT,
Minority Leader, the Capitol, Washington, DC.

DEAR MINORITY LEADER GEPHARDT: Given the short time before the adjournment of the 104th Congress, we are eagerly trying to secure floor time for a bill that is of great importance to us, H.R. 3024, the United States-Puerto Rico Political Status Act. Unfortunately, we understand that certain Representatives have approached you in recent days in hopes of derailing this legislative effort.

After nearly 100 years as a territory of the United States, Puerto Rico must be provided with the opportunity to determine its future. While some would have you believe that there is no need for a self-determination process, it must be clear that the existing ''Commonwealth'' structure was never meant to be a permanent solution for Puerto Rico, particularly since the 3.8 million U.S. citizens in Puerto Rico are disenfranchised under the current arrangement. Just as the United Nations has called for an end to colonialism by the year 2000, the United States must lead by example by putting an end to the disenfranchisement of its own citizens and allowing Puerto Rico to resolve, once and for all, its status dilemma.

As you know, H.R. 3024 establishes a process whereby the U.S. citizens of Puerto Rico would be allowed to vote on self-determination by the end of 1998. On the first ballot, the voters would choose to either change their status or maintain the status quo. Then, assuming the majority votes to change their status, they would then again vote to choose between a path toward separation (independence or free association) or a path

toward integration (statehood). In each instance, the results would be definitive and would produce a majority.

With over sixty cosponsors in the House, H.R. 3024 has strong bipartisan support. During the full Resources Committee markup last month, the bill was reported unanimously after adopting only minor perfecting amendments. It is now before the Rules Committee and we are hopeful that it will soon proceed to the House floor. Opponents of H.R. 3024, however, are using a number of tactics to try to delay this process and confuse the issue.

Some have tried to revive discussions over the language and citizenship provisions of the bill, even though these issues were dealt with in the reported text of H.R. 3024. Others claim that the ballot process is unfairly skewed toward one option or another, hoping to revert back to the three-way ballot in 1993 which yielded no clear majority. More than just attempts to amend the legislation, these efforts are aimed at delaying its consideration or tainting its language so that it will never see the light of day this year on the House floor.

All told, these efforts should not obscure the original intent of the legislation: to provide Puerto Rico with a fair process of self-determination for the first time in the Island's history. Your support for this effort is needed and would help Congress give the U.S. citizens of Puerto Rico the voice and participation in the democratic process which they are entitled to and deserve.

Thank you for your interest in the affairs of Puerto Rico. If you would like to discuss this matter further, please do not hesitate to contact us.

Sincerely,

Carlos A. Romero-Barceló, Robert A. Underwood, Nick Rahall, Sam Farr, Esteban E. Torres, Bill Richardson, Patrick J. Kennedy, José E. Serrano, Dale E. Kildee, Pat Williams, Neil Abercrombie.

Mr. CRAIG. Mr. President, I am proud to be an original cosponsor of the legislation introduced by my colleague from Idaho, Senator CRAIG, with whom I have worked closely on many issues over the years.

This important bill establishes a process whereby the people of Puerto Rico can vote for a retention or a change of their current Commonwealth status, a status preserved as a result of the November 14, 1993 plebiscite. If Puerto Ricans choose change, they can select a path toward separation—independence or free association—or a path toward incorporation—statehood. In short, the bill establishes an orderly path toward true self-determination in the true democratic spirit of our Nation.

One might ask why such legislation is necessary given that less than 3 years ago, a plurality of U.S. citizens in Puerto Rico chose the Commonwealth option on the November 14 ballot. This option—drafted by the Commonwealth party itself, under the agreed-upon terms of the plebiscite—presented the people of Puerto Rico with utterly inflated and unrealistic expectations regarding the island's future relationship with the United States. In effect, the Commonwealth option guaranteed United States citizens of Puerto Rico many of the benefits of statehood and many of the benefits of separation without any of the accompanying responsibilities of either. Given these pie-in-the-sky promises, it is no wonder that a plurality of Puerto Ricans—though, important, not a majority—chose the Commonwealth option. However, the future of Puerto Rico's relationship with the United States remains unclear, and congressional action providing Puerto Ricans with the power to determine their fate through a fair and orderly process is long overdue.

It is time that Congress' silence on the results of the November 14, 1993 Puerto Rican plebiscite end, and that we afford United States citizens in Puerto Rico realistic and just options for determining Puerto Rico's future relationship with the United States of America. The Puerto Rican Government has asked that we do as much. On December 14, 1994, the legislature of Puerto Rico adopted Concurrent Resolution 62 which formally requested congressional guidance regarding the results of the 1993 status plebiscite. This legislation provides this guidance.

The process established by this legislation would be unprecedented and long overdue, affording Puerto Ricans for the first time a fair process of self-determination that is consistent with everything America stands for. We owe Puerto Rico—which in 2 years will have been part of the United States for 100 years—at least this much.

For decades, we have treated the right to self-determination as a cornerstone of our foreign policy. It is time that we practice what we preach.

By Mr. GRASSLEY (for himself and Mr. HARKIN):

S. 2020. A bill to establish America's Agricultural Heritage Partnership in Iowa, and for other purposes; to the Committee on Energy and Natural Resources.

THE AGRICULTURAL HERITAGE PARTNERSHIP ACT OF 1996

Mr. GRASSLEY. Mr. President, today I am introducing the America's Agricultural Heritage Partnership Act of 1996. This legislation would authorize the designation of several counties in northeast Iowa as America's Agricultural Heritage Partnership. This project is more commonly known as Silos and Smokestacks.

The story of agriculture in the United States is not only one of national progress and bounty, but is also a story of world progress and bounty. American agriculture is a national and a world treasure. It is a story that needs to be told. That is the silos part of Silos and Smokestacks. The smokestacks are the industrial base that supports our country's agriculture. The mission of America's Agricultural Heritage Partnership—Silos and Smokestacks—is to tell their combined story, through traditional exhibits and by designed routes through the countryside highlighting areas of importance and interest.

Community leaders in Waterloo, IA, the surrounding communities, and the rural area began meeting several years ago to determine how best to tell the agricultural story, especially how it relates to our country's great industrial history. Because of their interest, the National Park Service was then requested to conduct a study to develop recommendations as to the location of a heritage area and how to present the history.

That study recommended that northeast Iowa be the location for an agricultural heritage partnership area. Since that time, the communities have continued their work to lay a proper foundation for the project pending congressional authorization for Silos and Smokestacks.

Waterloo is located in the center of some of the richest, most productive agricultural land in the world. It is also home to John Deere and other farm equipment manufacturers and other related agricultural industries. Waterloo is an ideal location to tell the combined story of American agriculture and the industry associated with it.

This legislation would authorize the Secretary of Agriculture to make grants or enter into cooperative agreements to further this project. He may also provide necessary technical assistance.

This is a worthwhile endeavor to tell an important American story to our citizens and the World. I strongly encourage enactment of this legislation.

Mr. HARKIN. Mr. President, I rise as cosponsor of America's Agricultural Heritage Partnership Act of 1996. This bill would establish America's Agricultural Heritage Partnership in northeast Iowa in order to promote the story of agriculture in our Nation's rich history.

A few years ago, leaders from Waterloo and other communities in northeast Iowa developed an initiative called Silos and Smokestacks. Silos and Smokestacks is a private organization that has worked to remodel and renovate old, and often abandoned, buildings in Waterloo. This effort is a wonderful example of communities and concerned citizens working together to preserve a unique part of American history.

The hard work by Silos and Smokestacks has provided the foundation for a unique heritage park that would combine the stories of our Nation's agricultural and industrial development. In the past, the focus of the National Park Service has been to create and administer the so-called natural areas, commonly known as our National Park System. A heritage park involves local, State, Federal, and private interests in recognizing and preserving sites of cultural and historical significance. Heritage areas are something like a large interactive museum in which people have the opportunity to gain firsthand knowledge of an important facet of our Nation's history.

The National Park Service has determined that northeast Iowa is an ideal

location for a heritage park. This park would tell the nationally significant, but often overlooked, story of American agriculture. Northeast Iowa combines the rich histories of our Nation's farming and industrial sectors. In the area surrounding Waterloo one will find some of the most productive and fertile land in the Nation. Boasting the production lines of John Deere and other farm equipment manufacturers and some of the largest meatpacking operations in the Midwest, the city of Waterloo represents our Nation's industrial strength. Taken together, this area represents nearly every aspect of agricultural and food production.

The National Park Service has suggested that four principal topics of the heritage area could include: the amazing science of agriculture, agriculture as a way of life, organizing for survival, and crops from the field to the table.

The legislation introduced today would authorize the Secretary of Agriculture to make grants and provide technical and management assistance to those entities developing the introductory heritage park. This assistance would be the critical impetus to see this unique project through to completion. A heritage project in northeast Iowa would provide countless Americans with a valuable insight into one of the most fascinating, and important, aspects of American society.

By Mrs. FEINSTEIN (for herself and Mrs. BOXER):

S. 2021. A bill to suspend temporarily the duty on certain chemicals used in the formulation of an HIV protease inhibitor; to the Committee on Finance.

DRUG DEVELOPMENT ACCELERATION LEGISLATION

Mrs. FEINSTEIN. Mr. President, as a nation, we must do everything we can to find a cure for HIV/AIDS. However, until we have a cure for this urgent health priority, we need to find effective treatments and put them in the hands of people with needs.

I rise today to introduce legislation, joined by my colleague Senator BOXER, to eliminate the tariff for several chemical compounds. These compounds are required for the manufacture of an AIDS drug, nelfinavir mesylate, which has produced promising test results.

PROTEASE INHIBITORS

Nelfinavir is one of a new class of AIDS drugs called protease inhibitors. The drugs are designed to block an enzyme, called protease, that appears to play a crucial role in the replication of HIV.

As the Wall Street Journal reported in its coverage of the recently concluded 11th International Conference on AIDS in Vancouver, BC, researchers have evidence that protease inhibitor drugs, when taken in combination with existing therapies, can reduce levels of the AIDS-causing virus in blood to levels so low that the virus is undetectable by even the most sensitive tests. AIDS researchers at the conference describe this new drug therapy as a major and unprecedented step in combating AIDS, one that may represent a treatment approach that may delay the onset of AIDS, extend patients' lives, and transform AIDS into a long-term, manageable disease.

Mr. President, HIV/A is a critical public health issue, requiring the Nation's full attention. In America today, AIDS is the leading cause of death for young Americans between the ages of 25 and 44.

More than 220,700 American men, women and children have died of AIDS by the end of 1993. While the number of deaths trails other urgent health priorities such as cancer or heart disease, AIDS is nearly equally debilitating to the Nation when measured by the years of potential and productive life lost due to the disease.

In my State of California, 1 of every 200 Californians is HIV positive, while 1 of every 25 is HIV positive in my home of San Francisco.

AIDS is a paramount public health concern and every effort should be made to ensure that drugs are made available as swiftly and at as low a cost as possible. We simply cannot delay or waste time in providing drugs, treatments or materials. This tariff legislation represents a modest, but important step.

ZERO TARIFF FOR PHARMACEUTICALS

Under the 1994 GATT agreement, most pharmaceutical products are entitled to enter the country without a tariff. However, the zero tariff does not apply to many new pharmaceutical products or their chemical ingredients. As a result, the chemicals needed to make nelfinavir mesylate, an AIDS protease inhibitor currently undergoing research testing, but not yet a recognized pharmaceutical product under GATT, would be ineligible for the pharmaceutical zero tariff.

During negotiations with World Trade Organization nations to implement the pharmaceutical zero tariff, the administration successfully added the chemical compounds needed to manufacture the AIDS drug. As a result, the tariff will drop to zero on April 1, 1997.

Nelfinavir is on the Food and Drug Administration's fast-track approval process for AIDS drugs. Commercial production of the drug will begin well before April 1, in order that the drug can be immediately available to AIDS patients upon FDA approval. Although currently imported duty-free for use in clinical research trials, the imported chemicals will soon be used for commercial production. During the period of commercial production prior to April 1, the chemical compounds will face a 12 percent tariff, which will only add to the cost and delay the drug's production and distribution to individuals in need.

This proposed legislation would eliminate the tariff for two of the essential and unique chemical inputs, as well as for the active ingredient nelfinavir (Acid Chloride, Chloroalcohol and AG 1346), from August 1 when the drug production increases, until April 1, 1997 when the tariff drops to zero under the WTO pharmaceutical agreement. Without this legislation, the manufacturer would face a 12 percent tariff for its chemicals, which are not available in the United States, as the drug proceeds into production. This tariff reduction will allow for the acceleration of drug production, providing more timely relief for the public.

The Federal Government needs to do everything it can to expedite the development and distribution of AIDS drugs. Without this legislation to remove the tariff, we will be tolerating needless hurdles and delay, rather than needed relief.

The Congressional Budget Office is reviewing the cost of the proposed legislation. However, because the WTO negotiations will already provide a zero tariff for the chemical compounds on April 1, the legislation may have a de minimis impact on tariff revenue. For AIDS patients, their families and those at risk, it's a step Congress should take.

I have also requested various Federal agencies and other organizations to review the legislation and ensure that other important Federal policies, like narcotics enforcement or maintaining a strong, domestic chemical industry, are not undermined. The Drug Enforcement Agency and U.S. Customs Service indicate the chemicals present no risk for law enforcement or anti-narcotics enforcement priorities. Similarly, the U.S. Trade Representative's Industry Sector Advisory Committee for chemicals and the International Trade Commission also reviewed and approved the administration's efforts to include the chemicals in the pharmaceutical appendix negotiations. PhRMA, the Pharmaceutical Research and Manufacturers of America, also has reviewed the proposal and does not oppose the legislation.

The administration deserves tremendous credit for extending a zero tariff for these chemical components. It is my hope that miscellaneous tariff legislation, which is currently pending before the Finance Committee, could accommodate this noncontroversial tariff issue, which can accelerate the development and production of an AIDS drug, with the potential to provide meaningful relief.

As a matter of public policy, we should do everything we can to develop AIDS drugs and treatments. Patients and their families cannot wait for the next round of drugs to be approved and added to the zero-tariff list, scheduled for review in 1999. By importing the chemical compounds without a tariff, we can accelerate the drug development process.

I am pleased to introduce this tariff legislation, along with my colleague Senator BOXER, and will work with the chairman and ranking members of the Finance Committee to pursue the legislation.

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. 2021

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

SECTION 1. TEMPORARY DUTY SUSPENSION.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new headings:

''9902.30.63	3-acetoxy-2-methylbenzoyl chloride (CAS No. 167678–46–8) (provided for in subheading 2918.29.65)	Free	No change	On or before 3/30/97
9902.30.64	2S, 3R-N-Cbz-3-amino-1-chloro-4-phenylsulfanyl-butan-2-ol (CAS No. 159878–02–1) (provided for in subheading 2922.19.60)	Free	No change	On or before 3/30/97
9902.30.65	N-(1,1-dimethylethyl)decahydro-2-[2-hydroxy-3[(3-hydroxy-2-methylbenzoyl) amino]-4-(phenylthio)butyl]-3-isoquinolinecarboxamide, [3S-[2(2S*,3S*), 3.a.,4a.b.,8a.b.]] (CAS No. 159989–64–7) (provided for in subheading 2933.40.60)	Free	No change	On or before 3/30/97''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of the enactment of this Act.

(2) RETROACTIVE APPLICATION.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, upon proper request filed with the Customs Service, before the 90th day after the date of the enactment of this Act, any entry, or withdrawal from warehouse for consumption, of an article described in heading 9902.30.63, 9902.30.64, or 9902.30.65 of the Harmonized Tariff Schedule of the United States (as added by subsection (a)), that was made—

(A) on or after August 1, 1996, and

(B) before the date that is 15 days after the date of the enactment of this Act,

shall be liquidated or reliquidated as though such entry or withdrawal was made on the 15th day after such date of enactment.

By Mr. THURMOND (for himself, Mr. FAIRCLOTH, Mr. HOLLINGS, Mr. COATS, and Mr. HELMS):

S. 2022. A bill to amend title 23, United States Code, to modify the minimum allocation formula under the Federal-aid highway program, to provide reimbursement to each State with respect to which the highway users in the State paid into the highway trust fund an amount in excess of the amount received by the State from the highway trust fund, and for other purposes; to the Committee on Environment and Public Works.

THE SURFACE TRANSPORTATION EQUITY ACT

Mr. THURMOND. Mr. President, I rise today to introduce legislation, on behalf of myself and Senators FAIRCLOTH, HOLLINGS, COATS, and HELMS, to correct one of the most inequitable and unfair policies of our Government—the Federal aid to highways distribution formulas. Currently, our Federal Aid to Highways Program collects 18.3 cents tax on each gallon of gasoline. That money is then sent to the Federal Treasury where deductions are made for deficit reduction and other Department of Transportation programs. The remainder is then apportioned among the States by statutory formulas which is used for infrastructure projects. In 1995, South Carolina received 52 cents for each dollar its citizens contributed to the fund. Other States were allocated $2 or more for each dollar contributed. This disparity is inexcusable.

This donor State system was originally devised to build the Interstate Highway System. In order to build highways across the vast expanses of the less populated Western States, it was necessary to incorporate a system in which some States contribute more than they receive. Next year, the last segment of the Interstate System will be completed. Subsequently, all our surface transportation priorities will then be local, but the donor/donee system with its unfair formulas will still be in place.

The statutory formulas are largely based on 1950's population data. Needless to say, there have been great population shifts in this country since that time. As a result, high-growth States have become desperate to find money to cope with the growing demand for highway construction and maintenance. Other States, however, are allocated such an excess amount that some of their funds go unused. In some cases they seek legislation to use the money for more exotic transportation purposes. We should not be building roads where people have been—we shoud build them where they are or where they are going. The present situation is equivalent to laying railroad tracks behind the train. It is inefficient, wasteful, and does not address the transportation needs of our Nation.

Unlike other programs, our Federal aid highway system was intended to be a user fee system where the gas taxes motorists pay go to maintain and improve the roads on which they drive. Unfortunately, the current system does not work in that manner. For example, when a school teacher in Mt. Pleasant, SC, buys gas to commute to her job in Charleston, she should expect that the tax she has paid is going to pay part of the cost of replacing the Cooper River Bridge which is in danger of collapse. Instead, 48 cents of each dollar she pays in gas tax goes to finance projects in other States. On the other hand, when a school teacher in one of the donee States does the same thing, she receives more than double her money back in road improvements. This is simply unfair.

The donor States have made tremendous sacrifices to build the Interstate System from which we all benefit. They have for years postponed addressing critical highway needs at home. The time has come for our national policy to recognize this contribution and address this issue fairly.

Mr. President, the bill we are introducing is simple. It stipulates that the portion of the Federal highway distribution to a State in each year shall be equal to its percentage of all contributions to the fund. In other words, if South Carolina contributes 1.8 percent of the trust fund in a year, it would get back 1.8 percent of whatever amount is appropriated out of the fund that year. Further, my bill would establish a 5-year program to bring the historic donor States into parity with the rest of the country. After implementation of this bill then we will have a Federal Highway Program that is fair to all.

Mr. President, if we are to reauthorize a Federal Highway Program, it must be a fair one. My bill presents a fair and equitable formula for doing this. I urge my colleagues to join us in support of this legislation.

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. 2022

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 ''Surface Transportation Equity Act of 1996''.

SEC. 2. MINIMUM ALLOCATION.

(a) FISCAL YEAR 1998 AND THEREAFTER.—Section 157(a) of title 23, United States Code, is amended by adding at the end the following:

''(5) FISCAL YEAR 1998 AND THEREAFTER.—In fiscal year 1998 and each fiscal year thereafter, the Secretary, after making the allocations described in section 3 of the Surface Transportation Equity Act of 1996, shall allocate among the States amounts sufficient to ensure that a State's percentage of the total apportionments in each fiscal year and allocations for the prior fiscal year from funds made available out of the Highway Trust Fund is not less than 100 percent of the percentage of estimated tax payments attributable to highway users in the State paid into the Highway Trust Fund in the latest fiscal year for which data are available.''.

(b) CONFORMING AMENDMENT.—Section 157(a)(4) of title 23, United States Code, is amended by striking the paragraph designation and all that follows before ''on October 1'' and inserting the following:

''(4) FISCAL YEARS 1992–1997.—In each of fiscal years 1992 through 1997,''.

SEC. 3. DONOR STATE REIMBURSEMENT.

(a) ALLOCATION.—Over the period consisting of fiscal years 1998 through 2002, the Secretary of Transportation shall proportionally allocate to each eligible State described in subsection (b) the total amount of the excess described in subsection (b).

(b) ELIGIBLE STATES.—For the purpose of this section, an eligible State is a State with respect to which the highway users in the State paid into the Highway Trust Fund, during the period consisting of July 1, 1957, through the end of the latest fiscal year for which data are available, an amount in excess of the amount received by the State from the Highway Trust Fund during that period.

(c) FORMULA.—For each fiscal year, the Secretary of Transportation shall allocate the amounts made available under subsection (a) for the fiscal year in such a way

as to bring each successive eligible State, or eligible States, with the lowest dollar return on dollar paid into the Highway Trust Funding during the period described in subsection (b) up to the highest common return on dollar paid that can be funded with the amounts made available under subsection (a).

(d) APPLICABILITY OF CHAPTER 1 OF TITLE 23.—Funds allocated under this section shall be available for obligation in the same manner and for the same purposes as if the funds were apportioned for the surface transportation program under chapter 1 of title 23, United States Code, except that the funds shall remain available until expended.

(e) ADMINISTRATIVE EXPENSES.—

(1) DEDUCTION.—For each fiscal year, prior to making allocations under this section, the Secretary of Transportation shall deduct such amount, not to exceed 3¾ percent of the amount made available under subsection (f) for the fiscal year, as the Secretary determines is necessary to pay the administrative expenses of carrying out this section. Amounts so deducted shall remain available until expended.

(2) CONSIDERATION OF PRIOR DEDUCTIONS.—In determining each amount to be deducted under paragraph (1), the Secretary of Transportation shall take into consideration the unexpended balance of any amounts deducted for prior fiscal years under paragraph (1).

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated out of the Highway Trust Fund such sums as are necessary to carry out this section.

Mr. HOLLINGS. Mr. President, 5 years ago I opposed legislation extending our Nation's Highway Program. I did that, not because we do not need highways—they have been a fine investment—but because the funding distribution to States had become so egregiously unfair that it threatened support for any highway program at all. It is interesting to note that today we have proposals in the Congress essentially to follow that logic by repealing most of the program to the States on the basis that the Federal funding pattern is so incredibly wrong. As such, I make the case again today for a fair and rational distribution of highway funds and put the Senate on notice that the distribution must change when the Congress considers highway program revisions next year. The U.S. General Accounting Office has studied highway spending again since the 1991 ISTEA legislation, and reported in November 1995 what Senators have long known—a formula that provided South Carolina 52 cents this year for a dollar of taxes contributed is unfair and untenable.

This is not just a matter of my State receiving less. It is a matter of how best to distribute funds for our Nation's highway needs. Objective studies have found that our current funding pattern is wrong, outdated, and unconnected to highway needs. As the GAO put it, ''the States' funding shares for the four major programs are divorced from current conditions,'' and the underlying factors for the two largest programs are ''irrelevant to the highway system's needs.''

Particularly, the current distribution to States includes significant, indirect influences from earlier, unfair funding patterns. It includes postal road factors from the 1921 formula, population data from the 1980 census, and bridge costs reported from States nearly a decade ago which were wildly disparate. Why should South Carolina have gotten $38 per square foot to replace bridges while the District of Columbia received $223 per square foot? Why should these amounts be grandfathered into today's allocations?

Not only did the GAO declare last year that these formula factors are ''irrelevant,'' it suggested better factors more than 10 years ago. At that time, the GAO recommended making a transition to a more fair formula in a way that did not hurt states that had been receiving a greater than equitable share of highway formulas. But as the GAO reported last year, ''However, the Congress elected not to change the basic formula structure.''

Mr. President, I voted against ISTEA because of the objective, well-documented unfairness of the highway formula, and will vigorously oppose any highway bill next year that does not provide fairness. The legislation we are introducing here today is a good starting point to better address our Nation's highway needs.

By Mr. REID:

S. 2023. A bill to provide for travelers' rights in air commerce, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE TRAVELERS' RIGHTS ACT OF 1996

Mr. REID. Mr. President, as our open society has evolved, the Government has consistently, though in varying degrees, had to define the rights of consumers and citizens. In this regard, I introduce today the Travelers' Rights Act. This bill is to expedite access to information to airline customers and broaden the choices that air travelers have through greater information. Additionally, through the Victims Rights Program we call for greater coordination of governmental agencies and American Red Cross in providing facts to victims and survivors of victims.

Mr. President, air travel in America is a fundamental of American transportation. I cannot imagine spanning the distances of Nevada, much less the Western United States to come back here and represent my State without the convenience of air travel. Perhaps we take many things about travel for granted; for instance, I do not know nor can I fathom the many details involved in getting a 747, the size of 12 city busses, into the sky. But, Mr. President, I believe that there are some basic rights of the half-billion passengers of airlines that need to be protected. I have searched the current statutes and regulations and am confident that the Federal Aviation Administration has many of the tools necessary to continue to make our skies safe. I am not convinced, however, that passengers, are receiving sufficient information about the aircraft and the many involved personnel and accessibility to the aircraft. Daily, pilots, mechanics, air tower controllers, and others dedicate themselves to meeting the needs of air travelers, but still the trust relationship requires some understanding that the FAA certificate requirements are being met by the personnel who serve the airline customers.

While some may argue that requires a lot of information. I consider it to be the nature of the information not the quantity to be significant, because the traveler on the airlines are putting their lives in the airlines' hands and should be allowed the knowledge that bestows security, understanding and choice. There is information that ought to be available and if the customer seeks the information the airlines should expeditiously provide it. This bill is not to scare travelers about the safety and security of air travel, rather on the contrary, I believe this bill will inspire confidence through openness and knowledge. Additionally, if customers of air travel exercise their right to know about certain elements about the airlines, aircraft and crew then that too will enhance the trust between customers and the airlines.

The second principle element of the bill is the Victims Rights Program, which is essential in alleviating some of the criticism of the airlines and restoring the confidence of airline customers. Increased coordination of the agencies and the American Red Cross in opening up communication between the investigating parties and the victims, appears to me, to be the least that we can do and an essential right of those who place their trust in air travel.

This legislation is vital in making sure that these fundamental rights of information and knowledge are preserved. As airplane accidents occur and the airplanes are sabotaged, the sense of security that airplane passengers have paid for is undermined. This bill does not try to second guess the Federal Aviation Administration and the inspector general in safety investigations and security methods, because they have been given both the mission and the means of working with the airlines.

Mr. President, last May a ValuJet DC–9 crashed into a Florida swamp, and before that in December an American Airlines aircraft flew into a South American mountainside. Then over 200 individuals died off the coast of New York and the Federal authorities have still not identified all the victims. Indeed, I have heard repeatedly that the survivors of victims cannot get information from the airlines and the National Transportation Safety Board and FBI. I believe that in the past couple of years, air travel have suffered terrible accidents and the American public who travel by air do not seem to get any more consideration, as far as information and education are concerned.

We do hear, Mr. President, that security might be enhanced at the airports,

and that more screening of passengers might take place at airplane boarding and other draconian measures are being considered. Those issues need tremendous study and intensive deliberation of classified information among those who have the expertise. This bill focuses on the prerogatives of the traveler and through access of information the choices of the traveler expand and trust is preserved.

I urge my colleagues to act quickly on this legislation so that this fundamental way of travel is not undermined by the airline industry's own protective silence and guarded communication. When unfortunate accidents or harm occurs, trust is best established by allowing the victims open access. Through this legislation the rights of travelers will be firmly preserved.

By Ms. SNOWE (for herself and Mrs. FEINSTEIN):

S. 2024. A bill to amend the Public Health Service Act to provide a one-stop shopping information service for individuals with serious or life-threatening diseases; to the Committee on Labor and Human Resources.

THE ONE-STOP SHOPPING INFORMATION SERVICE ACT OF 1996

Ms. SNOWE. Mr. President, today, I rise to introduce a vital piece of legislation which will help people with serious or life-threatening diseases obtain the information they desperately need about clinical trials. Easy access to this information is critical, because clinical trials provide cancer patients with potentially promising treatments which are otherwise unavailable and which may be on the cutting edge of medical research.

In June of this year, I convened an important hearing with my colleagues, Senators CONNIE MACK and DIANNE FEINSTEIN, Cochairs of the Senate Cancer Coalition, to address recent developments in breast cancer treatments and research. We convened our hearing on the eve of the Seventh Annual National Race for the Cure, a race that raises millions of dollars each year for breast cancer research and education efforts.

During the hearing, we heard testimony from breast cancer advocates on the difficulty patients and physicians face in learning about ongoing clinical trials. One witness, representing Breast Cancer Action in California, testified about the need for ''One Stop Shopping'' to find out what is available in terms of clinical trials for cancer treatments. She testified that the existing Cancer Information Service at the National Cancer Institute is helpful but underfunded, and provides only partial information because it lists only publicly funded trials. It does not list, however, the 300-plus clinical trials of private pharmaceutical companies, producing a major knowledge gap.

This witness contrasted this difficulty faced by cancer patients with the ease with which AIDS patients obtain information about clinical trials. As the result of a 1988 amendment to the Public Health Service Act, AIDS patients need only dial a 1–800 number in order to obtain information about all clinical trials—both Government financed and private pharmaceutical trials. If you have cancer or some other life-threatening illness, however, you must rely upon your doctor's knowledge about clinical trials, which is likely to be limited. Moreover, information contained on commercial databases are costly to access, difficult to use or understand, and often incomplete.

Since this hearing, I have heard similar complaints not only from cancer patients, but from patients suffering from a wide range of severe or life-threatening illnesses. Today, I rise to introduce legislation to rectify this knowledge gap.

My bill is based closely on the existing language in the Public Health Service Act which created the AIDS database and which has been so successful in making information about AIDS clinical trials available to those who need it. Modeled on that language, my bill establishes a data bank of information on clinical trials and experimental treatments for all serious or life-threatening illnesses. The one stop shopping information service will include a registry of all private and public clinical trials, and will contain information describing the purpose of the trial, eligibility criteria for participating in the trial, as well as the location of the trial. The bill also requires HHS to set up information systems, including a toll-free number, for patients, doctors, and others to access this critical information. The database will also include information on the results of experimental trials, enabling patients to make fully informed decisions about medical treatment.

Imagine facing a deadly disease and not having access to information about the latest treatment options. Imagine enduring great pain and not having access to a centralized source of information about existing clinical trials which may relieve your suffering or extend your life. Imagine the arduous effort needed to gather information about these clinical trials in order to potentially benefit from cutting-edge treatments.

Then consider what this legislation will do for Americans. People with cancer, Alzheimers' disease, Parkinsons, cystic fibrosis, advanced heart disease, multiple sclerosis, or any other serious disease will be able to dial a 1–800 number from their home phone and access the information they need about clinical trials underway across the Nation. They will also be able to obtain information about the results of experimental trials, helping them to make treatment decisions.

All parties will benefit from this legislation. First and foremost, it encourages patient choice and informed decisions. But pharmaceutical companies will also benefit, because this legislation will allow for easier and quicker recruitment of individuals willing to participate in experimental trials, expediting the approval process for investigational new drugs. And the National Institutes of Health and the Food and Drug Administration will be better able to serve the public.

This one-stop shopping service will provide hope to countless Americans. But most importantly, it will help to save lives and reduce the suffering of Americans who are stricken by serious or life-threatening illnesses. We know from experience that this language works. I call for the speedy enactment of this legislation which will be of enormous benefit to countless Americans in times of extraordinary need, and I urge my colleagues to support this important bill.

Mrs. FEINSTEIN. Mr. President, today, with Senator SNOWE, I am introducing a bill to set up a toll-free service so that people with life-threatening diseases can find out about research projects that might help them.

Today there are thousands of serious and life-threatening diseases, diseases for which we have no cure. For genetic diseases alone, there are 3,000 to 4,000. Some of these are familiar, like cancer, Parkinson's disease, and multiple sclerosis. Others are not so common, like cystinosis, Tay-Sachs disease, Wilson's disease, and Sjogren's syndrome. Indeed, there are over 5,000 rare diseases, diseases most of us have never heard of, affecting between 10 and 20 million Americans.

Cancer kills half a million Americans per year. Diabetes afflicts 15 million Americans per year, half of whom do not know they have it. Arthritis affects 40 million Americans every year. 15,000 American children die every year. Among children, the rates of chronic respiratory diseases—asthma, bronchitis, and sinusitis—heart murmurs, migraine headaches, anemia, epilepsy, and diabetes are increasing. Few families escape illness today.

THE BILL

The bill we introduce requires the Secretary of Health and Human Services to establish a ''one-stop shopping'' database, including a toll-free telephone number, so that patients and physicians can find out what clinical research trials are underway on experimental treatments for various diseases. Callers would be able to learn the purpose of the study, eligibility requirements, research sites, and a contact person for the research project. Information would have to be presented in plain English, not medicalese, so that the average person could understand it.

A CONSTITUENT SUGGESTION

The suggestion for this information center came from Nancy Evans, of San Francisco's Breast Cancer Action, in a June 13 hearing of the Senate Cancer Coalition, which I cochair with Senator MACK. She described the difficulty that patients have in trying to find out

what experimental treatments might be available, research trials sponsored by the Federal Government, and by private companies. Most of them are desperate; most have tried everything. She testified that the National Cancer Institute has established 1–800–4–CANCER, but their information is incomplete. It does not include all trials and the information is often difficult for the lay person to understand.

In addition, the National Kidney Cancer Association has called for a central database.

PEOPLE IN SERIOUS NEED

To understand the importance of this bill, we have to stop and think about the plight of the individuals it is intended to help. These are people who have a terminal illness, whose physicians have tried every treatment they can find. Cancer patients, for example, have probably had several rounds of chemotherapy, which has left them debilitated, virtually lifeless. These patients cling to slim hopes. They are desperate to try anything. But step one is finding out what is available.

One survey found that a majority of patients and families are willing to use investigational drugs—drugs being researched but not approved—but find it difficult to locate information on research projects. A similar survey of physicians found that 42 percent of physicians are unable to find printed information about rare illnesses.

HELP FOR PHYSICIANS

Physicians, no matter how competent and well trained, also do not necessarily know about experimental treatments currently being researched. And most Americans do not have sophisticated computer hookups that provide them instant access to the latest information through commercial, government, or medical databases. Our witness, Nancy Evans, testified that she can find out more about a company's clinical trials by calling her stockbroker than by calling existing services.

I have had many desperate families call me, their U.S. Senator, seeking help. Others have lodged their pleas at the White House. Others call lawyers, 911, the local medical society, the local chamber of commerce, anything they can think of. Getting information on health research projects should not require a fishing expedition of futile calls, good connections, or the involvement of elected officials.

In 1988, Congress directed HHS to establish an AIDS Clinical Trials Information Service. It is now operational, 1–800–TRIALS–A, so that patients, providers, and their families can find out more about AIDS clinical trials. All calls are confidential and experienced professionals at the service can tell people about research trials underway which are evaluating experimental drugs and other therapies at all stages of HIV infection.

IMPROVING HEALTH, RESEARCH

Facilitating access to information can also strengthen our health research effort. With a national database enabling people to find research trials, more people could be available to participate in research. This can help researchers broaden their pool of research participants.

MODEST HELP FOR THE ILL

The bill we introduce does not guarantee that anyone can participate in a clinical research trial. Researchers would still control who participates and set the requirements for the research. But for people who cling to hopes for a cure, for people who want to live longer, for people who want to feel better, this database can offer a little help.

It should not take political or other connections, computer sophistication or access to top-flight university medical schools to find out about research on treatments of disease when you have a life-threatening illness.

Mr. President, I hope this bill will offer some hope to the millions who are suffering today and I hope Congress will act on the bill promptly.

By Mr. FEINGOLD:

S. 2025. A bill to amend the Communications Act of 1934 to authorize the States to regulate interference with radio frequencies; to the Committee on Commerce, Science, and Transportation.

CB RADIO FREQUENCY INTERFERENCE LEGISLATION

Mr. FEINGOLD. Mr. President, I rise today to introduce legislation which creates a commonsense solution to a growing problem in U.S. cities and towns—the Federal preemption of State and municipal regulation of citizens band [CB] radio frequency interference with residential home electronic or telephone equipment. This problem can be extremely distressing for residents who cannot have a telephone conversation or watch television without being interrupted by a neighbor's citizen band radio [CB] conversation. Under the current law, those residents have little recourse.

Interference of CB radio signals with household electronic equipment such as telephones, radios, and televisions has been regulated by the Federal Communications Commission [FCC] for nearly 30 years. Up until recently, the FCC has enforced rules outlining what equipment may or may not be used for CB radio transmissions, what content may or may not be transmitted, how long transmissions may be broadcast, what channels may be used, as well as many other technical details. FCC also investigated complaints that a personal radio enthusiast's transmissions interfered with a neighbor's use of home electronic and telephone equipment. FCC receives nearly 45,000 such complaints annually.

Mr. President, for the past 3 years I have worked with constituents who have been bothered by persistent interference of nearby CB radio transmissions. In each case, the constituents have sought my help in securing an FCC investigation of the complaint. In each case, Mr. President, the FCC indicated that due to a lack of resources, the Commission no longer investigates radio frequency interference complaints. Instead of investigation and enforcement, the FCC is able to provide only a packet of self-help information for the consumer to limit the interference on their own.

Municipal residents, after being denied investigative or enforcement assistance from the FCC, frequently contact their city or town government and ask them to police the interference. However, the Communications Act of 1934 provides exclusive authority to the Federal Government for the regulation of radio, preempting municipal ordinances or State laws regulating radio frequency interference. This has created an interesting dilemma for municipal governments. They can neither pass their own ordinances to control CB radio interference, nor can they rely on the agency with exclusive jurisdiction over interference to enforce the very Federal law which preempts them.

In Beloit, WI, as in many Wisconsin communities, this dilemma has been extremely frustrating for local residents who have been powerless to prevent the transmissions of a neighboring CB enthusiast from interfering with their home electronic equipment. One Beloit resident, after having adopted every form of filtering technology for her telephone and other electronic equipment, still experienced persistent interference. Her answering machine picks up calls for which there is no audible ring, and at times records ghost messages. Often, she cannot get a dial tone when she or her family members wish to place an outgoing call. During telephone conversations, the content of the nearby CB transmission can frequently be heard and on occasion, her phone conversations are inexplicably cur off. Her neighbors have experienced similar problems and have complained to the Beloit City Council.

Last month, the Beloit City Council, exasperated by FCC inaction on this matter, passed an ordinance allowing the city to enforce FCC regulations on this type of inference. While the council knew that, if challenged under current law, their ordinance would likely not be upheld by the courts, they felt they had little choice if they wished to address their constituents concerns.

Mr. President, it is not fair that municipalities and their residents should be hamstrung by an outdated Federal preemption of laws the Federal Government no longer has the resources to enforce.

The legislation I am introducing today will help the city of Beloit, and many other municipalities like it, to regulate CB radio transmissions and to enforce those regulations. My bill provides a limited exception to the Federal preemption of State or local laws on radio frequency interference. It simply allows State and local governments

to regulate CB radio interference when that interference results from a violation of FCC rules. Thus, States and municipalities can use their enforcement resources to investigate and enforce Federal law thereby protecting the rights of their residents. Even the FCC recognizes that States and localities need to be able to protect their citizens.

Mr. President, this bill simply allows common sense to prevail. If Federal regulators cannot enforce the rules over which they have exclusive jurisdiction, States and localities should be given the authority to investigate and enforce those regulations for them. I hope my colleagues will support this important legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

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

S. 2025

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

SECTION 1. AUTHORITY OF STATES TO REGULATE RADIO FREQUENCY INTERFERENCE.

Section 302 of the Communications Act of 1934 (47 U.S.C. 302) is amended by adding at the end the following:

(e) Where radio frequency interference to home electronic equipment is caused by a CB Radio Station through the use of a transmitter or amplifier that is not authorized for use by a CB Radio Station pursuant to Commission rules, the state, county, municipal, or other local government shall not be preempted from exercising its police powers to resolve the interference by prohibiting the use of such unauthorized equipment or by imposing fines or other monetary sanctions. For purposes of this subsection, home electronic equipment includes, but is not limited to, television receivers, radio receivers, stereo components or systems, video cassette recorders, audio recorders, loud speakers, telephone equipment, and other electronic devices normally used in the home. Any action taken by the state, county, municipal, or local government shall not preclude concurrent action by the Commission. Nothing in this subsection shall be construed to diminish the Commission's exclusive jurisdiction over radio frequency interference in any matter outside the scope of this subsection.

By Mr. FAIRCLOTH (for himself, Mrs. KASSEBAUM, Mr. COATS, Mr. ASHCROFT, Mr. DEWINE, Mr. FRIST, and Mr. GORTON):

S. 2026. A bill to amend the Fair Labor Standards Act of 1938 to make uniform the application of the overtime exemption for inside sales personnel, and for other purposes; to the Committee on Labor and Human Resources.

OVERTIME EXEMPTION LEGISLATION

Mr. FAIRCLOTH. Mr. President, in 1961, Congress amended the Fair Labor Standards Act to provide a narrow overtime exemption for commissioned employees in retail and service establishments. Under section 207(i) of the FLSA, outside commissioned sales employees are treated as professional employees and are thus exempt from the act. In contrast, most commissioned inside sales employees are not treated as professionals regardless of the similarly of their duties with regard to outside sales employees.

Despite dramatic changes in the workplace since 1961, the FLSA continues to subject professional commissioned sales employees to an outdated, static view of the economy. Therefore, today I am introducing legislation to extend the limited FLSA exemption to all commissioned inside sales personnel. This bill is identical to H.R. 1226 which was introduced by Representative HARRIS FAWELL.

By Mr. LAUTENBERG:

S. 2027. A bill to provide for a 5-year extension of Hazardous Substance Superfund, and for other purposes; to the Committee on Finance.

THE SUPERFUND TAXES EXTENSION ACT OF 1996

Mr. LAUTENBERG. Mr. President, I rise today to introduce legislation to extend the Superfund taxes, which have been in place since 1980.

Mr. President, the Superfund program provides for cleaning-up those toxic waste sites that pose the most serious threats to our environment and to our health. The program is largely funded by a chemical and oil feedstock tax and by taxes on corporate environmental entities, such as petrochemical companies.

Mr. President, few of us may be aware of the fact that these taxes expired in December of 1995. Since that time, not one single penny has been assessed to replenish the Superfund, and so protect our ability to cleanup toxic sites in the future.

The failure to extend the Superfund tax is causing us to lose $4 million dollars a day. That is $4 million a day which could be used to expedite the cleanup at existing Superfund sites, or fund the revitalization of additional sites.

It has been argued that we have sufficient monies in the Superfund trust fund to carry us for the next few years, although there is disagreement concerning how long the money will last. However, Superfund monies are used for long-term construction projects. By utilizing these funds for other purposes, we squander our ability to do long range planning and to continue cleanups without interruption.

Mr. President, as someone who spent most of my life as a businessman, I recognize the importance of long term planning. And I understand the real costs associated with stopping and restarting a project; it is never efficient or cost effective.

Mr. President, I and the citizens of New Jersey, lived through the funding crisis of 1984–1985. The subsequent disruption of cleanups caused unnecessary hardships for the citizens of my state. I don't want to go through that again.

We need to ensure that we have sufficient financial resources to plan for, contract and continue Superfund cleanups without interruption. After all, we owe it to our children to do whatever is possible to preserve the environment, to protect the public health and to provide for the future.

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. 2027

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

SECTION 1. 5-YEAR EXTENSION OF HAZARDOUS SUBSTANCE SUPERFUND.

(a) EXTENSION OF TAXES.—

(1) The following provisions of the Internal Revenue Code of 1986 are each amended by striking ''January 1, 1996'' each place it appears and inserting ''January 1, 2001'':

(A) Section 59A(e)(1) (relating to application of environmental tax).

(B) Paragraphs (1) and (3) of section 4611(e) (relating to application of Hazardous Substance Superfund financing rate).

(2) Paragraph (2) of section 4611(e) of such Code is amended—

(A) by striking ''1993'' and inserting ''1998'',

(B) by striking ''1994'' each place it appears and inserting ''1999'', and

(C) by striking ''1995'' each place it appears and inserting ''2000''.

(b) INCREASE IN AGGREGATE TAX WHICH MAY BE COLLECTED.—Paragraph (3) of section 4611(e) of such Code is amended by striking ''$11,970,000,000'' each place it appears and inserting ''$22,000,000,000'' and by striking ''December 31, 1995'' and inserting ''December 31, 2000''.

(c) EXTENSION OF REPAYMENT DEADLINE FOR SUPERFUND BORROWING.—Subparagraph (B) of section 9507(d)(3) of such Code is amended by striking ''December 31, 1995'' and inserting ''December 31, 2000''.

(d) EXTENSION OF TRUST FUND PURPOSES.—Subparagraph (A) of section 9507(c)(1) of such Code is amended—

(1) by striking clause (i) and inserting the following:

''(i) paragraphs (1), (2), (5), (6), (7), (8), (9), and (10) of section 111(a) of CERCLA as in effect on the date of the enactment of the Superfund Reform Act of 1995,'', and

(2) by striking clause (iii) and inserting the following:

''(iii) subsections (m), (n), (q), (r), (s), and (t) of section 111 of CERCLA (as so in effect), or''.

(e) EXTENSION OF AUTHORIZATION OF APPROPRIATIONS TO TRUST FUND.—Subsection (b) of section 517 of the Superfund Revenue Act of 1986 (26 U.S.C. 9507 note) is amended by striking ''and'' at the end of paragraph (8), by striking the period at the end of paragraph (9) and inserting a comma, and by adding at the end the following new paragraphs:

''(10) 1996, $250,000,000,

''(11) 1997, $250,000,000,

''(12) 1998, $250,000,000, and

''(13) 1999, $250,000,000,''.

(f) COORDINATION WITH OTHER PROVISIONS.—Paragraph (2) of section 9507(e) of the Internal Revenue

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By Mr. LAUTENBERG (for himself, Mr. BAUCUS, Mr. REID, Mr. MOYNIHAN, and Mr. GRAHAM):

S. 2028. A bill to assist the States and local governments in assessing and remediating brownfields and encouraging environmental cleanup programs, and for other purposes; to the Committee on Environment and Public Works.

THE BROWNFIELDS AND ENVIRONMENTAL CLEANUP ACT OF 1996

Mr. LAUTENBERG. Mr. President, today, along with Senators BAUCUS and REID, I am introducing the Brownfields and Environmental Cleanup Act of 1996. This legislation is designed to foster the cleanup and reuse of thousands of lightly contaminated and abandoned properties across the country.

Mr. President, I have long been interested in the issue of abandoned, underutilized and contaminated industrial properties, commonly known as brownfields.

For years, decaying industrial plants have defined the skyline and contaminated the land in many of our urban, suburban, and rural areas.

Their rusting frames, like aging skyscrapers, are a silent reminder of the manufacturers that left, taking jobs—and often hope—with them.

Yet, in these fallow fields may lie the seeds of economic revitalization. I continue to feel, as I did when I introduced similar legislation in 1993, that a brownfields' cleanup program can spur significant economic development and create jobs. Such a cleanup initiative makes good environmental sense, and good business sense.

In fact, if one picture is worth a thousand words, then we need only look at a few of the brownfields' success stories in my State of New Jersey.

In Hackensack, the city's department of public works yard, and an adjacent oil tank farm, have been redeveloped as a Price Club discount store, complete with riverwalk and park area. The site is now estimated to be worth about $15 million dollars, and the project has created 350 jobs.

Near Elizabeth, NJ, a withering brownfield has been converted into a thriving IKEA furniture store.

The story is the same across the country, where unused, unattractive land is being transformed into valuable community assets.

A pilot project in Cleveland resulted in $3.2 million in private investment, a $1 million increase in the local tax base, and more than 170 new jobs. And in Buffalo, NY, a hydroponic tomato farm was built on a former Republic Steel site, bringing 300 new jobs to the area.

In fact, the potential for job creation is enormous. And every revitalized brownfield may represent a field of dreams to an unemployed worker.

Mr. President, while fostering jobs, brownfields' cleanup also means that dangerous contaminants are removed from our environment. The subsequent benefit to our—and our children's—health could be enormous. Furthermore, the scars of decades of neglected industrial waste, which disfigure our cities and suburbs, may finally be allowed to heal.

Brownfield initiatives are important, because the Superfund Program only provides for cleaning-up those abandoned waste sites that pose the most serious threats. However, there are over 100,000 brownfields that don't fall under Superfund, because of lower levels of contamination.

The risks posed by many of these sites may be relatively low. But their full economic use is being stymied, because there's no ready mechanism for fostering and financing cleanups—even when the property owner is ready, willing and eager to do so. In addition, prospective purchasers, developers and bankers are reluctant to invest in brownfields because they could be held liable for cleaning up the contamination.

This is unfortunate because, as I noted these abandoned or underutilized sites have enormous potential for economic development.

To unleash this potential, several States—including New Jersey—have developed expedited procedures to clean-up sites that do not pose a significant threat to public health or the environment.

Under these cleanup programs, owners can volunteer to pay for the costs of remediation and State oversight. In return, they get a letter from the State which assures prospective buyers and lenders that the property has been cleaned up to the Government's satisfaction, and that other parties need not worry about potential liability. This so-called clean bill of health removes a major impediment to economic development, and it can help revitalize stagnant local economies.

In New Jersey, 550 parties signed up for the State's voluntary cleanup program in just the first 18 months of its existence. The economic benefits, in terms of jobs and economic development, are undeniable.

But if we are to move forward, if we are to foster economic revitalization and economic renewal, if we are to continue this public-private partnership for progress, then we must remove all major roadblocks to brownfields' cleanup and reuse.

My legislation addresses the major barriers preventing redevelopment of brownfields sites.

This bill would provide financial assistance, in the form of grants, to local and State governments to evaluate brownfields sites. Consequently, interested parties would know what is required to clean the site, and what reuse would best suit the property.

My bill would also provide grants to State and local governments to establish and capitalize low-interest loan programs for cleanups. These funds could be lent to current owners, prospective purchasers, and municipalities.

The minimal seed money envisioned by this program would leverage substantial economic payoffs, and turn lands which may be of negative worth into assets for the future.

This legislation would also place limits on the potential liability of innocent property buyers. So long as purchasers or landowners made reasonable inquires, they would be exempt from Superfund liability.

The bill also limits the liability of banks and other lending institutions, which hold title merely as a result of their security interest in the property. As long as they did not participate in the management of the site, the institutions could not be held liable.

My bill would make similar reforms in the area of fiduciary liability, and would limit the liability for those who merely act as trustees or executors.

Cleaning up brownfields means a safer environment in the future, and more jobs for places that need them in the present.

Mr. President, the introduction of this bill is not a substitute for a Superfund bill. Throughout this session of Congress, Senators BAUCUS, SMITH, CHAFEE, and I have worked long and hard to try and craft a Superfund bill which we could all agree on and the President could sign into law.

However, I am forced to acknowledge that the calendar is against us at this point. Consequently, I think it is important to use the time remaining to focus on one of the areas where there is general consensus—the desire to facilitate the cleanup and development of blighted areas, and to provide the legislative framework to make this possible.

Interest in fostering the cleanup of brownfields has been bipartisan, and it exists in both in our own body and among our colleagues on the other side of the Capitol. It also has the strong backing of the EPA, and I want to thank Director Carol Browner for her support.

Moreover, this bill is largely based on S. 773, which was unanimously reported by the Environment and Public Works Committee in the 103d Congress, and on the lender, prospective purchaser and innocent landowner provisions in S. 1285 and S. 1834, that was reported by the Environment and Public Works Committee last Congress.

Mr. President, as ranking Democratic member of the Superfund Subcommittee of the Environment and Public Works Committee, I am committed to continuing the quest to reform the Superfund program. But I believe that we should move ahead, now, to cleanup thousands of priority sites not governed by the Superfund.

This is an area where we can—and should—put aside our differences and work for a goal which we all embrace.

Mr. President, our citizens want progress on both the environmental and economic fronts. The Brownfields legislation that I introduce today supports both goals. It creates a vehicle for cleanups which can help keep us onboard for environmental improvement and on-track for economic growth.

Mr. President, I ask unanimous consent to print a copy of the bill in the RECORD.

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

S. 2028

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 ''Brownfields and Environmental Cleanup Act of 1996''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) past uses of land in the United States for industrial and commercial purposes have created many sites throughout the United States that have environmental contamination;

(2) Congress and the governments of States and political subdivisions of States have enacted laws to—

(A) prevent environmental contamination; and

(B) carry out response actions to correct past instances of environmental contamination;

(3) many sites are minimally contaminated, do not pose serious threats to human health or the environment, and can be satisfactorily remediated expeditiously with little government oversight;

(4) promoting the assessment, cleanup and redevelopment of contaminated sites could lead to significant environmental and economic benefits, particularly in any case in which a cleanup can be completed quickly and during a period of time that meets short-term business needs;

(5) the private market demand for sites affected by environmental contamination frequently is reduced, often due to uncertainties regarding liability or potential cleanup costs of innocent landowners, lenders, fiduciaries, and prospective purchasers under Federal law:

(6) the abandonment or underutilization of affected sites impairs the ability of the Federal Government and the governments of States and political subdivisions of States to provide economic opportunities for the people of the United States, particularly the unemployed and economically disadvantaged;

(7) the abandonment or underuse of affected sites also results in the inefficient use of public facilities and services, as well as land and other natural resources, and extends conditions of blight in local communities;

(8) cooperation among Federal agencies, departments and agencies of State and political subdivisions of States, local community development organizations, and current owners and prospective purchasers of affected sites is required to accomplish timely response actions and the redevelopment or reuse of affected sites;

(9) there is a need for a program to—

(A) encourage cleanups of affected sites; and

(B) facilitate the establishment and enhancement of programs by States and local governments to foster cleanups of affected site though capitalization of loan programs; and

(10) there is a need to provide financial incentives and assistance to characterize certain affected sites and facilitate the cleanup of the sites so that the sites may be redeveloped for beneficial uses.

(b) PURPOSE.—The purpose of this Act is to create new business and employment opportunities through the economic redevelopment of affected sites that generally do not pose a serious threat to human health or the environment and to stimulate the assessment and cleanup of affected sites by—

(1) encouraging States and local governments to provide for characterization and cleanup of sites that may not be remediated under other environmental laws (including regulations) in effect on the date of enactment of this Act;

(2) encouraging local governments and private parties, including local community development organizations, to participate in programs, such as State cleanup programs, that facilitate expedited response actions that are consistent with business needs at affected sites;

(3) directing the Administrator to establish programs that provide financial assistance to—

(A) facilitate site assessments of certain affected sites;

(B) encourage cleanup of appropriate sites through capitalization of loan programs; and

(C) encouraging workforce development in areas adversely affected by contaminated properties; and

(4) reducing transaction costs and paperwork, and preventing needless duplication of effort and delay at all levels of government.

SEC. 3. DEFINITIONS.

As used in this Act (unless the context clearly requires otherwise):

(1) ADMINISTRATIVE COSTS.—The term ''administrative costs'' means eligible costs that are not nonadministrative costs.

(2) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(3) AFFECTED SITE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term ''affected site'' means a facility that has or is suspected of having environmental contamination that—

(i) could prevent the timely use, reuse, or redevelopment of the facility; and

(ii) is relatively limited in scope or severity and can be comprehensively characterized and readily analyzed.

(B) EXCEPTIONS.—The term does not include—

(i) any facility that is the subject of a planned or an ongoing response action under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), except that the term includes a facility for which a preliminary assessment, site investigation or removal action has been completed and with respect to which the Administrator has decided not to take further response action, including cost recovery action;

(ii) any facility included, or proposed for inclusion, on the National Priorities List maintained by the Administrator under such Act;

(iii) any facility with respect to which a record of decision, other than a no-action record of decision, has been issued by the President under section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604) with respect to the facility;

(iv) any facility that is subject to corrective action under section 3004(u) or 3008(h) of the Solid Waste Disposal Act (42 U.S.C. 6924(u) or 6928(h)) at the time that an application for loan assistance with respect to the facility is submitted under this title, including any facility with respect to which a corrective action permit or order has been issued or modified to require the implementation of corrective measures;

(v) any land disposal unit with respect to which a closure notification under subtitle C of the Solid Waste Disposal Act (42 U.S.C. 6921 et seq.) has been submitted and closure requirements have been specified in a closure plan or permit;

(vi) any facility at which there has been a release of polychlorinated biphenyls and that is subject to the requirements of the Toxic Substances Control Act (15 U.S.C. 2601 et seq.);

(vii) any facility with respect to which an administrative order on consent or a judicial consent decree requiring cleanup has been entered into by the President and is still in effect under–

(I) the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.);

(II) the Solid Waste Disposal Act (42 U.S.C. 6901, et seq.);

(III) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

(IV) the Toxic Substances Control Act (15 U.S.C. 2601 et seq.); or

(V) title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act'') (42 U.S.C. 300f et seq.);

(viii) any facility at which assistance for response activities may be obtained pursuant to subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) from the Leaking Underground Storage Tank Trust Fund established by section 9508 of the Internal Revenue Code of 1986; and

(ix) a facility owned or operated by a department, agency or instrumentality of the United States, except for lands held in trust by the United States for Indian tribes.

(4) CONTAMINANT.—The term ''contaminant'' includes any hazardous substance (as defined in section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(14)).

(5) CURRENT OWNER.—The term ''current owner'' means, with respect to a voluntary cleanup, an owner of an affected site or facility at the time of the cleanup.

(6) DISPOSAL.—The term ''disposal'' has the meaning provided the term in section 1004(3) of the Solid Waste Disposal Act (42 U.S.C. 6903(3)).

(7) ENVIRONMENT.—The term ''environment'' has the meaning provided the term in section 101(8) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(8)).

(8) ENVIRONMENTAL CONTAMINATION.—The term ''environmental contamination'' means the existence at a facility of 1 or more contaminants that may pose a threat to human health or the environment.

(9) FACILITY.—The term ''facility'' has the meaning provided the term in section 101(9) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(9)).

(10) GRANT.—The term ''grant'' includes a cooperative agreement.

(11) GROUND WATER.—The term ''ground water'' has the meaning provided the term in section 101(12) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(12)).

(12) INDIAN TRIBE.—The term ''Indian tribe'' has the meaning provided the term in section 101(36) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(36)).

(13) LOCAL GOVERNMENT.—The term ''local government'' has the meaning provided the term ''unit of general local government'' in the first sentence of section 102(a)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(1)), except that the term includes Indian tribe.

(14) NATURAL RESOURCES.—The term ''natural resources'' has the meaning provided the term in section 101(16) of the Comprehensive Environmental Response, Compensation, Liability Act of 1980 (42 U.S.C. 9601(16)).

(15) NONADMINISTRATIVE COSTS.—The term ''nonadministrative costs'' includes the cost of—

(A) inventorying and classifying properties with probable contamination;

(B) oversight for a cleanup at an affected site by a contractor, current owner, or prospective purchaser;

(C) identifying the probable extent and nature of environmental contamination at the

affected site, and the preferred manner of carrying out a cleanup at the affected site;

(D) the cleanup, including onsite and offsite treatment of contaminants; and

(E) monitoring ground water or other natural resources at the affected site.

(16) OWNER.—The term ''owner'' has the meaning provided the term in section 101(20) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(20)).

(17) PERSON.—The term ''person'' has the meaning provided the term in section 101(21) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(21)).

(18) PROSPECTIVE PURCHASER.—The term ''prospective purchaser'' means a prospective purchaser of an affected site.

(19) RELEASE—The term ''release'' has the meaning provided the term in section 101(22) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(22)).

(20) RESPONSE ACTION.—The term ''response action'' has the meaning provided the term ''response'' in section 102(25) of such Act (42 U.S.C. 9601(25)).

(21) SITE CHARACTERIZATION.—

(A) IN GENERAL.—The term ''site characterization'' means an investigation that determines the nature and extent of a release or potential release of a hazardous substance at a site and meets the requirements referred to in subparagraph (B).

(B) INVESTIGATION.—For the purposes of this paragraph, an investigation that meets the requirements of this subparagraph—

(i) shall include—

(I) an onsite evaluation; and

(II) sufficient testing, sampling, and other field data gathering activities to accurately determine whether the site is contaminated and the threats to human health and the environment posed by the release of contaminants at the site; and

(ii) may also include—

(I) review of existing information regarding the site and previous uses (available at the time of the review); and

(II) an offsite evaluation, if appropriate.

(22) STATE.—The term ''State'' has the meaning provided the term under section 101(27) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(27)).

TITLE I—BROWNFIELD REMEDIATION AND ENVIRONMENTAL CLEANUP

SEC. 101. SITE CHARACTERIZATION GRANT PROGRAM.

(a) IN GENERAL.—The Administrator shall establish a program to provide grants to local governments to inventory brownfield sites and to conduct site characterizations of affected sites at which cleanups are being conducted or are proposed to be conducted under a State voluntary cleanup program, State superfund program, or other State cleanup program.

(b) SCOPE OF PROGRAM.—

(1) GRANT AWARDS.—In carrying out the program establish under subsection (a), the Administrator may award a grant to the head of each local government that submits to the Administrator an application (that is approved by the Administrator) to conduct an inventory of sites and a site characterization at an affected site or sites within the jurisdiction of the local government.

(2) GRANT APPLICATION.—An application for a grant under this section shall include, at a minimum, each of the following:

(A) An identification of the brownfield areas for which assistance is sought and a description of the effect of the brownfields on the community, including a description of the nature and extent of any known or suspected environmental contamination within the areas.

(B) The need for Federal support.

(C) A demonstration of the potential of the assistance to stimulate economic development, including the extent to which the assistance will stimulate the availability of other funds for site characterization, site identification, or environmental remediation and subsequent redevelopment of the areas in which eligible brownfields sites are situated.

(D) The existing local commitment, which shall include a community involvement plan that demonstrates meaningful community involvement.

(E) A plan that shows how the site characterization, site identification, or environmental remediation and subsequent development shall be implemented, including an environmental plan that ensures the use of sound environmental procedures, an explanation of the existing appropriate government authority and support for the project, proposed funding mechanisms for any additional work, and the proposed land ownership plan.

(F) A statement on the long-term benefits and the sustainability of the proposed project that includes the national replicability and measures of success of the project and, to the extent known, the potential of the plan for the areas in which eligible brownfields sites are situated to stimulate economic development of the area on completion of the environmental remediation.

(G) A statement that describes how the proposed site inventory and characterization program will analyze the extent to which the project or projects will reduce potential health and environmental threats caused by the presence of or potential releases of contaminants at or from the site or sites.

(H) A plan for the distribution of the grant monies among sites within the jurisdiction of the State or local government, including mechanisms to ensure a fair distribution of the grant monies.

(I) Such other factors as the Administrator considers relevant to carry out the purposes of this title.

(3) APPROVAL OF APPLICATION.—

(A) IN GENERAL.—In making a decision whether to approve an application submitted under paragraph (1) the Administrator shall consider the criteria in the application, and—

(i) the financial need of the State or local government for funds to conduct a characterization of the site or sites;

(ii) the demonstrable potential of the affected site or sites for stimulating economic development on completion of the cleanup of the affected site if the cleanup is necessary;

(iii) to the extent information is available, the estimated fair market value of the site or sites (4) after cleanup;

(iv) to the extent information is available, other economically viable, commercial activity on real property—

(I) located within the immediate vicinity of the affected site at the time of consideration of the application; or

(II) projected to be located within the immediate vicinity of the affected site by the date that is 5 years after the date of the consideration of the application;

(v) the potential of the affected site for creating new business and employment opportunities on completion of the cleanup of the site;

(vi) whether the affected site is located in an economically distressed community; and

(vii) such other factors as the Administrator considers relevant to carry out the purposes of the grant program under this section.

(B) GRANT CONDITIONS.—As a condition for awarding a grant under this section, the Administrator may, on the basis of the criteria considered under subparagraph (A), attach such conditions to the grant award as the Administrator determines appropriate.

(4) GRANT AMOUNT.—The amount of a grant awarded to any local government under subsection (a) for characterization of an affected site or sites shall not exceed $200,000.

(5) TERMINATION OF GRANTS.—If the Administrator determines that a local government that receives a grant under this subsection is in violation of a condition of a grant award referred to in paragraph (3), the Administrator may terminate the grant made to the local government and require full or partial repayment of the grant award.

SEC. 102. ECONOMIC REDEVELOPMENT ASSISTANCE GRANTS FOR LOAN PROGRAMS.

(a) ESTABLISHMENT OF PROGRAM.—The Administrator shall establish a program to provide grants to be used by State or local governments to capitalize loan programs for the cleanup of affected sites. These loans may be provided by the State or local government to finance cleanups of affected sites by the State or local government, or by an owner or a prospective purchaser of an affected site (including a local government) at which a cleanup is being conducted or is proposed to be conducted under Federal or State authority, including a State voluntary clean-up program.

(b) SCOPE OF PROGRAM.—

(1) IN GENERAL.—

(A) GRANTS.—The Administrator may award a grant to a local or State government that is an eligible applicant described in subsection (a)(1) that submits an application to the Administrator that is approved by the Administrator. The grant monies shall be used by the local or State government to capitalize a loan fund to be used for cleanup of an affected site or affected sites.

(B) GRANT APPLICATION.—An application for a grant under this section shall be in such form as the Administrator determines appropriate. At a minimum, the application submitted by the State or local government to establish a revolving loan program shall include the following:

(i) Insofar as the sites within their jurisdiction have been identified and information as to the contaminated sites is known, a description of the affected site or sites, including the nature and extent of any known or suspected environmental contamination at the affected site or sites.

(ii) Identification of the criteria to be used by the local or State government in providing for loans under the program. This criteria shall include the financial standing of the applicants for the loans, the use to which the loans will be put, and the provisions to be used to ensure repayment of the funds. These criteria shall also include:

(I) A complete description of the financial standing of the applicant that includes a description of the assets, cash flow, and liabilities of the applicant.

(II) A written certification that attests that the applicant has attempted, and has been unable, to secure financing from a private lending institution for the cleanup action that is the subject of the loan application.

(III) The proposed method, and anticipated period of time required, to clean up the environmental contamination at the affected site.

(IV) An estimate of the proposed total cost of the cleanup to be conducted at the site.

(V) An analysis that demonstrates the potential of the affected site for stimulating economic development on completion of the cleanup of the site.

(2) GRANT APPROVAL.—In determining whether to award a grant under this section, the administrator shall consider—

(A) the need of the local or State government for financial assistance to clean up the affected site or sites that are the subject of the application, taking into consideration the financial resources available to the local or State government;

(B) the ability of the local or State government to ensure that the applicants repay the loans in a timely manner;

(C) the extent to which the cleanup of the affected site or sites would reduce health and environmental risks caused by the release of contaminants at, or from, the affected site or sites;

(D) the demonstrable potential of the affected site or sites for stimulating economic development on completion of the cleanup;

(E) the demonstrated ability of the local or State. Government to administer such a loan program;

(F) the demonstrated experience of the local or State government regarding brownfields and the reuse of contaminated land, including whether or not the government has received grant monies under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) to characterize brownfields sites provided however that applicants who have not previously received such grant monies may also be considered for awards under this section;

(G) the efficiency of having the loan administered by the applicant entity level of government;

(H) the experience of administering any loan programs by the entity, including the loan repayment rates;

(I) the demonstrations made regarding the ability of the local or State government to ensure a fair distribution of grant monies among sites within their jurisdiction; and

(J) such other factors as the Administrator considers relevant to carry out the purposes of the loan program established under this section.

(3) GRANT AMOUNT—The amount of a grant made to a local or State applicant under this section shall not exceed $500,000.

(4) STATE APPROVAL.—Each application for a grant under this section shall, as a condition for approval by the Administrator, include a written statement by the local or State government that cleanups to be funded under their loan programs shall be conducted under the auspices of and compliant with the State voluntary cleanup program or State Superfund program or Federal authority, and that—

(A) the cleanup or proposed voluntary cleanup is cost-effective; and

(B) the estimated total cost of the cleanup is reasonable.

(c) GRANT AGREEMENTS.—Each grant under this section shall be made pursuant to a grant agreement. At a minimum, the grant agreement shall include provisions that ensure the following:

(1) The grant recipient shall include in all loan agreements a requirement that the loan recipient shall comply with all applicable Federal and State laws applicable to the cleanup and shall ensure that the cleanup is protective of human health and the environment.

(2) The local or State government shall require and ensure repayment of the loan consistent with this title.

(3) The State or local government shall use the funds solely for the purposes of establishing and capitalizing a loan program pursuant to the provisions of this title and of cleaning up the environmental contamination at the affected site or sites.

(4) The State or local government shall require in each loan agreement, and take necessary steps to ensure, that the loan recipient shall use the loan funds solely for the purposes stated in paragraph (3), and shall require the return any excess funds immediately on a determination by the appropriate State or local official that the cleanup has been completed.

(5) The funds shall not be transferable, unless the Administrator agrees to the transfer in writing.

(6) LIEN.—

(A) IN GENERAL.—A lien in favor of the State shall arise on the contaminated property subject to a loan under this section. The lien shall cover all real property included in the legal description of the property at the time the loan agreement provided for in this section is signed, and all rights to the property, and shall continue until the terms and conditions of the loan agreement have been fully satisfied. The lien shall arise at the time a security interest is appropriately recorded in the real property records of the appropriate office of the State, county, or other governmental subdivision, as designated by State law, in which the real property subject to the lien is located, and shall be subject to the rights of any purchaser, holder of a security interest, or judgment lien creditor whose interest is or has been perfected under applicable State law before the notice has been filed in the appropriate office within the State, county, or other governmental subdivision, as designated by State law, in which the real property subject to the lien is located.

(B) DEFINITIONS.—In this paragraph, the terms ''security interest'' and ''purchaser'' have the meanings provided in section 6323(h) of the Internal Revenue Code of 1986.

(7) Such other terms and conditions that the Administrator determines to be necessary to protect the financial interests of the United States or to protect human health and the environment.

(e) AUDITS.—The Inspector General of the Environmental Protection Agency shall audit a portion of the grants awarded under this section to ensure that all funds are used for the purposes set forth in this section. The result of the audit shall be taken into account in awarding any future grant monies to the entity of State or local government.

SEC. 103. REGULATIONS.

The Administrator may promulgate such regulations as are necessary to carry out this Act. The regulations shall include the procedures and standards that the Administrator considers necessary, including procedures and standards for evaluating an application for a grant or loan submitted under this Act.

SEC. 104. ECONOMIC REDEVELOPMENT GRANTS.

(a) EXPENDITURES FROM THE SUPERFUND.—Amounts in the Superfund shall be made available, consistent with and for the purposes of carrying out the grant program established under sections 101 and 102.

(b) AUTHORITY TO AWARD GRANTS.—There are authorized to be appropriated from the Superfund, as grants to local and State governments as provided for in sections 101 and 102, an amount equal to $25,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

SEC. 105. AUTHORIZATION OF APPROPRIATIONS

(a) SITE CHARACTERIZATION PROGRAM.—There are authorized to be appropriated to the Environmental Protection Agency to carry out section 101, an amount not to exceed $10,000,000 for each of fiscal years 1997 through 2001.

(b) ECONOMIC REDEVELOPMENT ASSISTANCE PROGRAM.—There are authorized to be appropriated to the Environmental Protection Agency to carry out section 102 an amount not to exceed $15,000,000 for each of fiscal years 1997 through 2001.

(c) AVAILABILITY OF FUNDS.—The amounts appropriated pursuant to this section shall remain available until expended.

SEC. 106. REPORTS.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, and not later than January 31 of each of the 3 calendar years thereafter, the Administrator shall prepare and submit a report describing the achievements of each program established under this title to—

(1) the Committee on Environment and Public Works of the Senate; and

(2) the Committee on Energy and Commerce of the House of Representatives.

(b) CONTENTS OF REPORT.—Each report shall, with respect to each of the programs established under this title, include a description of—

(1) the number of applications received by the Administrator during the preceding calendar year;

(2) the number of applications approved by the Administrator during the preceding calendar year; and

(3) the allocation of assistance under sections 101 and 102 among the States and local governments for assistance under this title.

SEC. 107. FUNDING.

(a) ADMINISTRATIVE COST LIMITATION.—Not more than 15 percent of the amount of a grant made pursuant to this title may be used for administrative costs. No grant made pursuant to this title may be used to pay for fines or penalties owed to a State or the Federal Government, or for Federal cost-sharing requirements.

(b) OTHER LIMITATIONS.—Funds made available to a State or local government pursuant to the grant programs established under sections 101 and 102 shall be used only for inventorying, assessing, and characterizing sites as authorized by this Act, and for capitalizing a loan program as authorized by this Act. Funds made available under this title may not be used to relieve a local government or State of the commitment or responsibilities of the local government or State under State law to assist or carry out cleanup actions at affected sites.

SEC. 108. STATUTORY CONSTRUCTION.

Nothing in this title is intended to affect the liability or response authorities for environmental contamination of any other law (including any regulation), including—

(1) the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.);

(2) the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.);

(3) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

(4) the Toxic Substances Control Act (15 U.S.C. 2601 et seq.); and

(5) title XIV of the Public Health Service Act (commonly known as the ''Safe Drinking Water Act'') (42 U.S.C. 300f et seq.).

TITLE II—PROSPECTIVE PURCHASERS

SEC. 201. LIMITATIONS ON LIABILITY FOR RESPONSE COSTS FOR PROSPECTIVE PURCHASERS.

(a) LIMITATIONS ON LIABILITY.—Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) is amended by adding at the end the following new subsection:

''(n) LIMITATIONS ON LIABILITY FOR PROSPECTIVE PURCHASERS.—Notwithstanding paragraphs (1) through (4) of subsection (a), a person who does not impede the performance of response actions or natural resource restoration at a facility shall not be liable under this Act, to the extent liability is based solely on subsection (a)(1) for a release or threat of release from a facility, and the person is a bona fide prospective purchaser of the facility.

(b) PROSPECTIVE PURCHASER AND WINDFALL LIEN.—Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (as amended by subsection (a)) is further amended by inserting after subsection (n) the following new subsection:

''(o) PROSPECTIVE PURCHASER AND WINDFALL LIEN.—

''(1) LIEN.—In any case in which there are unrecovered response costs at a facility for which an owner of the facility is not liable by reason of subsection (n), and the conditions described in paragraph (2) are met, the United States shall have a lien upon such facility, or may obtain from the appropriate responsible party or parties, a lien on other property or other assurances of payment satisfactory to the Administrator, for such unrecovered costs. Such lien—

''(A) shall not exceed the increase in fair market value of the property attributable to the response action at the time of a subsequent sale or other disposition of the property;

''(B) shall arise at the time costs are first incurred by the United States with respect to a response action at the facility;

''(C) shall be subject to the requirements for notice and validity established in paragraph (3) of subsection (l); and

''(D) shall continue until the earlier of satisfaction of the lien or recovery of all response costs incurred at the facility.

''(2) CONDITIONS.—The conditions referred to in paragraph (1) are the following:

''(A) RESPONSE ACTION.—A response action for which there are unrecovered costs is carried out at the facility.

''(B) FAIR MARKET VALUE.—Such response action increases the fair market value of the facility above the fair market value of the facility that existed 180 days before the response action was taken.''.

(c) Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601) is amended by adding at the end the following new paragraph:

''(39) BONA FIDE PROSPECTIVE PURCHASER.—The term 'bona fide prospective purchaser' means a person who acquires ownership of a facility after the date of enactment of the Brownfields and Environmental Cleanup Act of 1996, or a tenant of such a person, who can establish each of the following by a preponderance of the evidence:

''(A) DISPOSAL PRIOR TO ACQUISITION.—All active disposal of hazardous substances at the facility occurred before that person acquired the facility.

''(B) INQUIRY.—The person made all appropriate inquiry into the previous ownership and uses of the facility and its real property in accordance with generally accepted good commercial and customary standards and practices. The standards and practices issued by the Administrator pursuant to paragraph (35)(B)(ii) shall satisfy the requirements of this subparagraph. In the case of property for residential or other similar use purchased by a nongovernmental or noncommercial entity, a site inspection and title search that reveal no basis for further investigation satisfy the requirements of this subparagraph.

''(C) NOTICES.—The person provided all legally required notices with respect to the discovery or release of any hazardous substances at the facility.

''(D) CARE.—The person exercised appropriate care with respect to hazardous substances found at the facility by taking reasonable steps to stop on-going releases, prevent threatened future releases of hazardous substances, and prevent or limit human or natural resource exposure to hazardous substances previously released into the environment.

''(E) COOPERATION, ASSISTANCE, AND ACCESS.—The person provides full cooperation, assistance, and facility access to those persons that are responsible for response actions at the facility, including the cooperation and access necessary for the installation, integrity, operation, and maintenance of any complete or partial response action at the facility.

''(F) RELATIONSHIP.—The person is not liable, or is not affiliated with any other person that is potentially liable, for response costs at the facility, through any direct or indirect familial relationship, or any contractual, corporate, or financial relationship other than that created by the instruments by which title to the facility is conveyed or financed.''.

TITLE III—FIDUCIARY AND LENDER LIABILITY

SEC. 301. FIDUCIARY LIABILITY.

(a) DEFINITIONS.—Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601) (as amended by section 201(c)) is amended by adding at the end the following:

''(40) FIDUCIARY.—The term 'fiduciary'—

''(A) means a person acting for the benefit of another party as a bona fide—

''(i) trustee;

''(ii) executor;

''(iii) administrator of an estate;

''(iv) custodian;

''(v) guardian of estates or guardian ad litem;

''(vi) court-appointed receiver;

''(vii) conservator;

''(viii) committee of estates of incapacitated persons or other incapacitated persons;

''(ix) personal representative; or

''(x) representative in any other capacity that the Administrator, pursuant to public notice, determines to be similar to those listed in clauses (i) through (ix); and

''(B) does not include any person who—

''(i) had a role in establishing a trust, estate, or fiduciary relationship if such trust, estate, or fiduciary relationship has no objectively reasonable or substantial purpose apart from the avoidance or limitation of liability under this Act; or

''(ii) is acting as a fiduciary with respect to a trust or other fiduciary estate that—

''(I) was not created as part of, or to facilitate, 1 or more estate plans or pursuant to the incapacity of a natural person; and

''(II) was organized for the primary purpose of, or is engaged in, activity carrying on a trade or business for profit.

''(41) FIDUCIARY CAPACITY.—The term ''fiduciary capacity'', in reference to an act of a person with respect to a vessel or facility, means a capacity in which the person holds title to a vessel or facility, or otherwise has control of or an interest in a vessel or facility, pursuant to the exercise of the responsibilities of the person as a fiduciary.''.

(b) LIABILITY OF FIDUCIARIES.—Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) is amended by adding at the end the following new section:

''SEC. 127. LIABILITY OF FIDUCIARIES.

''(a) IN GENERAL—The liability of a fiduciary that is liable under any other provision of this Act for the release or threatened release of a hazardous substance at, from, or in connection with a vessel or facility held in a fiduciary capacity, may not exceed the assets held in such fiduciary capacity that are available to indemnify the fiduciary.

''(b) EXCLUSION.—Subsection (a) does not apply to the extent that a person is liable under this Act independent of such person's ownership or actions taken in a fiduciary capacity.

''(c) LIMITATION—Subsections (a) and (d) shall not limit the liability of a fiduciary whose failure to exercise due care caused or contributed to the release of a hazardous substance.

''(d) SAFE HARBOR.—A fiduciary shall not be liable in its personal capacity under this Act for—

''(1) undertaking or directing another to undertake a response action under section 107(d)(1) or under the direction of an on-scene coordinator;

''(2) undertaking or directing another to undertake any other lawful means of addressing hazardous substances in connection with the vessel or facility;

''(3) terminating the fiduciary relationship;

''(4) including in the terms of a fiduciary agreement covenant, warranty, or other terms of conditions that relate to compliance with environmental laws, or monitoring or enforcing such terms;

''(5) monitoring or undertaking 1 or more inspections of the vessel or facility;

''(6) providing financial or other advice or counseling to any other party to the fiduciary relationship, including the settler or beneficiary;

''(7) restructuring, renegotiating, or otherwise altering a term or condition of the fiduciary relationship;

''(8) acting in a fiduciary capacity with respect to a vessel or facility that was contaminated before the fiduciary's period of service; or

''(9) declining to take any of the actions described in paragraphs (2) through (8).

''(e) SAVINGS CLAUSE.—Nothing in this section shall affect the rights or immunities or other defenses that are available under this Act or other applicable law to any person subject to the provisions of this section. Nothing in this section shall create any liability for any party. Nothing in this section shall create a private right of action against a fiduciary or any other party.

''(f) NO EFFECT ON CERTAIN PERSONS.—Nothing in this section shall be construed to affect the liability, if any, of a person who—

''(1)(A) acts in a capacity other than a fiduciary capacity; and

''(B) directly or indirectly benefits from a trust or fiduciary relationship; or

''(2) who—

''(A) is a beneficiary and a fiduciary with respect to the same fiduciary estate; and

''(B) as a fiduciary, receives benefits that exceed customary or reasonable compensation, and incidental benefits, permitted under other applicable law.

''(g) REGULATORY AUTHORITY.—

''(1) IN GENERAL.—The Administrator may—

''(A) issue such regulations as the Administrator deems necessary to carry out this section; and

''(B) delegate and assign any duties or powers imposed upon or assigned to the Administrator by this section, including the authority to issue regulations.

''(2) AUTHORITY TO CLARIFY.—The authority under paragraph (1) includes authority to clarify or interpret all terms, including those used in this section, and to implement any provision of this section.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any claim that has not been fully adjudicated as of the date of enactment of this Act.

SEC. 302. LIABILITY OF LENDERS.

(a) DEFINITION OF PARTICIPATION IN MANAGEMENT.—Section 101(20) of the Comprehensive Environmental Response, Liability, and Compensation Act of 1980 (42 U.S.C. 9601(20)) is amended—

(1) in subparagraph (A), by striking the second sentence;

(2) by amending paragraph (A)(iii) to read as follows:

''(iii) any person who owned, operated or otherwise controlled activities at a vessel or facility immediately before the United States (including any department, agency or instrumentality), a unit of State or local government, or their agents or appointees, acquired title or control of such vessel or facility in any of the following ways:

''(I) through bankruptcy, tax delinquency, abandonment, or escheat;

''(II) through foreclosure that is connected with the provision of loans, discounts, advances, guarantees, insurance, or other financial assistance, if the United States or unit of State or local government meets the requirements of paragraph (F)(ii) (I) and (II) of this section;

''(III) through the exercise of statutory receivership or conservatorship authority, including any liquidating or winding up the affairs of any person or any subsidiary thereof, if the governmental entity did not participate in management of the vessel or facility prior to acquiring title or control and meets the requirements of paragraph (F)(ii)(II) of this section;

''(IV) through the exercise of any seizure or forfeiture authority;

''(V) in any civil, criminal, or administrative enforcement proceeding, whether by order or settlement, in which an interest in a vessel or facility is conveyed to satisfy a claim of the governmental entity, and the governmental entity meets the requirements of this section; and

''(VI) temporarily in connection with a law enforcement operation.'';

(3) by amending paragraph (D) to read as follows:

''(D)(i) The term 'owner or operator' does not include the United States (including any department, agency, or instrumentality) or a unit of State or local government that acquires title or control of a vessel or facility in a manner described in paragraph (A)(iii), or in any other circumstances in which the government involuntary acquires title by virtue of its function as sovereign.

''(ii) Notwithstanding subparagraph (i), if the United States or a unit of State or a unit of State or local government caused or contributed to the release or threatened release of a hazardous substance from the facility, this Act (including section 107) shall apply in the same manner and to the same extent, procedurally and substantively, as the Act does to any non-governmental entity.''; and

(4) by adding at the end the following:

''(E) EXCLUSION OF PERSONS NOT PARTICIPANTS IN MANAGEMENT.—

''(i) INDICIA OF OWNERSHIP TO PROTECT SECURITY INTEREST.—The term 'owner or operator' does not include—

''(I) a person, including a successor or assign of such person, who, without participating in the management of a vessel or facility, holds indicia of ownership primarily to protect such person's security interest in the vessel or facility; or

''(II) a successor or assign of a person described in subclause (I).

''(ii) NONPARTICIPATION IN MANAGEMENT PRIOR TO FORECLOSURE.—The term 'owner or operator' does not include a person that forecloses on a vessel or a facility even if such person forecloses on such vessel or facility, sells, re-leases (in the case of a lease finance transaction), or liquidates the vessel or facility, maintains business activities, winds up operations, or undertakes any response action under section 107(d)(1) or under the direction of an on-scene coordinator, with respect to the vessel or facility, or takes other measures to preserve, protect, or prepare the vessel or facility prior to sale or disposition, if—

''(I) the person did not participate in management prior to foreclosure; and

''(II) such person seeks to sell, re-lease (in the case of a lease finance transaction), or otherwise divest such vessel or facility at the earliest practical, commercially reasonable time, on commercially reasonable terms, taking into account market conditions and legal and regulatory requirements.

''(F) PARTICIPATION IN MANAGEMENT.—For purposes of subparagraph (E)—

''(i) the term 'participate in management' means actually participating in the management or operational affairs of the vessel or facility, and does not include merely having the capacity to influence, or the unexercised right to control, vessel or facility operations;

(ii) a person shall be considered to 'participate in management' only if, while the borrower is still in possession of the vessel or facility encumbered by the security interest, such person—

''(I) exercises decisionmaking control over the environmental compliance of a borrower, such that the person has undertaken responsibility for the hazardous substance handling or disposal practices of the borrower; or

''(II) exercises control at a level comparable to that of a manager of the enterprise of the borrower, such that the person has assumed or manifested responsibility for the overall management of the enterprise encompassing day-to-day decisionmaking with respect to environmental compliance, or with respect to all or substantially all of the operational aspects (as distinguished from financial or administrative aspects) of the enterprise, other than environmental compliance;

''(iii) the term 'participate in management' does not include conducting an act or failing to act prior to the time that a security interest is created in a vessel or facility; and

''(iv) the term 'participate in management' does not include–

''(I) holding such a security interest or, prior to foreclosure, abandoning or releasing such a security interest;

''(II) including in the terms of an extension of credit, or in a contract or security agreement relating to such an extension, covenant, warranty, or any other term or condition that relates to environmental compliance;

''(III) monitoring or enforcing the term or condition of the extension of credit or security interest;

''(IV) monitoring or undertaking 1 or more inspections of the vessel or facility;

''(V) requiring the borrower to undertake response action or other lawful means of addressing the release or threatened release of a hazardous substance in connection with the vessel or facility prior to, during, or upon the expiration of the term of the extension of credit;

''(VI) providing financial or other advice or counseling in an effort to mitigate, prevent, or cure default or diminution in the value of the vessel or facility;

''(VII) restructuring, renegotiating, or otherwise agreeing to alter a term or condition of the extension of credit or security interest;

''(VIII) exercising other remedies that may be available under applicable law for the breach of any term or condition of the extension of credit or security agreement; or

''(IX) conducting a response action under section 107(d)(1) or under the direction of an on-scene coordinator,

if such actions do not rise to the level of participation in management, as defined in clauses (i) and (ii).

''(G) OTHER TERMS.—As used in subparagraph (E), subparagraph (F), and this subparagraph, the following definitions shall apply:

''(i) BORROWER.—The term ''borrower'' means a person whose vessel or facility is encumbered by a security interest.

''(ii) EXTENSION OF CREDIT.—The term 'extension of credit' includes a lease finance transaction—

''(I) in which the lessor does not initially select the leased vessel or facility and does not during the lease term control the daily operation or maintenance of the vessel or facility; or

''(II) that conforms with regulations issued by the appropriate Federal banking agency or the appropriate State bank supervisor (as those terms are defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)) or with regulations issued by the National Credit Union Administration Board, as appropriate.

''(iii) FINANCIAL OR ADMINISTRATIVE ASPECT.—The term 'financial or administrative aspect' includes a function such as a function of a credit manager, accounts payable officer, accounts receivable officer, personnel manager, comptroller, or chief financial officer, or any similar function.

''(iv) FORECLOSURE; FORECLOSE.—The term 'foreclosure' and 'foreclose' mean, respectively, acquiring, and to acquire from a nonaffiliated party for subsequent disposition, a vessel or facility through—

''(I) purchase at sale under a judgment or decree, a power of sale, a nonjudicial foreclosure sale, or from a trustee, deed in lieu of foreclosure, or similar conveyance, or through repossession, if such vessel or facility was security for an extension of credit previously contracted;

''(II) conveyance pursuant to an extension of credit previously contracted, including the termination of a lease agreement; or

''(III) any other formal or informal manner by which the person acquires, for subsequent disposition, possession of collateral in order to protect the security interest of the person.

''(v) OPERATIONAL ASPECT.—The term 'operational aspect' includes a function such as a function of a facility or plant manager, operations manager, chief operating officer, or chief executive officer.

''(vi) SECURITY INTEREST.—The term 'security interest' includes a right under a mortgage, deed of trust, assignment, judgment lien, pledge, security agreement, factoring agreement, or lease, or any other right accruing to a person to secure the repayment of money, the performance of a duty, or some other obligation.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall be applicable with respect to any claim that has not been finally adjudicated as of the date of enactment of this Act.

(c) LENDER LIABILITY RULE.—(1) Effective on the date of enactment of this section, the final rule issued by the Administrator of the Environmental Protection Agency on April 29, 1992 (57 Stat. Fed. Reg. 18344), shall be deemed to have been validly issued pursuant to the authority of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and to have been effective according to the final rule's terms. No additional administrative or judicial proceedings shall be necessary with respect to such final rule.

(2) Notwithstanding section 113(a) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, no court shall have jurisdiction to review the final rule issued by the Administrator of the Environmental Protection Agency on April 29, 1992 (57 Fed. Reg. 18344).

(3) Nothing in this subsection shall be construed to limit the authority of the President or his delegate to amend the final rule issued by the Administrator of the Environmental Protection Agency on April 29, 1992

(57 Fed. Reg. 18344), in accordance with applicable provisions of law.

(d) REGULATORY AUTHORITY.—

(1) IN GENERAL.—The Administrator may—

(A) issue such regulations as the Administrator deems necessary to carry out the amendments made by this section; and

(B) delegate and assign any duties or powers imposed upon or assigned to the Administrator by the amendments made by this section, including the authority to issue regulations.

(2) AUTHORITY TO CLARIFY.—The authority under paragraph (1) includes authority to clarify or interpret all terms, including those used in this section, and to implement any provision of the amendments made by this section.

TITLE IV—INNOCENT LANDOWNERS

SEC. 401. INNOCENT LANDOWNERS.

(a) ENVIRONMENTAL SITE ASSESSMENT.—Section 107 (as amended by section 201(b)) is amended by adding at the end the following new subsection:

''(p) INNOCENT LANDOWNERS.—

''(1) CONDUCT OF ENVIRONMENTAL ASSESSMENT.—A person who has acquired real property shall have made all appropriate inquiry within the meaning of subparagraph (B) of section 101(35) if the person establishes that, within 180 days prior to the time of acquisition, an environmental site assessment of the real property was conducted which meets the requirements of paragraph (2).

''(2) DEFINITION OF ENVIRONMENTAL SITE ASSESSMENT.—For purposes of this subsection, the term 'environmental site assessment' means an assessment conducted in accordance with the standards set forth in the American Society for Testing and Materials (ASTM) Standard E1527–94, titled 'Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process' or with alternative standards issued by rule by the President or promulgated or developed by others and designated by rule by the President. Before issuing or designating alternative standards, the President shall first conduct a study of commercial and industrial practices concerning environmental site assessments in the transfer of real property in the United States. Any such standards issued or designated by the President shall also be deemed to constitute commercially reasonable and generally accepted standards and practices for purposes of this paragraph. In issuing or designating any such standards, the President shall consider requirements governing each of the following:

''(A) Interviews or owners, operators, and occupants of the property to determine information regarding the potential for contamination.

''(B) Review of historical sources as necessary to determine previous uses and occupancies of the property since the property was first developed. For purposes of this subclause, the term 'historical sources' means any of the following, if they are reasonably ascertainable: recorded chain of title documents regarding the real property, including all deeds, easements, leases, restrictions, and covenants, aerial photographs, fire insurance maps, property tax files, USGS 7.5 minutes topographic maps, local street directories, building department records, zoning/land use records, and any other sources that identify past uses and occupancies of the property.

''(C) Determination of the existence of recorded environmental cleanup liens against the real property which have arisen pursuant to Federal, State, or local statutes.

''(D) Review of reasonably ascertainable Federal, State, and local government records of sites or facilities that are likely to cause or contribute to contamination at the real property, including, as appropriate, investigation reports for such sites or facilities; records of activities likely to cause or contribute to contamination at the real property, including landfill and other disposal location records, underground storage tank records, hazardous waste handler and generator records and spill reporting records; and such other reasonably ascertainable Federal, State, and local government environmental records which could reflect incidents or activities which are likely to cause or contribute to contamination at the real property.

''(E) A visual site inspection of the real property and all facilities and improvements on the real property and a visual inspection of immediately adjacent properties, including an investigation of any hazardous substance use, storage, treatment, and disposal practices on the property.

''(F) Any specialized knowledge or experience on the part of the defendant.

''(G) The relationship of the purchase price to the value of the property if uncontaminated.

''(H) Commonly known or reasonably ascertainable information about the property.

''(I) The obviousness of the presence or likely presence of contamination at the property, and the ability to detect such contamination by appropriate investigation.

A record shall be considered to be 'reasonably ascertainable' for purposes of this paragraph if a copy or reasonable facsimile of the record is publicly available by request (within reasonable time and cost constraints) and the record is practically reviewable.

''(3) APPROPRIATE INQUIRY.—A person shall not be treated as having made all appropriate inquiry under paragraph (1) unless—

''(A) the person has maintained a compilation of the information reviewed and gathered in the course of the environmental site assessment;

''(B) the person exercised appropriate care with respect to hazardous substances found at the facility by taking reasonable steps to stop on-going releases, prevent threatened future releases of hazardous substances, and prevent or limit human or natural resource exposure to hazardous substances previously released into the environment; and

''(C) the person provides full cooperation, assistance, and facility access to persons authorized to conduct response actions at the facility, including the cooperation and access necessary for the installation, integrity, operation, and maintenance of any complete or partial response action at the facility.

''(4) DEFINITION OF CONTAMINATION.—For the purposes of this subsection and section 101(35), the term 'contamination' means an existing release, a past release, or the threat of a release of a hazardous substance.''.

(b) Section 101(35) of the Comprehensive Environmental Response, Compensation, and Liability act of 1980 (42 U.S.C. 9601(35)) is by striking subparagraph (B) and inserting the following new subparagraph:

''(B) KNOWLEDGE OF INQUIRY REQUIREMENT.—

''(i) IN GENERAL.—To establish that the defendant had no reason to know, as provided in subparagraph (A)(i), the defendant must have undertaken, at the time of the acquisition, all appropriate inquiry (in accordance with section 107(p)) into the previous ownership and uses of the facility and its real property in accordance with generally accepted good commercial and customary standards and practices. For the purposes of the preceding sentence and until the Administrator issues or designates standards and practices as provided in clause (ii), the court shall take into account any specialized knowledge or experience on the part of the defendant, the relationship of the purchase price to the value of the property if uncontaminated, commonly known or reasonably ascertainable information about the property, the obviousness of the presence or likely presence of contamination at the property, and the ability to detect such contamination by appropriate investigation.

''(ii) RULE.—Within 1 year after the date of enactment of this Act, the Administrator shall, by rule, issue standards and practices or designate standards and practices promulgated or developed by others, that satisfy the requirements of this subparagraph. In issuing or designating such standards and practices, the Administrator shall consider each of the following:

''(I) Conduct of an inquiry by an environmental professional.

''(II) Inclusion of interviews with past and present owners, operators, and occupants of the facility and its real property for the purpose of gathering information regarding the potential for contamination at the facility and its real property.

''(III) Inclusion of a review of historical sources, such as chain of title documents, aerial photographs, building department records, and land use records, to determine previous uses and occupancies of the real property since it was first developed.

''(IV) Inclusion of a search for recorded environmental cleanup liens, filed under Federal, State, or local law, against the facility or its real property.

''(V) Inclusion of a review of Federal, State, and local government records (such as waste disposal records), underground storage tank records, and hazardous waste handling, generation, treatment, disposal, and spill records, concerning contamination at or near the facility or its real property.

''(VI) Inclusion of a visual inspection of the facility and its real property and of adjoining properties.

''(VII) Any specialized knowledge or experience on the part of the defendant.

''(VIII) The relationship of the purchase price to the value of the property if uncontaminated.

''(IX) Commonly known or reasonably ascertainable information about the property.

''(X) The obviousness of the presence or likely presence of contamination at the property, and the ability to detect such contamination by appropriate investigation.

''(iii) SITE INSPECTION AND TITLE SEARCH.—In the case of property for residential use or other similar use purchased by a nongovernmental or noncommercial entity, a site inspection and title search that reveal no basis for further investigation satisfy the requirements of this subparagraph.''; and

(c) REGULATORY AUTHORITY.—

(1) IN GENERAL.—The Administrator may—

(A) issue such regulations as the Administrator deems necessary to carry out the amendments made by this section; and

(B) delegate and assign any duties or powers imposed upon or assigned to the Administrator by the amendments made by this section, including the authority to issue regulations.

(2) AUTHORITY TO CLARIFY.—The authority under paragraph (1) includes authority to clarify or interpret all terms, including those used in this section, and to implement any provision of the amendments made by this section.

By Mr. WYDEN (for himself and Mr. D'AMATO):

S. 2029. A bill to make permanent certain authority relating to self-employment assistance programs; to the Committee on Finance.

THE SELF-EMPLOYMENT REAUTHORIZATION ACT

Mr. WYDEN. Mr. President, I rise today to introduce legislation with

Senator D'AMATO to reauthorize the Self-Employment Act. As waves of economic change turn our economy into a high-wire act, the Self-Employment Act has helped turn the unemployment safety net into a trampoline of opportunity for the unemployed. The Self-Employment Assistance Program takes an innovative and cost-effective approach to helping eligible dislocated workers become self-sufficient; it enables them to use their weekly unemployment checks to start their own businesses.

Harvard Business School reported earlier this year that from 1978 to the present, 22 percent of the work force, or 3 million workers, at the country's top 100 companies had been laid off, and that 77 percent of all the layoffs involved white-collar workers. Many of these highly skilled workers will never be able to return to their former positions, but some are highly motivated to start their own firms. In 40 out of 50 States, however, those who start their own businesses are forced to give up their weekly unemployment compensation checks as soon as the company starts generating revenue—but before it provides enough income to support the worker. It is exactly this problem the Self-Employment Assistance Program is designed to correct.

In a few short years, the Self-Employment Act (Public Law 103–182; title V) has already enabled thousands of unemployed Americans to use their unemployment compensation to establish new businesses. Two experimental programs, in Massachusetts and Washington, have already shown that self-employment programs can create jobs at no cost to the taxpayer. Using existing funds, the Massachusetts program created dozens of new businesses but actually paid $1,400 less unemployment per worker than the State average. The Washington program created more than 600 new jobs and the firms were paying an average of $10.50 an hour to workers they had hired.

The legislation we introduce today reauthorize a program that allows—but does not require—State to establish self-employment assistance [SEA] programs as part of their unemployment insurance [UI] programs. It permits States to provide income support payments to the unemployed in the same weekly amount as the worker's regular unemployment insurance [UI] benefits would otherwise be, so that they may work full time on starting their own business instead of searching for traditional wage and salary jobs. In effect, this legislation removes a high hurdle facing those who have the ingenuity, motivation, and energy to start their own businesses. It eliminates a barrier in the law that has forced workers interested in self-employment to choose between receiving UI benefits and starting a new business.

Self-employment assistance has not only proved to be a viable reemployment option for unemployed workers; its benefits have exceeded its costs as well. While the law is not a panacea for all of our Nation's unemployed, it's an opportunity for many skilled workers to get back to work faster and helps create new jobs as well.

In a recent tour around Oregon, my State SEA officials found tremendous enthusiasm for this program. They reported to me: ''* * * the SEA Program in Oregon is meeting the goal of providing Oregon dislocated workers—as identified through worker profiling—with access to entrepreneurial training and financial assistance while pursuing self-employment and the establishment of a business.'' Among the examples of businesses developed under the Oregon SEA Program this year are a marine maintenance and repair company, drop-in day care centers at shopping malls and a handmade hats, quilts, and bags business working to develop a mail-order firm.

The 1993 SEA law is based upon self-employment programs that have worked well in 17 other industrialized nations. As the author of two laws, in 1987 and 1993, that have promoted self-employment, I can attest to the dramatic success of the self-employment concept. According to a June 1995 Department of Labor [DOL] evaluation of the Washington State and Massachusetts pilot programs, the two projects ''clearly demonstrate that self-employment is a viable reemployment option for some unemployed workers . . . about one-half of those interested actually do start a business and an average of two-thirds were still in business 3 years later.'' In addition, the DOL report found that self-employment assistance programs increased business starts among project participants, reduced the length of their unemployment periods and increased their total time in employment. Both the Washington and Massachusetts models proved to be cost effective for the participants as well as for taxpayers.

Over the past 2½ years, 10 States used the 1993 legislation to create self-employment programs: California, Connecticut, Delaware, Maine, Maryland, Minnesota, New Jersey, New York, Oregon, and Rhode Island. To date, DOL has approved six State plans—California, Delaware, Maine, New Jersey, New York, and Oregon—and four of these—Delaware, Maine, New York and Oregon—have actually implemented their SEA programs.

Let me briefly describe how the program works. The law directs the DOL to review and approve State SEA Program plans. In States that operate SEA programs, new UI claimants identified through worker profiling—automated systems that use a set of criteria to identify those claimants who are likely to exhaust their UI benefits and need reemployment assistance—will be eligible for self-employment assistance. State SEA programs provide participants with periodic—weekly or biweekly—self-employment allowances while they are getting their businesses off the ground. These support payments are the same weekly amount as the worker's regular UI benefits. The SEA participants are required to participate in technical assistance programs—entrepreneurial training—accounting, cash flow, finances, taxes, etc.—business counseling—business plans, marketing, legal requirements, insurance, etc.—and finance—to ensure they have the skills necessary to operate a business. Finally, SEA programs are required to operate at no additional cost to the unemployment trust fund: The law stipulates that the payment of SEA allowances may not result in any additional benefits charges to the unemployment trust fund. Individuals may choose at any time to opt out of the SEA Program; they may resume collection of regular unemployment compensation until the total amount of regular unemployment compensation paid and the SEA paid equals the maximum benefit amount. States are responsible for the costs of providing basic SEA Program services, like business counseling and technical assistance, but may allow participants to pay for more intensive counseling and technical assistance.

Mr. President, as we move into the global economy of the 21st century, it is imperative that the Government adopt fresh strategies so that our many skilled buy unemployed workers can start anew in the private sector. Congress should extend the Self-Employment Assistance Program so that States will have the continued flexibility to help unemployed workers create their own businesses. Our bipartisan bill promotes the spirit of entrepreneurship. It carries forward a reasonable, and sensible reform of the unemployment insurance system that bears no cost to the taxpayer.

I would like to thank Senator D'AMATO for joining me as an original cosponsor of this bill. New York has a very active and successful Self Employment Assistance Program, and I look forward to working closely with him to see this important program reauthorized.

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. 2029

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

SECTION 1. SELF-EMPLOYMENT ASSISTANCE PROGRAMS.

(a) IN GENERAL.—Paragraph (2) of section 507(e) of the North American Free Trade Agreement Implementation Act (26 U.S.C. 3306 note) is hereby repealed.

(b) CONFORMING AMENDMENTS.—Subsection (e) of section 507 of such Act is further amended—

(1) by amending the heading after the subsection designation to read ''EFFECTIVE DATE.—''; and

(2) by striking ''(1) EFFECTIVE DATE.—'' and by running in the remaining text of subsection (e) immediately after the heading therefor, as amended by paragraph (1).

By Mr. LOTT (for himself and Mr. EXON):

S. 2030. A bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE NATIONAL MOTOR VEHICLE SAFETY, ANTITHEFT, TITLE REFORM, AND CONSUMER PROTECTION ACT OF 1996

Mr. LOTT. Mr. President, I rise today to introduce legislation to establish national requirements regarding the titling and registration of salvage, nonrepairable and rebuilt vehicles. I am proud to have Senator EXON as my principle cosponsor on this bipartisan bill. Senator EXON has done yeoman's work in previous Congresses to address this issue.

Several years ago, Congress formed a group to study this issue. My bill responds to the recommendations made by that Federal task force regarding the disclosure of vehicle conditions. This consumer safety bill will protect used car consumers from unknowingly purchasing rebuilt automobiles that have not been restored to safe operating conditions. The legislation requires the vehicle title to be branded to show that it has been totaled.

This legislation would create a uniform national policy concerning the disclosure of vehicle conditions. Forty-eight States require some sort of disclosure on the vehicle title. Insistency among these States, however, permits those unscrupulous few to take advantage of unsuspecting consumers.

I hope my colleagues in the Senate will join me as cosponsors of this legislation, which addresses this consumer safety issue in a direct and straightforward manner.

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. 2030

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 ''National Motor Vehicle Safety, Antitheft, Title Reform, and Consumer Protection Act of 1996''.

SEC. 2. FINDINGS.

The Congress finds that—

(1) many States do not have specific requirements regarding the disclosure of the salvage history of a motor vehicle and some States never require that the title to a motor vehicle be stamped or branded to indicate that the motor vehicle is, or has been, a salvage vehicle;

(2) as of the date of enactment of this Act, State disclosure requirements regarding the salvage history of a motor vehicle—

(A) are inconsistent in scope and content;

(B) require the use of different forms and administrative procedures;

(C) will undercut the effectiveness of the National Automobile Title Information System created by the Anti Car Theft Act of 1992;

(D) are burdensome on interstate commerce; and

(E) do not provide a significant deterrent to unscrupulous sellers of rebuilt vehicles who mislead potential wholesale and retail buyers concerning the condition and value of such vehicles;

(3) the fact that a motor vehicle is salvage, nonrepairable, water damaged, or rebuilt after incurring substantial damage is material in any subsequent purchase or sale of that motor vehicle;

(4) some salvage and nonrepairable vehicles become involved in illegal commerce in stolen vehicles and parts;

(5) in some jurisdictions, the lack of theft inspections prior to allowing a rebuilt motor vehicle back on the road provides an opportunity for an unscrupulous person to use stolen parts in the rebuilding of motor vehicles;

(6) according to the National Highway Traffic Safety Administration, rebuilt motor vehicles—

(A) may not have passed any safety inspection; and

(B) may pose a public safety risk and consumers who unknowingly buy rebuilt motor vehicles face an increased risk of death or serious injury;

(7) statistics prepared by the American Association of Motor Vehicle Administrators indicate that 71 percent of the States require some form of safety inspection before a rebuilt salvage vehicle may be registered for use on the road;

(8) the promulgation of a safety inspection program by the Secretary of Transportation may assist the States in expanding and standardizing their inspection programs for rebuilt vehicles;

(9) duplicate or replacement titles play an important role in many vehicle thefts and various types of vehicle fraud;

(10) State controls on the issuance of such titles must therefore be strengthened and made uniform across the United States;

(11) large quantities of motor vehicles are exported from United States ports to foreign countries without proper documentation of ownership in violation of applicable law; and

(12) in view of the threats to public safety and consumer interests described in paragraphs (1) through (10), the Motor Vehicle Titling, Registration and Salvage Advisory Committee, which was convened by the Secretary of Transportation under section 140(a) of the Anti Car Theft Act of 1992 (15 U.S.C. 2041 note), recommended that—

(A) Federal laws be enacted to require certain definitions to be used nationwide to describe seriously damaged vehicles; and

(B) all States be required to—

(i) use the definitions referred to in subparagraph (A) in determining appropriate title designations;

(ii) use certain motor vehicle titling and control methods; and

(iii) take certain other measures to protect the integrity of the titling process.

SEC. 3. MOTOR VEHICLE TITLING AND DISCLOSURE REQUIREMENTS.

(a) IN GENERAL.—Subtitle VI of title 49, United States Code, is amended by adding at the end the following new chapter:

''CHAPTER 333—AUTOMOBILE SAFETY, ANTITHEFT, AND TITLE DISCLOSURE REQUIREMENTS

''Sec.
''33301. Definitions.
''33302. Passenger motor vehicle titling.
''33303. Petitions for extensions of time.
''33304. Effect on State law.
''33305. Civil and criminal penalties.

''§ 33301. Definitions

''For the purposes of this chapter the following definitions and requirements shall apply:

''(1) PASSENGER MOTOR VEHICLE.—

''(A) IN GENERAL.—The term 'passenger motor vehicle' means any vehicle driven or drawn by mechanical power manufactured primarily for use on the public streets, roads, and highways.

''(B) PASSENGER MOTOR VEHICLES AND LIGHT TRUCKS INCLUDED.—Such term includes a multipurpose passenger vehicle or light duty truck if the vehicle or truck is rated at not more than 7,500 pounds gross vehicle weight.

''(C) MOTORCYCLES NOT INCLUDED.—Such term does not include a motorcycle.

''(2) SALVAGE VEHICLE.—

''(A) IN GENERAL.—Subject to subparagraph (E), the term 'salvage vehicle' means any passenger motor vehicle that has been wrecked, destroyed, or damaged to the extent that the total estimated or actual cost of parts and labor to rebuild or reconstruct the passenger motor vehicle to its preaccident condition for legal operation on the roads or highways exceeds 75 percent of the retail value of the passenger motor vehicle, as set forth in the most recent edition of any nationally recognized compilation (including automated databases) of current retail values that is approved by the Secretary.

''(B) VEHICLES EXCLUDED.—Such term does not include any passenger motor vehicle that has a model year designation of a calendar year that precedes that calendar year in which the vehicle was wrecked, destroyed, or damaged by 5 or more years.

''(C) DETERMINATION OF VALUE OF REPAIR PARTS.—For purposes of subparagraph (B), the value of repair parts shall be determined by using—

''(i) the published retail cost of the original equipment manufacturer parts; or

''(ii) the actual retail cost of the repair parts to be used in the repair.

''(D) DETERMINATION OF LABOR COSTS.—For purposes of subparagraph (B), the labor cost of repairs shall be computed by using the hourly labor rate and time allocations that are reasonable and customary in the automobile repair industry in the community in which the repairs are performed.

''(E) CERTAIN VEHICLES INCLUDED.—The term 'passenger vehicle' includes, without regard to whether the passenger motor vehicle meets the 75 percent threshold specified in subparagraph (B)—

''(i) any passenger motor vehicle with respect to which an insurance company acquires ownership under a damage settlement (except for a settlement in connection with a recovered theft vehicle that did not sustain a sufficient degree of damage to meet the 75 percent threshold specified in subparagraph (B)); or

''(ii) any passenger motor vehicle that an owner may wish to designate as a salvage vehicle by obtaining a salvage title, without regard to the extent of the damage and repairs.

''(F) SPECIAL RULE.—A designation of a passenger motor vehicle by an owner under subparagraph (E)(ii) shall not impose any obligation on—

''(i) the insurer of the passenger motor vehicle; or

''(ii) an insurer processing a claim made by or on behalf of the owner of the passenger motor vehicle.

''(3) SALVAGE TITLE.—

''(A) IN GENERAL.—The term 'salvage title' means a passenger motor vehicle ownership document issued by a State to the owner of a salvage vehicle.

''(B) TRANSFER OF OWNERSHIP.—Ownership of a salvage vehicle may be transferred on a salvage title.

''(C) PROHIBITION.—The salvage vehicle may not be registered for use on the roads or

highways unless the salvage vehicle has been issued a rebuilt salvage title.

''(D) REQUIREMENT FOR A REBUILT SALVAGE TITLE.—A salvage title shall be conspicuously labeled with the word 'salvage' across the front of the document.

''(4) REBUILT SALVAGE VEHICLE.—The term 'rebuilt salvage vehicle' means—

''(A) for passenger motor vehicles subject to a safety inspection in a State that requires such an inspection under section 33302(b)(2)(H), any passenger motor vehicle that has—

''(i) been issued previously a salvage title;

''(ii) passed applicable State antitheft inspection;

''(iii) been issued a certificate indicating that the passenger motor vehicle has—

''(I) passed the antitheft inspection referred to in clause (ii); and

''(II) been issued a certificate indicating that the passenger motor vehicle has passed a required safety inspection under section 33302(b)(2)(H); and

''(iv) affixed to the door jamb adjacent to the driver's seat a decal stating 'Rebuilt Salvage Vehicle—Antitheft and Safety Inspections Passed'; or

''(B) for passenger motor vehicles in a State other than a State referred to in subparagraph (A), any passenger motor vehicle that has—

''(i) been issued previously a salvage title;

''(ii) passed an applicable State antitheft inspection;

''(iii) been issued a certificate indicating that the passenger motor vehicle has passed the required antitheft inspection referred to in clause (ii); and

''(iv) affixed to the door jamb adjacent to the driver's seat, a decal stating 'Rebuilt Salvage Vehicle—Antitheft Inspection Passed/No Safety Inspection Pursuant to National Criteria'.

''(5) REBUILT SALVAGE TITLE.—

''(A) IN GENERAL.—The term 'rebuilt salvage title' means the passenger motor vehicle ownership document issued by a State to the owner of a rebuilt salvage vehicle.

''(B) TRANSFER OF OWNERSHIP.—Ownership of a rebuilt salvage vehicle may be transferred on a rebuilt salvage title.

''(C) REGISTRATION FOR USE.—A passenger motor vehicle for which a rebuilt salvage title has been issued may be registered for use on the roads and highways.

''(D) REQUIREMENT FOR SALVAGE TITLE.—A rebuilt salvage title shall be conspicuously labeled, either with 'Rebuilt Salvage Vehicle—Antitheft and Safety Inspections Passed' or 'Rebuilt Salvage Vehicle—Antitheft Inspection Passed/No Safety Inspection Pursuant to National Criteria', as appropriate, across the front of the document.

''(6) NONREPAIRABLE VEHICLE.—

''(A) IN GENERAL.—The term 'nonrepairable vehicle' means any passenger motor vehicle that—

''(i)(I) is incapable of safe operation for use on roads or highways; and

''(II) has no resale value, except as a source of parts or scrap only; or

''(ii) the owner irreversibly designates as a source of parts or scrap.

''(B) CERTIFICATE.—Each nonrepairable vehicle shall be issued a nonrepairable vehicle certificate.

''(7) NONREPAIRABLE VEHICLE CERTIFICATE.—

''(A) IN GENERAL.—The term 'nonrepairable vehicle certificate' means a passenger motor vehicle ownership document issued by the State to the owner of a nonrepairable vehicle.

''(B) TRANSFER OF OWNERSHIP.—Ownership of the passenger motor vehicle may be transferred not more than 2 times on a nonrepairable vehicle certificate.

''(C) PROHIBITION.—A nonrepairable vehicle that is issued a nonrepairable vehicle certificate may not be titled or registered for use on roads or highways at any time after the issuance of the certificate.

''(D) REQUIREMENT FOR NONREPAIRABLE VEHICLE CERTIFICATE.—A nonrepairable vehicle certificate shall be conspicuously labeled with the term 'Nonrepairable' across the front of the document.

''(8) FLOOD VEHICLE.—

''(A) IN GENERAL.—The term 'flood vehicle' means any passenger motor vehicle that has been submerged in water to the point that rising water has reached over the door sill of the motor vehicle and has entered the passenger or trunk compartment.

''(B) REQUIREMENT FOR DISCLOSURE.—Disclosure that a passenger motor vehicle has become a flood vehicle shall be made by the person transferring ownership at the time of transfer of ownership. After such transfer is completed, the certificate of title shall be conspicuously labeled with the term 'flood' across the front of the document.

''(9) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

''§ 33302. Passenger motor vehicle titling

''(a) CARRYFORWARD OF CERTAIN TITLE INFORMATION IF A PREVIOUS TITLE WAS NOT ISSUED IN ACCORDANCE WITH CERTAIN NATIONALLY UNIFORM STANDARDS.—

''(1) IN GENERAL.—If—

''(A) records that are readily accessible to a State indicate that a passenger motor vehicle with respect to which the ownership is transferred on or after the date that is 1 year after the date of enactment of the National Motor Vehicle Safety, Antitheft, Title Reform, and Consumer Protection Act of 1996, has been issued previously a title that bore a term or symbol described in paragraph (2); and

''(B) the State licenses that vehicle for use, the State shall disclose that fact on a certificate of title issued by the State.

''(2) TERMS AND SYMBOLS.—

''(A) IN GENERAL.—A State shall be subject to the requirements of paragraph (1) with respect to the following terms on a title that has been issued previously to a passenger motor vehicle (or symbols indicating the meanings of those terms):

''(i) 'Salvage'.

''(ii) 'Unrebuildable'.

''(iii) 'Parts only'.

''(iv) 'Scrap'.

''(v) 'Junk'.

''(vi) 'Nonrepairable'.

''(vii) 'Reconstructed'.

''(viii) 'Rebuilt'.

''(ix) Any other similar term, as determined by the Secretary.

''(B) FLOOD DAMAGE.—A State shall be subject to the requirements of paragraph (1) if a term or symbol on a title issued previously for a passenger vehicle indicates that the vehicle has been damaged by flood.

''(b) NATIONALLY UNIFORM TITLE STANDARDS AND CONTROL METHODS.—

''(1) IN GENERAL.—Not later than 18 months after the date of the enactment of the National Motor Vehicle Safety, Antitheft, Title Reform, and Consumer Protection Act of 1996, the Secretary shall issue regulations that require each State that licenses passenger motor vehicles with respect to which the ownership is transferred on or after the date that is 2 years after the issuance of final regulations, to apply with respect to the issuance of the title for any such motor vehicle uniform standards, procedures, and methods for—

''(A) the issuance and control of that title; and

''(B) information to be contained on such title.

''(2) CONTENTS OF REGULATIONS.—The titling standards, control procedures, methods, and information covered under the regulations issued under this subsection shall include the following:

''(A) INDICATION OF STATUS.—Each State shall indicate on the face of a title or certificate for a passenger motor vehicle, as applicable, if the passenger motor vehicle is a salvage vehicle, a nonrepairable vehicle, a rebuilt salvage vehicle, or a flood vehicle.

''(B) SUBSEQUENT TITLES.—The information referred to in subparagraph (A) concerning the status of the passenger vehicle shall be conveyed on any subsequent title, including a duplicate or replacement title, for the passenger motor vehicle issued by the original titling State or any other State.

''(C) SECURITY STANDARDS.—The title documents, the certificates and decals required by section 33301(4), and the system for issuing those documents, certificates, and decals shall meet security standards that minimize opportunities for fraud.

''(D) IDENTIFYING INFORMATION.—Each certificate of title referred to in subparagraph (A) shall include the passenger motor vehicle make, model, body type, year, odometer disclosure, and vehicle identification number.

''(E) UNIFORM LAYOUT.—The title documents covered under the regulations shall maintain a uniform layout, that shall be established by the Secretary, in consultation with each State or an organization that represents States.

''(F) NONREPAIRABLE VEHICLES.—A passenger motor vehicle designated as nonrepairable—

''(i) shall be issued a nonrepairable vehicle certificate; and

''(ii) may not be retitled.

''(G) REBUILT SALVAGE TITLE.—No rebuilt salvage title may be issued to a salvage vehicle unless, after the salvage vehicle is repaired or rebuilt, the salvage vehicle complies with the requirements for a rebuilt salvage vehicle under section 33301(4).

''(H) INSPECTION PROGRAMS.—Each State inspection program shall be designed to comply with the requirements of this subparagraph and shall be subject to approval and periodic review by the Secretary. Each such inspection program shall include the following:

''(i) Each owner of a passenger motor vehicle that submits a vehicle for an antitheft inspection shall be required to provide—

''(I) a completed document identifying the damage that occurred to the vehicle before being repaired;

''(II) a list of replacement parts used to repair the vehicle;

''(III) proof of ownership of the replacement parts referred to in subclause (II) (as evidenced by bills of sale, invoices or, if such documents are not available, other proof of ownership for the replacement parts); and

''(IV) an affirmation by the owner that—

''(aa) the information required to be submitted under this subparagraph is complete and accurate; and

''(bb) to the knowledge of the declarant, no stolen parts were used during the rebuilding of the repaired vehicle.

''(ii) Any passenger motor vehicle or any major part or major replacement part required to be marked under this section or the regulations issued under this section that—

''(I) has a mark or vehicle identification number that has been illegally altered, defaced, or falsified; or

''(II) cannot be identified as having been legally obtained (through evidence described in clause (i)(III)),

shall be contraband and subject to seizure.

''(iii) To avoid confiscation of parts that have been legally rebuilt or manufactured, the regulations issued under this subsection shall include procedures that the Secretary, in consultation with the Attorney General of the United States, shall establish—

''(I) for dealing with parts with a mark or vehicle identification number that is normally removed during remanufacturing or rebuilding practices that are considered acceptable by the automotive industry; and

''(II) deeming any part referred to in clause (i) to meet the identification requirements under the regulations if the part bears a conspicuous mark of such type, and is applied in such manner, as may be determined by the Secretary to indicate that the part has been rebuilt or remanufactured.

''(iv) With respect to any vehicle part, the regulations issued under this subsection shall—

''(I) acknowledge that a mark or vehicle identification number on such part may be legally removed or altered, as provided under section 511 of title 18, United States Code; and

''(II) direct inspectors to adopt such procedures as may be necessary to prevent the seizure of a part from which the mark or vehicle identification number has been legally removed or altered.

''(v) The Secretary shall establish nationally uniform safety inspection criteria to be used in States that require such a safety inspection. A State may determine whether to conduct such safety inspection, contract with a third party, or permit self-inspection. Any inspection conducted under this clause shall be subject to criteria established by the Secretary. A State that requires a safety inspection under this clause may require the payment of a fee for such inspection or the processing of such inspection.

''(I) DUPLICATE TITLES.—No duplicate or replacement title may be issued by a State unless—

''(i) the term 'duplicate' is clearly marked on the face of the duplicate or replacement title; and

''(ii) the procedures issued are substantially consistent with the recommendation designated as recommendation 3 in the report issued on February 10, 1994, under section 140 of the Anti Car Theft Act of 1992 (15 U.S.C. 2041 note) by the task force established under such section.

''(J) TITLING AND CONTROL METHODS.—Each State shall employ the following titling and control methods:

''(i) If an insurance company is not involved in a damage settlement involving a salvage vehicle or a nonrepairable vehicle, the passenger motor vehicle owner shall be required to apply for a salvage title or nonrepairable vehicle certificate, whichever is applicable, before the earlier of the date—

''(I) on which the passenger motor vehicle is repaired or the ownership of the passenger motor vehicle is transferred; or

''(II) that is 30 days after the passenger motor vehicle is damaged.

''(ii) If an insurance company, under a damage settlement, acquires ownership of a passenger motor vehicle that has incurred damage requiring the vehicle to be titled as a salvage vehicle or nonrepairable vehicle, the insurance company shall be required to apply for a salvage title or nonrepairable vehicle certificate not later than 15 days after the title to the motor vehicle is—

''(I) properly assigned by the owner to the insurance company; and

''(II) delivered to the insurance company with all liens released.

''(iii) If an insurance company does not assume ownership of a passenger motor vehicle of an insured person or claimant that has incurred damage requiring the vehicle to be titled as a salvage vehicle or nonrepairable vehicle, the insurance company shall, as required by the applicable State—

''(I) notify—

''(aa) the owner of the owner's obligation to apply for a salvage title or nonrepairable vehicle certificate for the passenger motor vehicle; and

''(bb) the State passenger motor vehicle titling office that a salvage title or nonrepairable vehicle certificate should be issued for the vehicle; or

''(II) withhold payment of the claim until the owner applies for a salvage title or nonrepairable vehicle certificate.

''(iv) If a leased passenger motor vehicle incurs damage requiring the vehicle to be titled as a salvage vehicle or nonrepairable vehicle, the lessor shall be required to apply for a salvage title or nonrepairable vehicle certificate not later than 21 days after being notified by the lessee that the vehicle has been so damaged, except in any case in which an insurance company, under a damage settlement, acquires ownership of the vehicle. The lessee of such vehicle shall be required to inform the lessor that the leased vehicle has been so damaged not later than 30 days after the occurrence of the damage.

''(v)(I) Any person who acquires ownership of a damaged passenger motor vehicle that meets the definition of a salvage or nonrepairable vehicle for which a salvage title or nonrepairable vehicle certificate has not been issued, shall be required to apply for a salvage title or nonrepairable vehicle certificate, whichever is applicable.

''(II) An application under subclause (I) shall be made the earlier of—

''(aa) the date on which the vehicle is further transferred; or

''(bb) 30 days after ownership is acquired.

''(III) The requirements of this clause shall not apply to any scrap metal processor that—

''(aa) acquires a passenger motor vehicle for the sole purpose of processing the motor vehicle into prepared grades of scrap; and

''(bb) carries out that processing.

''(vi) State records shall note when a nonrepairable vehicle certificate is issued. No State shall issue a nonrepairable vehicle certificate after 2 transfers of ownership in violation of section 33301(b)(7)(B).

''(vii)(I) In any case in which a passenger motor vehicle has been flattened, baled, or shredded, whichever occurs first, the title or nonrepairable vehicle certificate for the vehicle shall be surrendered to the State not later than 30 days after that occurrence.

''(II) If the second transferee on a nonrepairable vehicle certificate is unequipped to flatten, bale, or shred the vehicle, such transferee shall be required, at the time of final disposal of the vehicle, to use the services of a professional automotive recycler or professional scrap processor. That recycler or reprocessor shall have the authority to—

''(aa) flatten, bale, or shred the vehicle; and

''(bb) effect the surrender of the nonrepairable vehicle certificate to the State on behalf of the second transferee.

''(III) State records shall be updated to indicate the destruction of a vehicle under this clause and no further ownership transactions for the vehicle shall be permitted after the vehicle is so destroyed.

''(IV) If different from the State of origin of the title or nonrepairable vehicle certificate, the State of surrender shall notify the State of origin of the surrender of the title or nonrepairable vehicle certificate and of the destruction of such vehicle.

''(viii)(I) In any case in which a salvage title is issued, the State records shall note that issuance. No State may permit the retitling for registration purposes or issuance of a rebuilt salvage title for a passenger motor vehicle with a salvage title without a certificate of inspection that—

''(aa) complies with the security and guideline standards established by the Secretary under subparagraphs (C) and (G), as applicable; and

''(bb) indicates that the vehicle has passed the inspections required by the State under subparagraph (H).

''(II) Nothing in this clause shall preclude the issuance of a new salvage title for a salvage vehicle after a transfer of ownership.

''(ix) After a passenger motor vehicle titled with a salvage title has passed the inspections required by the State, the inspection official shall—

''(I) affix a secure decal required under section 33301(4) (that meets permanency requirements that the Secretary shall establish by regulation) to the door jamb on the driver's side of the vehicle; and

''(II) issue to the owner of the vehicle a certificate indicating that the passenger motor vehicle has passed the inspections required by the State.

''(x)(I) The owner of a passenger motor vehicle titled with a salvage title may obtain a rebuilt salvage title and vehicle registration by presenting to the State the salvage title, properly assigned, if applicable, along with the certificate that the vehicle has passed the inspections required by the State.

''(II) If the owner of a rebuilt salvage vehicle submits the documentation referred to in subclause (I), the State shall issue upon the request of the owner a rebuilt salvage title and registration to the owner. When a rebuilt salvage title is issued, the State records shall so note.

''(K) FLOOD VEHICLES.—

''(i) IN GENERAL.—A seller of a passenger motor vehicle that becomes a flood vehicle shall, at or before the time of transfer of ownership, provide a written notice to the purchaser that the vehicle is a flood vehicle. At the time of the next title application for the vehicle—

''(I) the applicant shall disclose the flood status to the applicable State with the properly assigned title; and

''(II) the term 'Flood' shall be conspicuously labeled across the front of the new title document.

''(ii) LEASED VEHICLES.—In the case of a leased passenger motor vehicle, the lessee, within 15 days after the occurrence of the event that caused the vehicle to become a flood vehicle, shall give the lessor written disclosure that the vehicle is a flood vehicle.

''(c) ELECTRONIC PROCEDURES.—A State may employ electronic procedures in lieu of paper documents in any case in which such electronic procedures provide levels of information, function, and security required by this section that are at least equivalent to the levels otherwise provided by paper documents.

''§ 33303. Petitions for extensions of time

''(a) IN GENERAL.—Subject to subsection (b), if a State demonstrates to the satisfaction of the Secretary, a valid reason for needing an extension of a deadline for compliance with requirements under section 33302(a), the Secretary may extend, for a period determined by the Secretary, an otherwise applicable deadline with respect to that State.

''(b) LIMITATION.—No extension made under subsection (a) shall remain in effect on or after the applicable compliance date established under section 33302(b).

''§ 33304. Effect on State law

''(a) IN GENERAL.—Beginning on the effective date of the regulations issued under section 33302, this chapter shall preempt any

State law, to the extent that State law is inconsistent with this chapter or the regulations issued under this chapter (including the regulations issued under section 33302), that—

''(1) establish the form of the passenger motor vehicle title;

''(2)(A) define, in connection with a passenger motor vehicle (but not in connection with a passenger motor vehicle part or part assembly separate from a passenger motor vehicle)—

''(i) any term defined in section 33301;

''(ii) the term 'salvage', 'junk', 'reconstructed', 'nonrepairable', 'unrebuildable', 'scrap', 'parts only', 'rebuilt', 'flood', or any other similar symbol or term; or

''(B) apply any of the terms referred to in subparagraph (A) to any passenger motor vehicle (but not in connection with a passenger motor vehicle part or part assembly separate from a passenger motor vehicle); and

''(3) establish titling, recordkeeping, antitheft inspection, or control procedures in connection with any salvage vehicle, rebuilt salvage vehicle, nonrepairable vehicle, or flood vehicle.

''(b) RULE OF CONSTRUCTION.—

''(1) ADDITIONAL DISCLOSURES.—Additional disclosures of the title status or history of a motor vehicle, in addition to disclosures made concerning the applicability of terms defined in section 33301, may not be considered to be inconsistent with this chapter.

''(2) INCONSISTENT TERMS.—When used in connection with a passenger motor vehicle (but not in connection with a passenger motor vehicle part or part assembly separate from a passenger motor vehicle), any definition under Federal or State law of a term defined in section 33301 that is different from the definition provided for in that section or any use of any other term listed in subsection (a), shall be considered to be inconsistent with this chapter.

''(3) RULE OF CONSTRUCTION.—Nothing in this chapter shall preclude a State from disclosing on a rebuilt salvage title that a rebuilt salvage vehicle has passed a State safety inspection that differed from the nationally uniform criteria promulgated under section 33302(b)(2)(H)(v).

''§ 33305. Civil and criminal penalties

''(a) PROHIBITED ACTS.—It shall be unlawful for any person knowingly and willfully to—

''(1) make or cause to be made any false statement on an application for a title (or duplicate title) for a passenger motor vehicle;

''(2) fail to apply for a salvage title in any case in which such an application is required;

''(3) alter, forge, or counterfeit—

''(A) a certificate of title (or an assignment thereof);

''(B) a nonrepairable vehicle certificate;

''(C) a certificate verifying an antitheft inspection or an antitheft and safety inspection; or

''(D) a decal affixed to a passenger motor vehicle under section 33302(b)(2)(J)(ix);

''(4) falsify the results of, or provide false information in the course of, an inspection conducted under section 33302(b)(2)(H);

''(5) offer to sell any salvage vehicle or nonrepairable vehicle as a rebuilt salvage vehicle; or

''(6) conspire to commit any act under paragraph (1), (2), (3), (4), or (5).

''(b) CIVIL PENALTY.—Any person who commits an unlawful act under subsection (a) shall be subject to a civil penalty in an amount not to exceed $2,000.

''(c) CRIMINAL PENALTY.—Any person who knowingly commits an unlawful act under subsection (a) shall, upon conviction, be—

''(1) subject to a fine in an amount not to exceed $50,000;

''(2) imprisoned for a term not to exceed 3 years; or

''(3) subject to both fine under paragraph (1) and imprisonment under paragraph (2).''.

(b) CONFORMING AMENDMENT.—The analysis for subtitle VI of title 49, United States Code, is amended by adding at the end the following new item:

''333. Automobile Safety, Antitheft, and Title Disclosure Requirements ..... 33301''.

By Mr. KERRY (for himself and Mr. KENNEDY):

S. 2032. A bill to designate a portion of the Sudbury, Assabet, and Concord Rivers as a component of the National Wild And Scenic Rivers System; to the Committee on Energy and Natural Resources.

THE SUDBURY, ASSABET, AND CONCORD WILD AND SCENIC RIVERS ACT

Mr. KERRY.

Mr. President, I am pleased to join my distinguished colleague from Massachusetts, Senator KENNEDY, in introducing the Sudbury, Assabet, and Concord [SuAsCo] Wild and Scenic Rivers Act. This is the companion bill to H.R. 3405, sponsored by Representatives MEEHAN, MARKEY, and TORKILDSEN.

The Sudbury, Assabet, and Concord river area is rich in history and literary significance. It has been the location of many historical events, most notably the Battle of Concord in the Revolutionary War, that gave our great Nation its independence. The Concord River flows under the North Bridge in Concord, MA, where, on April 18, 1775, colonial farmers fired the legendary ''shot heard around the world'' which signaled the start of the Revolutionary War.

In later years, this scenic area was also home to many of our literary heroes including, Ralph Waldo Emerson, Henry David Thoreau, and Louisa May Alcott. Their writing often focused on the bucolic rivers. Thoreau spent most of his life in Concord, MA, where he passed his days immersed in his writing and enjoying the natural surroundings. He spoke of the Concord River when he wrote ''the wild river valley and the woods were bathed in so pure and bright a light as would have waked the dead, if they had been slumbering in their graves, as some suppose. There needs no strong proof of immortality.'' This area was held close to many an author's heart. It was a place of relaxation and inspiration for many.

The Sudbury, Assabet, and Concord Wild Rivers Act would amend the Wild and Scenic Rivers Act to include a 29 mile segment of the Assabet, Concord, and Sudbury Rivers. Based on a report authorized by Congress in 1990 and issued by the National Park Service in 1995, these river segments were determined worthy of inclusion in the Wild and Scenic Rivers Program. In its report, the SuAsCo Wild and Scenic Study Committee showed that this area has not only the necessary scenic, recreational, and ecological value, but also the historical and literary value to merit the Wild and Scenic River designation. All eight communities in the area traversed by these river segments are supporting his important legislation.

Our legislation is of minimal cost to the Federal Government but by using limited Federal resources we can leverage significant local and State effort. Provisions in the bill limit the Federal Government's contribution to just $100,000 annually, with no more than a 50 percent share of any given activity. This is a concept that merits the support of Congress. Should our bill become law, the SuAsCo River stewardship council, in cooperation with Federal, State, and local governments would manage the land.

We now have the opportunity to protect the precious 29-mile section of the Assabet, Sudbury, and Concord Rivers. This area is not only rich in ecological value but also in historical and literary value. I urge my colleagues to support this bill and through it to preserve this wild river valley for the enjoyment and instruction of all who live and work there, for visitors from throughout the nation and, perhaps most importantly, for generations yet to come.

I ask unanimous consent that a copy 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. 2032

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 ''Sudbury, Assabet and Concord Wild and Scenic Rivers Act''.

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Title VII of Public Law 101–628—

(A) designated segments of the Sudbury, Assabet, and Concord Rivers in the Commonwealth of Massachusetts, totaling 29 river miles, for study of potential addition to the National Wild and Scenic Rivers System, and

(B) directed the Secretary of the Interior to establish the Sudbury, Assabet, and Concord River Study Committee (in this Act referred to as the ''Study Committee'') to advise the Secretary of the Interior in conducting the study and concerning management alternatives should the river be included in the National Wild and Scenic Rivers System.

(2) The study determined that:

—the 16.6 mile segment of the Sudbury River beginning at the Danforth Street Bridge in the Town of Framingham, to its confluence with the Assabet River

—the 4.4 mile segment of the Assabet River from 1000 feet downstream from the Damon Mill Dam in the Town of Concord to the confluence with the Sudbury River at Egg Rock in Concord, and

—the 8 mile segment of the Concord River from Egg Rock at the confluence of the Sudbury and Assabet Rivers to the Route 3 Bridge in the Town of Billerica

are eligible for inclusion in the National Wild and Scenic Rivers System based upon their free-flowing condition and outstanding scenic, recreation, wildlife, literary, and historic values.

(3) The towns that directly abut the segments, including Framingham, Sudbury, Wayland, Lincoln, Concord, Bedford, Carlisle, and Billerica, Massachusetts, have each

demonstrated their desire for National Wild and Scenic River Designation through town meeting votes endorsing designation.

(4) During the study, the Study Committee and the National Park Service prepared a comprehensive management plan for the segments, entitled ''Sudbury, Assabet and Concord wild and Scenic River Study, River Management Plan'', dated March 16, 1995, which establishes objectives, standards, and action programs that will ensure long-term protection of the rivers' outstanding values and compatible management of their land and water resources.

(5) The river management plan does not call for federal land acquisition for Wild and Scenic River purposes and relies upon state, local and private entities to have the primary responsibility for ownership and management of the Sudbury, Assabet and Concord Wild and Scenic River resources.

(6) The Study Committee voted unanimously on February 23, 1995, to recommend that the Congress include these segments in the National Wild and Scenic Rivers System for management in accordance with the River Conservation Plan.

SEC. 3. WILD, SCENIC, AND RECREATIONAL RIVER DESIGNATION.

Section 3(a) of the *Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding at the end the following new paragraph:

''( ) SUDBURY, ASSABET AND CONCORD RIVERS, MASSACHUSETTS.—

''(A) IN GENERAL.—The 29 miles of river segments in Massachusetts consisting of the Sudbury River from the Danforth Street Bridge in Framingham downstream to its confluence with the Assabet River at Egg Rock; the Assabet River from a point 1,000 feet downstream of the Damondale Dam in Concord to its confluence with the Sudbury River at Egg Rock; and the Concord River from its origin at Egg Rock in Concord downstream to the route 3 bridge in Billerica (in this paragraph referred to as 'segments'), as scenic and recreational river segments. The segments shall be administered by the Secretary of the Interior through cooperative agreements between the Secretary of the Interior and the Commonwealth of Massachusetts and its relevant political subdivisions (including the Towns of Framingham, Wayland, Sudbury, Lincoln, Concord Carlisle, Bedford, and Billerica) pursuant to Section 10(e) of this Act. The segments shall be managed in accordance with the plan entitled ''Sudbury, Assabet and Concord Wild and Scenic River Study, River Conservation Plan'' dated March 16, 1995 (in this paragraph referred to as the 'Plan'). The Plan is deemed to satisfy the requirement for a comprehensive management plan under section 3(d) of this Act.''

SEC. 4. MANAGEMENT.

(a) COMMITTEE.—The Director of the National Park Service (in this paragraph referred to as the 'Director'), or his or her designee, shall represent the Secretary of the Interior on the SUASCO River Stewardship Council provided for in the ''Sudbury, Assabet and Concord Wild and Scenic River Study, River Management Plan'' (the 'Plan').

(b) FEDERAL ROLE.—(i) The Director represent the Secretary of the Interior in the implementation of the Plan and the provisions of the Wild and Scenic Rivers Act with respect to the segments, including the review of proposed federally assisted water resources projects which could have a direct and adverse effect on the values for which the segments are established, as authorized under section 7(a) of the Wild and Scenic Rivers Act.

(ii) Pursuant to section 10(e) and section 11(b)(1), the Director shall offer to enter into cooperative agreements with the Commonwealth of Massachusetts, its relevant political subdivisions, the Sudbury Valley Trustees, and the Organizations for the Assabet River. Such cooperative agreements shall be consistent with the Plan and may include provisions for financial or other assistance from the United States to facilitate the long-term protection, conservation and enhancement of the segments.

(iii) The Director may provide technical assistance, staff support, and funding to assist in the implementation of the Plan, except that the total cost to the Federal Government of activities to implement the Plan may not exceed $100,000 each fiscal year.

(iv) Notwithstanding the provisions of 19(c) of the Wild and Scenic Rivers Act, any portion of the segments not already within the National Park System shall not under this Act)

(I) become a part of the National Park System;

(II) be managed by the National Park Service; or

(III) be subject to regulations which govern the National Park System.

(c) WATER RESOURCES PROJECTS.—(i) In determining whether a proposed water resources project would have a direct and adverse effect on the values for which the segments were included in the National Wild and Scenic Rivers System, the Secretary shall specifically consider the extent to which the project is consistent with the Plan.

(ii) The Plan, including the detailed Water Resources Study incorporated by reference therein and such additional analysis as may be incorporated in the future, shall serve as the primary source of information regarding the flows needed to maintain instream resources and potential compatibility between resource protection and possible additional water withdrawals.

(d) LAND MANAGEMENT.—(i) The zoning bylaws of the towns of Framingham, Sudbury, Wayland, Lincoln, Concord, Carlisle, Bedford, and Billerica, Massachusetts, as in effect on the date of enactment of this paragraph, are deemed to satisfy the standards and requirements under section 6(c) of the Wild and Scenic Rivers Act. For the purpose of section 6(c) of the Wild and Scenic Rivers Act, the towns are deemed to be 'villages' and the provisions of that section which prohibit Federal acquisition of lands shall apply.

(ii) the United States Government shall not acquire by any means title to land, easements, or other interests in land along the segments for the purposes of designation of the segments under this Act or the Wild and Scenic Rivers Act. Nothing in this Act or the Wild and Scenic Rivers Act shall prohibit federal acquisition of interests in land along the segments under other laws for other purposes.

SEC. 5. FUNDING AUTHORIZATION.

There are authorized to be appropriated to the Secretary of the Interior to carry out the purposes of this Act no more than $100,000 for each fiscal year.

Mr. KENNEDY. Mr. President, it is a privilege to join Senator KERRY today in sponsoring legislation to designate a 29-mile segment of the Sudbury, Assabet, and Concord Rivers in Massachusetts as a component of the National Wild and Scenic Rivers system. Our proposal has the bipartisan support of Congressmen MARTIN T. MEEHAN, PETER G. TORKILDSEN, and EDWARD J. MARKEY, who introduced an identical bill in the House of Representatives on May 7, 1996.

The Sudbury, Assabet, and Concord Rivers have witnessed many important events in the Nation's history. Stone's Bridge and Four Arched Bridge over the Sudbury River date from the pre-Revolutionary War days. On Old North Bridge over the Concord River, the ''shot heard 'round the world'' was fired on April 19, 1775, to begin the Revolutionary War. At Lexington and Concord, the Colonists began their armed resistance against British rule, and the first American Revolutionary War soldiers fell in battle.

In the 19 century, the Sudbury, Assabet, and Concord Rivers earned their lasting fame in the works of Ralph Waldo Emerson, Nathaniel Hawthorne, and Henry David Thoreau, all of whom lived in this area and spent a great deal of time on the rivers. Emerson cherished the Concord River as a place to leave ''the world of villages and personalities behind, and pass into a delicate realm of sunset and moonlight.''

Hawthorne wrote ''The Scarlet Letter'' and ''Mosses from an Old Manse'' in an upstairs study overlooking the Concord River. He also enjoyed boating on the Assabet River, of which he said that ''a more lovely stream than this, for a mile above its junction with the Concord, has never flowed on earth.''

Thoreau delighted in long, solitary walks along the banks of the rivers amidst the ''straggling pines, shrub oaks, grape vines, ivy, bats, fireflies, and alders,'' contemplating humanity's relationship to nature. His journals describing his detailed observations of the flora and fauna in the area have inspired poets and naturalists to the present day, and helped to give birth to the modern environmental movement. By protecting the rivers, a future Thoreau, Emerson, or Hawthorne may one day walk along their shores and gain new inspiration from these priceless natural resources.

In 1990, Congress authorized the National Park Service to issue a report to determine whether the three rivers are eligible for designation as Wild and Scenic Rivers. Under the National Park Service's guidelines, a river is considered eligible for the designation if it possesses at least one ''outstandingly remarkable resource value.'' In fact, the three rivers were found to possess five outstanding resource values—scenic, recreational, ecological, historical, and literary. The report also concluded that the rivers are suitable for designation based upon the existing local protection of their resources and the strong local support for their preservation.

Our bill will protect a 29-mile segment of the Sudbury, Assabet, and Concord Rivers that runs through or along the borders of eight Massachusetts towns—Framingham, Sudbury, Wayland, Concord, Lincoln, Bedford, Carlisle, and Billerica. A River Stewardship Council will be established to coordinate the efforts of all levels of government to strengthen protections for the river and address future threats to the environment. The legislation

also requires at least a one-to-one non-Federal match for any Federal expenditures, and contains provisions which preclude federal takings of private lands.

Thoreau wrote in 1847 that rivers ''are the constant lure, when they flow by our doors, to distant enterprise and adventure. . . . They are the natural highways of all nations, not only leveling the ground and removing obstacles, from the path of the traveler, but conducting him through the most interesting scenery.'' Standing on the banks of the Sudbury, Assabet, and Concord Rivers, as Thoreau often did, citizens today gain a greater sense of the ebb and flow of the nation's history and enjoy the benefit of some of the most beautiful scenery in all of America. I urge my colleagues to support this legislation, so that these three proud rivers will be protected for the enjoyment and contemplation of future generations.

By Mr. DOMENICI (for himself, Mr. WELLSTONE, Mr. SIMPSON, Mr. CONRAD, Mr. WARNER, Mr. SPECTER, Mr. REID, Mr. DODD, Mr. GRASSLEY, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. BURNS, Mr. HARKIN, Mr. CHAFEE, and Mr. MOYNIHAN):

S. 2031. A bill to provide health plan protections for individuals with a mental illness; to the Committee on Labor and Human Resources.

THE MENTAL HEALTH PARITY ACT OF 1996

Mr. DOMENICI. Mr. President, I regret that it was not possible to retain this eminently fair and simple compromise in the conference agreement on health insurance reform.

Though this attempt to create fundamental fairness for the mentally ill was not completed, this issue will not go away.

The Americans who would have been helped by our compromise will not go away.

Nor will I.

As long as I am in this body, I will continue to fight to end discrimination against Americans with a mental illness.

I am therefore introducing the compromise I offered the conference committee as a free-standing bill.

The measure I am introducing today with the support and cosponsorship of Senators WELLSTONE, WARNER, SPECTER, REID, SIMPSON, and CONRAD, is a vast departure from what the Senate originally passed during consideration of health insurance reform legislation.

The Senate passed full parity for mental illness—full parity means that mental illnesses are treated as equals to physical illnesses in all respects of health coverage—copays, deductibles, inpatient hospital days, outpatient visits, out-of-pocket protections, and overall lifetime and annual expenditure limits.

The measure I present today, however, covers parity only for lifetime and annual caps.

I would very much like to introduce the Senate-passed measure providing full parity, or perhaps even something more than I am now.

But in the interests of time, simplicity, and underlying, basic fairness, I believe this measure is a necessary step toward making health coverage equitable for all Americans, regardless of the nature of their illness.

I believe this measure provides the fundamentals upon which better understanding and treatment can be built, and I believe the Senate should not miss this opportunity to do the right thing and end discrimination against Americans suffering from a mental illness.

WHAT IT IS

Let me again tell you what this bill will and will not do.

This bill simply states that health plans wishing to offer a mental health benefit—this is their option, there is nothing in this provisions saying that they must offer any mental health benefits at all—if they choose to offer a mental health benefit, they must provide the same overall financial protection to people with a mental illness that they provide to people with a physical illness.

If they have a $1 million lifetime limit for someone with cancer, or diabetes, or heart disease, they cannot have a lifetime limit of $50,000 for someone with schizophrenia or manic depression—they must provide $1 million for the person with a mental illness.

They do not have to create another, separate $1 million for mental illness—they can include these treatments in their overall cap if they like.

But they cannot impost a separate, lower overall limit for mental illness.

This same arrangement applies to annual financial caps, as well.

Since this compromise provides equal catastrophic protections, it protects Americans with the most severe and debilitating forms of mental illness.

It does not apply to the constellation of disorders and problems that concern some of my colleagues such as marital problems, or behavioral problems, or maladjustments.

WHAT IT IS NOT

It should be made clear what this bill does not do.

This bill does not mandate mental health benefits;

It does not include substance abuse or chemical dependency;

It does not dictate what a plan can or must charge for services—whether they be copays, deductibles, out-of-pocket limits, and so forth;

It does not set or dictate how many inpatient hospital days or outpatient visits must be provided or covered.

It does not, in any way, restrict a health plan's ability to manage care, such as preadmission screening, preauthorization of services, limiting coverage based on medical necessity, and so forth.

It does not apply to employers of 25 or less.

WHAT IT WILL COST

According to the CBO, this bill will not cost much. Frankly, I believe that even their cost estimates, even though practically inconsequential, are too high.

CBO says this bill will cause a 0.4-percent increase in overall premiums, ultimately resulting in a 0.16-percent increase in employer contributions to employee health plans.

Even though these costs are small—in a typical plan, a $0.60 to $0.67 increase per member per month—these projections are based on an assumption of increased utilization.

This estimate does not even factor in the effects of managed care.

We all know how managed care arrangements affect utilization and overall health care spending.

Of the 99 percent of ERISA plans offering mental health benefits, 75 percent already provide this care through a managed care arrangement—this number is growing each day.

If managed care were included in these assumptions, this provision would not likely cost anything at all.

And the percentage of Americans ever reaching these new limits will be incredibly small—less than 5 percent of beneficiaries.

So you can see why I do not believe this bill will cost even the small amount predicted by CBO.

EXPERIENCES OF STATES THAT HAVE ALREADY IMPLEMENTED PARITY

Some of my colleagues might be skeptical of these claims

Let me just outline the experiences of a few States that have already implemented parity.

Texas—Full parity and chemical dependency benefits for State and local government employees, including all school districts and university employees (over 230,000 lives)—a 47.9-percent reduction in overall yearly mental health expenditures.

Maryland—Full parity for all State-regulated plans—(over 400,000 covered lives)—an increase in cost of 0.6 percent per member per month [PMPM].

Rhode Island—Full parity for severe illnesses and chemical dependency—an increase in cost of 0.33 percent PMPM.

Massachusetts—Full parity for severe illnesses—a 5-percent increase in utilization, but a 22-percent reduction in mental health expenditures.

These numbers are for parity in the general sense, not the very limited balance included in the measure I am introducing today.

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. 2031

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 ''Mental Health Parity Act of 1996''.

SEC. 2. PLAN PROTECTIONS FOR INDIVIDUALS WITH A MENTAL ILLNESS.

(a) PERMISSIBLE COVERAGE LIMITS UNDER A GROUP HEALTH PLAN.—

(1) AGGREGATE LIFETIME LIMITS.—

(A) IN GENERAL.—With respect to a group health plan offered by a health insurance issuer, that applies an aggregate lifetime limit to plan payments for medical or surgical services covered under the plan, if such plan also provides a mental health benefit such plan shall—

(i) include plan payments made for mental health services under the plan in such aggregate lifetime limit; or

(ii) establish a separate aggregate lifetime limit applicable to plan payments for mental health services under which the dollar amount of such limit (with respect to mental health services) is equal to or greater than the dollar amount of the aggregate lifetime limit on plan payments for medical or surgical services.

(B) NO LIFETIME LIMIT.—With respect to a group health plan offered by a health insurance issuer, that does not apply an aggregate lifetime limit to plan payments for medical or surgical services covered under the plan, such plan may not apply an aggregate lifetime limit to plan payments for mental health services covered under the plan.

(2) ANNUAL LIMITS.—

(A) IN GENERAL.—With respect to a group health plan offered by a health insurance issuer, that applies an annual limit to plan payments for medical or surgical services covered under the plan, if such plan also provides a mental health benefit such plan shall—

(i) include plan payments made for mental health services under the plan in such annual limit; or

(ii) establish a separate annual limit applicable to plan payments for mental health services under which the dollar amount of such limit (with respect to mental health services) is equal to or greater than the dollar amount of the annual limit on plan payments for medical or surgical services.

(B) NO ANNUAL LIMIT.—With respect to a group health plan offered by a health insurance issuer, that does not apply an annual limit to plan payments for medical or surgical services covered under the plan, such plan may not apply an annual limit to plan payments for mental health services covered under the plan.

(b) RULE OF CONSTRUCTION.—

(1) IN GENERAL.—Nothing in this section shall be construed as prohibiting a group health plan offered by a health insurance issuer, from—

(A) utilizing other forms of cost containment not prohibited under subsection (a); or

(B) applying requirements that make distinctions between acute care and chronic care.

(2) NONAPPLICABILITY.—This section shall not apply to—

(A) substance abuse or chemical dependency benefits; or

(B) health benefits or health plans paid for under title XVIII or XIX of the Social Security Act.

(c) SMALL EMPLOYER EXEMPTION.—

(1) IN GENERAL.—This section shall not apply to plans maintained by employers that employ less than 26 employees.

(2) APPLICATION OF CERTAIN RULES IN DETERMINATION OF EMPLOYER SIZE.—For purposes of this subsection—

(A) APPLICATION OF AGGREGATION RULE FOR EMPLOYERS.—all persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986 shall be treated as 1 employer.

(B) EMPLOYERS NOT IN EXISTENCE IN PRECEDING YEAR.—In the case of an employer which was not in existence throughout the preceding calendar year, the determination of whether such employer is a small employer shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current calendar year.

(C) PREDECESSORS.—Any reference in this subsection to an employer shall include a reference to any predecessor of such employer.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) GROUP HEALTH PLAN.—

(A) IN GENERAL.—The term ''group health plan'' means an employee welfare benefit plan (as defined in section 3(1) of the Employee Retirement Income Security Act of 1974) to the extent that the plan provides medical care (as defined in paragraph (2)) and including items and services paid for as medical care) to employees or their dependents (as defined under the terms of the plan) directly or through insurance, reimbursement, or otherwise.

(B) MEDICAL CARE.—The term ''medical care'' means amounts paid for—

(i) the diagnosis, cure, mitigation, treatment, or prevention of disease, or amounts paid for the purpose of affecting any structure or function of the body,

(ii) amounts paid for transportation primarily for and essential to medical care referred to in clause (i), and

(iii) amounts paid for insurance covering medical care referred to in clauses (i) and (ii).

(2) HEALTH INSURANCE COVERAGE.—The term ''health insurance coverage'' means benefits consisting of medical care (provided directly, through insurance or reimbursement, or otherwise and including items and services paid for as medical care) under any hospital or medical service policy or certificate, hospital or medical service plan contract, or health maintenance organization contract offered by a health insurance issuer.

(3) HEALTH INSURANCE ISSUER.—The term ''health insurance issuer'' means an insurance company, insurance service, or insurance organization (including a health maintenance organization, as defined in paragraph (4)) which is licensed to engage in the business of insurance in a State and which is subject to State law which regulates insurance (within the meaning of section 514(b)(2) of the Employee Retirement Income Security Act of 1974). Such term does not include a group health plan.

(4) HEALTH MAINTENANCE ORGANIZATION.—The term ''health maintenance organization'' means—

(A) a Federally qualified health maintenance organization (as defined in section 1301(a) of the Public Health Service Act),

(B) an organization recognized under State law as a health maintenance organization, or

(C) a similar organization regulated under State law for solvency in the same manner and to the same extent as such a health maintenance organization.

(5) STATE.—The term ''State'' means each of the several States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

By Mr. JOHNSTON:

S. 2033. A bill to repeal requirements for unnecessary or obsolete reports from the Department of Energy, and for other purposes; to the Committee on Energy and Natural Resources.

THE DOE REPORTS ELIMINATION AND STREAMLINING ACT OF 1996

Mr. JOHNSTON. Mr. President, today I am introducing the DOE Reports Elimination and Streamlining Act of 1996, to implement a number of recommendations that have been received from the administration for the repeal of requirements for unnecessary or obsolete reports to Congress from the Department of Energy. A number of my colleagues, particularly Senators LEVIN, MCCAIN, and COHEN, have devoted considerable effort over the past few years to relieving executive branch agencies from the unnecessary burden of reporting requirements that have outlived their usefulness. It has been a difficult task, and these colleagues and their staff deserve our thanks for what they have been able to accomplish in terms of crafting a long-term solution to the problem. I believe that it remains incumbent, though, on authorizing committees to review statutory reports required of agencies within their jurisdiction and to act to modify or repeal such requirements, where needed. That is what the present bill does. This bill also repeals legislative authorization for two now-defunct offices in the Department of Energy.

Mr. President, I would now like to briefly describe the rationale behind the specific provisions of the bill. Section 1 is the short title. Section 2 is composed of 12 subsections relating to reports and one subsection relating to two obsolete offices in the Department.

Subsection (a) eliminates the need for ongoing reports on the topics of process-oriented industrial energy efficiency and industrial insulation and audit guidelines. The DOE Office of Industrial Technology has worked with seven process-oriented industries to develop industry visions, which include identification of technology needs for industrial energy efficiency and technology barriers. The resulting individual technology road maps, with their associated implementation plans, make these ongoing reports redundant.

Subsection (b) repeals a requirement for a study and report on vibration reduction technologies. Vibration reduction is only tenuously related to energy conservation. It is not a prime DOE mission, and work in this area has not been funded by any appropriations bill. Given the many constraints on the DOE energy conservation budget, initiating work in this area is a low priority.

Subsection (c) repeals a requirement for a study to determine the means by which electric utilities may invest in, own, lease, service, or recharge batteries used to power electric vehicles. The electric utility companies have been working cooperatively with the automobile manufacturers, component industry, and standards setting organizations for several years to determine the infrastructure requirements necessary for recharging and servicing electric vehicle batteries. Another

study would not add meaningful information to the body of knowledge that already exists.

Subsection (d) eliminates biennial reports on the status of actions identified under the initial one-time reporting requirements of section 1301 of the Energy Policy Act of 1992. Development of these technologies is not fast paced. Significant reportable change is not likely to occur in 2-year increments. In addition, the program has sustained a significant decrease in funding, and will likely receive less in the future. Under these circumstances it is appropriate to change this requirement to a one-time report, to be submitted upon completion of the entire project.

Subsection (e) changes the frequency with which a comprehensive 5-year program plan for electric motor vehicles must be updated. Currently, this comprehensive plan must be updated annually for a period of not less than 10 years after the date of enactment of the Energy Policy Act of 1992. The first plan was prepared and submitted to the Congress in March 1994. Because programs do not change significantly on an annual basis, and because the cost of preparing and approving new plans for congressional submittal is extensive, annual updates are not justified. Changing the frequency of updates to every 2 years is a cost-savings measure.

Subsection (f) strikes the requirement for biennial updates to a 5-year program plan for a National Advanced Materials Initiative. This program plan was prepared and submitted to Congress as required, but the program was never funded. With no funding, there are no Department-supported programs or projects, and, thus, no need to update the initial program plan.

Subsection (g) eliminates a biennial report on the implementation of the Alaska SWAP Act. The purpose of the act was to take advantage of oil conservation opportunities by expanding the use of coal-fired plants and realizing economies of scale in several remote communities. These opportunities were not numerous and all have been taken advantage of for some time. No need exists for further reports.

Subsection (h) repeals a report that triggered a legislative veto provision governing DOE shipments of special nuclear materials to foreign countries. This legislative veto was exercised by a concurrent resolution and thus would be unconstitutional under the Supreme Court's ruling in INS *v.* Chadha, 1983, 103 S. Ct. 2764, 462 U.S. 919. The report requirement and the related legislative veto should be repealed.

Subsection (i) converts an annual report requirement in the Continental Scientific Drilling and Exploration Act to a periodic report. DOE's role in this multiagency program has become less prominent, and there is no longer a need for a separate DOE report.

Subsection (j) converts a free-standing report requirement on steel and aluminum research and development activities into a requirement that such activities be described in the annual budget submission of the Department.

Subsection (k) converts a free-standing report requirement on metal casting research and development activities into a requirement that such activities be described in the annual budget submission of the Department.

Subsection (l) converts the National Energy Policy Plan from a biennial report to a quadrennial report. The timing called for this report in the DOE Act requires that a new Presidential Administration submit a National Energy Policy Plan less than 3 months after taking office. This is unrealistic. In recent years, an Assistant Secretary of Energy for Policy has often not even been confirmed by that point in time. The biennial requirement also does not make sense from the point of view of requiring any given administration to generate such a report twice during each term of office. It would be more sensible to make this requirement a quadrennial one, in which case each new administration would have two full years to conduct its analysis and policy development process. The resulting energy policy plan would be released in April of the third year of its term.

Subsection (m) repeals the authorization for two offices that no longer exist in the Department of Energy.

The Office of Subseabed Disposal Research was established in 1982 to conduct research on subseabed disposal of nuclear waste. Such disposal is not ever likely to occur, and no such research has ever been proposed by the Department or funded through appropriations acts.

The Office of Alcohol Fuels was established by subtitle A of title II of the Energy Security Act (P.L. 96–294), and during the early 1980's it played a vital role in support of the emerging alcohol fuels industry. In 1985, the last of three loans made to subsidize the construction of grain-based ethanol plants was guaranteed by the Department of Energy, and on June 30, 1987, the Department's loan guarantee authority expired. Only one of the loan guarantee recipients, the New Energy Co. of Indiana, continues to produce alcohol fuels. Other than this plant, all other commercial ethanol plants in operation were built without government financial assistance. A statutory office within the DOE, headed by an Executive Level IV Presidential appointee, is no longer needed simply to manage one loan guarantee. Indeed, the functions of the Office of Alcohol Fuels have already been transferred within the Department to the Assistant Secretary for Energy Efficiency and Renewable Energy, and the Office itself has been closed. Under this proposed amendment to the Energy Security Act, which is essentially technical in nature, the DOE would continue to manage the New Energy Company loan guarantee until the loan is repaid.

Mr. President, there is nothing controversial about this bill. It is simply good government. I look forward to receiving comments on the bill from the Department of Energy and to its speedy passage.

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. 2033

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 ''DOE Reports Elimination and Streamlining Act of 1996''.

SEC. 2. REPEALS AND MODIFICATIONS.

(a) REPORTS ON INDUSTRIAL ENERGY EFFICIENCY PROGRAMS.—

(1) Section 132(d) of the Energy Policy Act of 1992 (42 U.S.C. 6349(d)) is amended by striking ''and annually thereafter,''.

(2) Section 133(c) of the Energy Policy Act of 1992 (42 U.S.C. 6350(c)) is amended by striking ''and biennially thereafter,''.

(b) STUDY AND REPORT ON VIBRATION REDUCTION TECHNOLOGIES.—Section 173 of the Energy Policy Act of 1992 (42 U.S.C. 13451 note) is repealed.

(c) REPORT ON POTENTIAL FINANCIAL INVESTMENTS BY ELECTRIC UTILITIES IN ELECTRIC BATTERIES FOR MOTOR VEHICLES.—Section 825 of the Energy Policy Act of 1992 (42 U.S.C. 13295) is repealed.

(d) BIENNIAL REPORTS ON COAL RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROJECTS.—Section 1301(d) of the Energy Policy Act of 1992 (42 U.S.C. 13331(d)) is amended by striking ''every two years thereafter for a period of 6 years'' and inserting ''not later than 6 years thereafter''.

(e) CHANGE OF UPDATES TO FIVE-YEAR PROGRAM PLAN FOR ELECTRIC MOTOR VEHICLES TO A BIENNIAL BASIS.—Section 2025(b)(4) of the Energy Policy Act of 1992 (42 U.S.C. 13435(b)(4)) is amended by striking ''Annual'' and inserting ''Biennial''.

(f) BIENNIAL UPDATE TO NATIONAL ADVANCED MATERIALS INITIATIVE FIVE-YEAR PROGRAM PLAN.—Section 2201(b) of the Energy Policy Act of 1992 (42 U.S.C. 13501(b)) is amended by striking the last sentence.

(g) BIENNIAL REPORT ON IMPLANTATION OF THE ALASKA SWAP ACT.—Section 6(a) of the Alaska Federal-Civilian Energy Efficiency Swap Act of 1980 (40 U.S.C. 795d) is repealed.

(h) REPEAL OF UNCONSTITUTIONAL LEGISLATIVE VETO AND RELATED REPORT.—Section 54(a) of the Atomic Energy Act of 1954 (42 U.S.C. 2074(a)) is amended—

(1) by striking the colon at the end of the first proviso and inserting a period; and

(2) by striking the second, third, and fourth provisos.

(i) CONVERSION OF ANNUAL REPORT ON SCIENTIFIC DRILLING PROGRAM TO PERIODIC JOINT REPORT.—Section 4(6) of the Continental Scientific Drilling and Exploration Act (P.L. 100–441; 102 Stat. 1762) is amended to read as follows:

''(6) submitting to the Congress periodic joint reports on significant accomplishments of, and plans for, the drilling program.''

(j) INCORPORATION OF ANNUAL REPORT ON STEEL AND ALUMINUM RESEARCH AND DEVELOPMENT ACTIVITIES INTO THE PRESIDENT'S BUDGET.—Section 8 of the Steel and Aluminum Conservation and Technology Competitiveness Act of 1988 (15 U.S.C. 5107) is amended to read as follows:

''SEC. 8. REPORTS.

''As part of the annual budget submission of the President under section 1105 of title 31, United States Code, the Secretary shall provide to Congress a description of research

and development activities to be carried out under this Act during the fiscal year involved, together with such legislative recommendations as the Secretary may consider appropriate.''

(k) INCORPORATION OF ANNUAL REPORT ON METAL CASTING RESEARCH AND DEVELOPMENT ACTIVITIES, INTO THE PRESIDENT'S BUDGET.—Section 10 of the DOE Metal Casting Competitiveness Research Act of 1990 (15 U.S.C. 5309) is amended to read as follows:

''SEC. 10. REPORTS.

''As part of the annual budget submission of the President under section 1105 of title 31, United States Code, the Secretary shall provide to Congress a description of research and development activities to be carried out under this Act during the fiscal year involved, together with such legislative recommendations as the Secretary may consider appropriate.''

(*l*) CONVERSION OF NATIONAL ENERGY POLICY PLAN FROM BIENNIAL REPORT TO QUADRENNIAL REPORT.—Section 801(b) of the Department of Energy Organization Act (42 U.S.C. 7321(b)) is amended by striking ''biennially'' and inserting ''every 4 years''.

(m) REPEAL OF AUTHORIZATIONS FOR DOE OFFICES NO LONGER IN EXISTENCE.—

(1) OFFICE OF SUBSEABED DISPOSAL RESEARCH.—Section 224 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10204 is repealed.

(2) OFFICE OF ALCOHOL FUELS.—(A) Subtitle A of title II of the Energy Security Act (42 U.S.C. 8811 through 8821) is repealed.

(B) Any existing loan guarantee under section 214 of the Energy Security Act shall remain in effect until the loan is repaid; and the Department of Energy shall continue to administer an existing loan guarantee under section 214 as if subtitle A had not been repealed.

(C) The table of contents for the Energy Security Act is amended by striking the item relating to subtitle A of title II and the matters relating to sections 211 through 221.

By Mr. BREAUX (for himself, Mr. MACK, Mr. GRAHAM, and Mr. COHEN):

S. 2034. A bill to amend title XVIII of the Social Security Act to make certain changes to hospice care under the Medicare program; to the Committee on Finance.

THE MEDICARE HOSPICE BENEFIT AMENDMENTS OF 1996

Mr. BREAUX. Mr. President, I rise today to introduce legislation to make technical changes to the Medicare hospice benefit which will ensure that high quality hospice services will be available to all terminally ill Medicare beneficiaries. Senators MACK, GRAHAM, and COHEN join me in sponsoring this legislation, which is identical to H.R. 3714 introduced last month. This legislation is endorsed by both the National Hospice Organization and the National Association for Home Care, and I urge my colleagues to support it.

Hospices help care for and comfort terminally ill patients at home or in home-like settings. There are more than 2,450 operational or planned hospice programs in all 50 States. In 1994, approximately 1 out of every 10 people in America who died were tended to by a hospice program, and 1 out of every 3 people who died from cancer or AIDS were cared for by hospice. Services provided under the Medicare hospice benefit include physician services, nursing care, drugs for symptom management and pain relief, short term inpatient and respite care, and counseling both for the terminally ill and their families. Terminally ill patients who elect hospice opt-out of most other Medicare services related to their terminal illness.

Hospice services permit terminally ill people to die with dignity, usually in the comforting surroundings of their own homes with their loved ones nearby. Hospice is also a cost-effective form of care. At a time when Medicare is pushing to enroll more beneficiaries in managed care plans, hospice is already managed care. Hospices provide patients with whatever palliative services are needed to manage their terminal illness, and they are reimbursed a standard per diem rate, based on the intensity of care needed and whether the patient is an inpatient or at home.

With 28 percent of all Medicare costs now going toward the care of people in their last year of life, and almost 50 percent of those costs spent during the last 2 months of life, cost-effective alternatives are needed. Studies show hospices do reduce Medicare spending. A study released last year by Lewin-VHI showed that for every dollar Medicare spent on hospice, it saved $1.52 in Medicare part A and part B expenditures. Similarly, a 1989 study commissioned by the Health Care Financing Administration showed savings of $1.26 for every Medicare dollar spent on hospice. I would ask unanimous consent that a summary of these studies be inserted in the RECORD at the conclusion of my remarks.

Since 1982, when the hospice benefit was added to the Medicare statute, more and more Americans have chosen to spend their final months of life in this humane and cost-effective setting. Yet in recent years it has become clear that certain technical changes are needed in the Medicare hospice benefit both to protect beneficiaries and to ensure that a full range of cost-effective hospice services continues to be available. The bill I am introducing today makes six necessary technical changes.

First, the Medicare Hospice Benefits Amendments of 1996 restructures the hospice benefit periods. The basic eligibility criteria do not change. Under this bill, as in current law, a person is eligible for the Medicare hospice benefit only if two physicians have certified that he is terminally ill with a life expectancy of 6 months or less. Patients who elect to receive hospice benefits give up most other Medicare benefits unless and until they withdraw from the hospice program.

While this bill does not change hospice eligibility criteria, it does change how the benefit periods are structured. Currently, the Medicare benefit consists of four benefit periods. At the end of each of the first three periods, the patient must be recertified as being terminally ill. The fourth benefit period is of unlimited duration. However, a patient who withdraws from hospice during the fourth hospice period forfeits his ability to elect hospice services in the future. Thus, a patient who goes into remission, and is thus no longer eligible for hospice because his life expectancy exceeds 6 months, is not be able to return to hospice when his condition worsens.

This bill restructures the hospice benefit periods to eliminate the existing open-ended fourth benefit period and to provide that after the first two 90 day periods, patients are reevaluated every 60 days to ensure that they still qualify for hospice services. This restructuring ensures that those receiving Medicare benefits are able to receive hospice services at the time they need them and can be discharged from hospice care with no penalty if their prognosis changes.

Second, the bill clarifies that ambulance services, diagnostic tests, radiation, and chemotherapy are covered under the hospice benefit when they are included in the patient s plan of care. No separate payment will be made for these services, but hospices will have to provide them when they are found to be necessary as a palliative measure. This change conforms the statute to current Medicare regulatory policy.

Third, the bill also permits hospices to have independent contractor relationships with physicians. Under current law, hospices must directly employ their medical directors and other staff physicians. This creates a legal problem in some States which prohibit the corporate practice of medicine, and the requirement has made it increasingly difficult to recruit part-time hospice physicians.

Fourth, the bill creates a mechanism to allow waiver of certain staffing requirements for rural hospices, which often have difficulty becoming Medicare-certified because of shortages of certain health professionals. Currently, about 80 percent of hospices are Medicare-certified or pending certification.

Fifth, the bill reinstates an expired provision regarding liability for certain denials. As made clear by an article published on July 18 of last month in the prestigious New England Journal of Medicine, most patients are referred to hospice very late in the course of their terminal illnesses, but some live longer than 6 months. Predicting when an individual will die will never be an exact science, and we should not expect it to be. Therefore, the bill reinstates the expired statutory presumption that hospices with very low error rates on their Medicare claims did not know that denied benefits were not covered, and it expands the bases for waiver of liability to include cases where a prognosis of 6 months life expectancy is found to have been in error.

Finally, this bill provides some administrative flexibility regarding certification of terminal illness. Currently, the statute requires that paperwork documenting physician certification of a patient s terminal illness be

completed within a certain number of days of the patient s admission to hospice. This bill will eliminate the strict statutory requirements and give the Health Care Financing Administration the discretion, as it currently has with home health certifications, to require hospice certifications to be on file before a Medicare claim is submitted.

The Medicare Hospice Benefit Amendments of 1996 are noncontroversial and should not affect Medicare spending, but they will make important and necessary changes to the Medicare hospice benefit, to enable hospices to provide high quality, cost effective care to the terminally ill, and to protect beneficiaries who depend on these services. I urge my colleagues to support this bill.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

S. 2034

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 ''Medicare Hospice Benefit Amendments of 1996''.

SEC. 2. HOSPICE CARE BENEFIT PERIODS.

(a) RESTRUCTURING OF BENEFIT PERIOD.—Section 1812 of the Social Security Act (42 U.S.C. 1395d) is amended in subsections (a)(4) and (d)(1), by striking '', a subsequent period of 30 days, and a subsequent extension period'' and inserting ''and an unlimited number of subsequent periods of 60 days each''.

(b) CONFORMING AMENDMENTS.—(1) Section 1812(d)(2)(B) of such Act (42 U.S.C. 1395d(d)(2)(B)) is amended by striking ''90- or 30-day period or a subsequent extension period'' and inserting ''90-day period or a subsequent 60-day period''.

(2) Section 1814(a)(7)(A) of such Act (42 U.S.C. 1395f(a)(7)(A)) is amended—

(A) in clause (i), by inserting ''and'' at the end;

(B) in clause (ii)—

(i) by striking ''30-day'' and inserting ''60-day''; and

(ii) by striking ''and'' at the end and inserting a period; and

(C) by striking clause (iii).

SEC. 3. AMBULANCE SERVICES, DIAGNOSTIC TESTS, CHEMOTHERAPY SERVICES, AND RADIATION THERAPY SERVICES INCLUDED IN HOSPICE CARE.

Section 1861(dd)(1) of the Social Security Act (42 U.S.C. 1395x(dd)(1)) is amended—

(1) in subparagraph (E), by inserting ''anticancer chemotherapeutic agents and other'' before ''drugs'';

(2) in subparagraph (G), by striking ''and'' at the end;

(3) in subparagraph (H), by striking the period at the end and inserting a comma; and

(4) by inserting after subparagraph (H) the following:

''(I) ambulance services,

''(J) diagnostic tests, and

''(K) radiation therapy services.''.

SEC. 4. CONTRACTING WITH INDEPENDENT PHYSICIANS OR PHYSICIAN GROUPS FOR HOSPICE CARE SERVICES PERMITTED.

Section 1861(dd)(2) of the Social Security Act (42 U.S.C. 1395x(dd)(2)) is amended—

(1) in subparagraph (A)(ii)(I), by striking ''(F),''; and

(2) in subparagraph (B)(i), by inserting ''or under contract with'' after ''employed by''.

SEC. 5. WAIVER OF CERTAIN STAFFING REQUIREMENTS FOR HOSPICE CARE PROGRAMS IN NON-URBANIZED AREAS.

Section 1861(dd)(5) of the Social Security Act (42 U.S.C. 1395x(dd)(5)) is amended—

(1) in subparagraph (B), by inserting ''or (C)'' after ''subparagraph (A)'' each place it appears; and

(2) by adding at the end the following:

''(C) The Secretary may waive the requirements of paragraphs (2)(A)(i) and (2)(A)(ii) for an agency or organization with respect to the services described in paragraph (1)(B) and, with respect to dietary counseling, paragraph (1)(H), if such agency or organization—

''(i) is located in an area which is not an urbanized area (as defined by the Bureau of Census), and

''(ii) demonstrates to the satisfaction of the Secretary that the agency or organization has been unable, despite diligent efforts, to recruit appropriate personnel.''.

SEC. 6. LIMITATION ON LIABILITY OF BENEFICIARIES AND PROVIDERS FOR CERTAIN HOSPICE COVERAGE DENIALS.

(a) IN GENERAL.—Section 1879(g) of the Social Security Act (42 U.S.C. 1395pp(g)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and moving such subparagraphs 2 ems to the right;

(2) by striking ''is,'' and inserting ''is—'';

(3) by making the remaining text of subsection (g), as amended, that follows ''is—'' a new paragraph (1) and indenting such paragraph 2 ems to the right;

(4) by striking the period at the end and inserting ''; and''; and

(5) by adding at the end the following new paragraph:

''(2) with respect to the provision of hospice care to an individual, a determination that the individual is not terminally ill.''.

(b) WAIVER PERIOD EXTENDED.—Section 9305(f)(2) of the Omnibus Budget Reconciliation Act of 1986 is amended by striking ''and before December 31, 1995.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on December 31, 1995.

SEC. 7. EXTENDING THE PERIOD FOR PHYSICIAN CERTIFICATION OF AN INDIVIDUAL'S TERMINAL ILLNESS.

Section 1814(a)(7)(A)(i)(II) of the Social Security Act (42 U.S.C. 1395f(a)(7)(A)(i)(II)) is amended by striking '', not later than 2 days after hospice care is initiated (or, if each certify verbally not later than 2 days after hospice care is initiated, not later than 8 days after such care is initiated),'' and inserting ''at the beginning of the period''.

SEC. 8. EFFECTIVE DATE.

Except as provided in section 6(c), the amendments made by this Act shall apply to benefits provided on or after the date of the enactment of this Act, regardless of whether or not an individual has made an election under section 1812(d) of the Social Security Act before such date.

SUMMARY OF STUDIES REGARDING COST-EFFECTIVENESS OF HOSPICE

Lewin-VHI's 1995 report, An Analysis of the Cost Savings of the Medicare Hospice Benefit, prepared for The National Hospice Organization, updates a previous study prepared in 1989 by Abt Associates for the Health Care Financing Administration entitled Medicare Hospice Benefit Program Evaluation.

The 1989 Abt study found that:

(1) Medicare saved $1.26 for every $1.00 spent on hospice care.

(2) Much of these savings were realized during the last month of life of the patient and were largely a result of the substitution of home hospice care for in-hospital care.

The 1995 Lewin-VHI study was based on data generated from a group of Medicare recipients who died of cancer during the period between July 1 and December 31, 1992. This group was further divided into those who had one or more hospices claim during the aforementioned period and those who had none. (Additional analysis was done to ensure no selection bias.)

The Lewin-VHI report concluded:

(1) Medicare saved $1.52 for every $1.00 spent on hospice.

(2) While savings were highest for the last month of life, there were also net savings over the last year of life for those who enrolled in hospice.

(3) While the greatest savings were found in Part A Medicare expenditures, savings were also found in Part B expenditures.

Mr. GRAHAM. Mr. President, I rise today to join in support of the ''Medicare Hospice Benefit Amendments of 1996'' to be introduced by Senator BREAUX.

The number of terminally ill patients choosing hospice care over conventional Medicare has increased from 11,000 Medicare admission in 1985 to more than 220,000 Medicare beneficiaries last year.

During the current session of Congress, much has been made about the problems with the Medicare Trust Fund. Congress should act as soon as possible to reduce Medicare costs and protect the Medicare Trust Fund. However, radical cuts to the program are not the solution.

Instead, we should emphasize prevention, fraud reduction, and successful programs such as hospice care—all proven efforts at reducing spending while maintaining current Medicare quality and beneficiary protections.

The goal of hospice is to provide comprehensive health care at home to terminally ill patients in a manner that improves the quality of life for the patients and their families. This approach places a high value of personal choice, family support, and community involvement.

Patients covered by Medicare and Medicaid waiver their eligibility for all other public program benefits when choosing hospice care. By doing so, hospice patients are cared for at home with their families and avoid costly hospitalizations. Hospice makes sense from a health care, quality of life, and economic perspective.

The number of terminally ill patients choosing hospice care over conventional Medicare has increased from 11,000 Medicare admission in 1985 to more than 220,000 Medicare beneficiaries last year.

Clearly, hospice is an idea that is rapidly gaining acceptance and acclaim in modern times. Florida has been a pioneer in the modern hospice movement. In 1979, while I was the Governor in Florida, my State became the first to set standards for hospices and recognize hospice as an option for the terminally ill. The Florida law served as a model for national legislation. As a result, inpatient and at-home hospice care has been covered by Medicare since 1982.

The goal of hospice is to make the last months of a person's life as comfortable and meaningful as possible. Hospice does not use artificial life-support systems or surgery when there is no reasonable hope of remission. Hospice offers dignity for the dying and avoids costly—often traumatic—acute-care hospitalization.

For example, according to Lewin-VHI in their 1994 study entitled Hospice Care: An Introduction and Review of the Evidence, Medicare beneficiaries in their last year of life constituted 5 percent of beneficiaries in 1988 but more than 27 percent of Medicare payments. Lewin-VHI adds that ''during the last month of life, hospice users cost, on average, $3,069, while those using conventional care cost $4,071.'' Overall, that study indicates the use of the hospice benefit saved Medicare $1.26 for every $1.00 spent.

However, an updated 1995 Lewin-VHI study shows even better results through the use of hospice. The study, entitled An Analysis of the Cost Savings of the Medicare Hospice Benefit, found that Medicare saves $1.52 for every $1.00 spent on hospice.

According to Lewin-VHI, ''First, hospices effectively substitute relatively inexpensive care at home for costly inpatient hospital days during the period in which expenditures are typically the greatest and in which most hospice users enroll in the benefit, in the last month of life. Second, the financial incentives of the current Medicare Hospice Benefit reinforce the organizational incentives of most hospice programs to provide quality care at a lower cost.''

In another study entitled ''Survival of Medicare Patients After Enrollment in Hospice Programs'' in the New England Journal of Medicine on July 18, 1996, authors Nicholas Christakis and Jose Escarce establish that the benefits of hospice should be expanded. They write, ''Enrolling patients [in hospice] earlier . . . might enhance the quality of end-of-life care and also prove cost effective.''

Again, hospice has been a Medicare benefit since passage of the 1982 law and its implementation in 1983. Hospice care has grown dramatically since the benefit's inception, but few changes have been made to the 1982 law. As the bill's House sponsors—Congressmen BEN CARDIN and ROB PORTMAN—have said, ''As more and more patients choose the hospice benefit, it has become clear that certain provisions of the law need to be clarified in order to protect Medicare beneficiaries and to ensure that Medicare hospice patients can continue to receive excellent, cost-effective hospice care.''

We should do what we can to encourage hospice care in the Medicare program and through the health care system generally. This bill makes technical amendments to Medicare's hospice program. Specifically, the bill would:

Restructure the benefit periods to require more frequent certifications after 180 days to facilitate appropriate discharge with no penalty to the patient; clarify that ambulances, diagnostic tests, radiation and chemotherapy are covered hospice services when included in the plan of care; amend the ''core services'' requirement to allow hospices to contract for physician services with independent contractor physicians or physician groups; allow waiver of certain staffing requirements of rural hospices; extend the expired favorable presumption of waiver of liability provisions and include waiver protection where prognosis of terminal illness is found to have been in error; and, allow the Health Care Financing Administration to set documentation requirements of physician certifications.

Finally, I would like to commend Congressman CARDIN from Maryland for his hard work on this legislation on the House side. The Congressman is a great thinker on the topic of how to improve Medicare and his legislation—H.R. 3714—once again serves that purpose.

By Mr. BIDEN:

S. 2035. A bill to invest in the future American work force and to ensure that all Americans have access to higher education by providing tax relief for investment in a college education and by encouraging savings for college costs, and for other purposes; to the Committee on Finance.

THE GET AHEAD ACT

Mr. BIDEN. Mr. President, I have spoken in the Senate before about how the rising cost of a college education is putting a higher education—the American dream—out of reach for many middle-class American families.

When I went to college, middle-class families could pay for the public college tuition and fees of their children for less than 5 percent of their income. It stayed that way until 1980. Since then, however, college costs have skyrocketed and middle-class incomes have stagnated. The result is that today it takes almost 9 percent of the average family's income to send one—just one—child to a public college. And, if you go to a private college or university, tuition and fees will eat up 35 percent of your income.

Who can afford that? Not many middle-class families that I know. Many young people today must choose between going heavily into debt or not going to college at all. And, as the debt burden gets heavier and heavier, more and more middle-class kids will not even have that choice. They simply will not be able to go to college.

And, this is happening at a time when we as a Nation can least afford it.

Educating our work force is one of the best investments we as a society can make, and it is one of the best measurements of future economic well-being. According to one study, a more educated population has been responsible for nearly one-third of America's economic growth since the Great Depression. As we prepare to enter the 21st century and as the world economy is increasingly internationally competitive, we must ensure that no American is denied a higher education solely because of the cost.

In fact, this has been a goal of the Federal Government for over a century. From the establishment of the land-grant university system in the late 1800's to the GI bill at the end of World War II to the creation of the Pell Grant and Guaranteed Student Loan Programs in the 1960's, the Federal Government has been committed to seeing a college education within reach of every American. It is time to renew that commitment.

So, today, Mr. President, I am introducing comprehensive legislation to make college more affordable for American families, so that middle-class parents can afford to send their kids to college and middle-class kids can afford to go.

My bill, titled ''Growing the Economy for Tomorrow: Assuring Higher Education is Affordable and Dependable''—Get Ahead, for short—combines numerous proposals to give tax cuts for the cost of college, to encourage families to save for a college education, and to award college scholarships to high school students in the top of their class academically.

For the sake of time, Mr. President, I will not go through all of specific proposals now. Instead, I refer my colleagues to a summary of the legislation.

Mr. President, a college education is the dream of every American family. When I travel around my State of Delaware, I meet with wealthy businessmen, poor welfare mothers, and hundreds of middle-class families. And, they all want the same thing for their kids: a chance to go to college.

They do not need us in Washington to tell them it is becoming harder and harder to get there. They know that. They need us to make it easier for them. I urge my colleagues to cosponsor this important legislation to make sure that the American dream of a college education remains within reach of every American.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

THE GET AHEAD ACT—SUMMARY

TITLE I—TAX INCENTIVES FOR HIGHER EDUCATION

Subtitle A—Tax Relief for Higher Education Costs

Section 101—Deduction for Higher Education Expenses

An above-the-line tax deduction (available even to those who do not itemize deductions) would be allowed for the costs of college tuition and fees as well as interest on college loans.

In the case of tuition costs, beginning in tax year 1999, the maximum annual deduction would be $10,000 per year; a maximum deduction of $5,000 would be available in tax years 1996, 1997, and 1998. The full deduction

would be available to single taxpayers with incomes under $70,000 and married couples with incomes under $100,000; a reduced (phased-out) deduction would be available to those with incomes up to $90,000 (singles) and $120,000 (couples). The income thresholds would be indexed annually for inflation.

Interest on student loans would be deductible beginning with interest payments made in tax year 1996. Interest payments could be deducted on top of the $10,000 deduction for payment of college tuition and fees. There would be no annual maximum and no income limits with regard to the deductibility of interest on student loans.

Language is included to coordinate this tax deduction with other education provisions of the tax code—to ensure that individuals do not receive a double benefit for the same payments. Specifically, qualified higher education expenses that could be tax deductible would be reduced by any payments made from Series EE savings bonds (and excluded from taxable income), any veterans educational assistance provided by the federal government, and any other payments from tax-exempt sources (e.g. employer-provided educational assistance). Also, tax-free scholarships and tax-excluded funds from Education Savings Accounts (see section 112) would first be attributed to room and board costs; the remainder, if any, would count against tuition and fees and would reduce the amount that would be tax deductible. However, if tuition and fees still exceeded $10,000 even after the reductions, the full tax deduction would be available.

Section 102—Exclusion for Scholarships and Fellowships

College scholarships and fellowship grants would not be considered income for the purposes of federal income taxes. This returns the tax treatment of scholarships and fellowships to their treatment prior to the 1986 Tax Reform Act (which limited the exclusion of scholarships and fellowships to that used for tuition and fees).

Scholarships and fellowship grants would be fully excludable for degree candidates. In the case of non-degree candidates, individuals would be eligible for a lifetime exclusion of $10,800—$300 per month for a maximum 36 months.

Language is included to clarify that federal grants for higher education that are conditioned on future service (such as National Health Service Corps grants for medical students) would still be eligible for tax exclusion.

This section would be effective beginning with scholarships and fellowship grants used in tax year 1996.

Section 103—Permanent Exclusion for Educational Assistance

The tax exclusion for employer-provided educational assistance would be reinstated retroactively to January 1, 1995. And, the tax exclusion would be made a permanent part of the tax code.

Subtitle B—Encouraging Savings for Higher Education Costs

Section 111—IRA Distributions Used Without Penalty for Higher Education Expenses

Funds could be withdrawn from Individual Retirement Accounts (IRAs) before age 59½ without being subject to the 10 percent penalty tax if the funds were used for higher education tuition and fees. (However, withdrawn funds, if deductible when contributed to the IRA, would be considered gross income for the purposes of federal income taxes.)

This section would be effective upon enactment.

Section 112—Education Savings Accounts

This section would create IRA-like accounts—known as Education Savings Accounts (ESA's)—for the purpose of encouraging savings for a college education.

Each year, a family could invest up to $2000 per child under the age of 19 in an ESA. For single taxpayers with incomes under $70,000 (phased out up to $90,000) and married couples with incomes under $100,000 (phased out up to $120,000), the contributions would be tax deductible. (These income thresholds would be indexed annually for inflation.) For all taxpayers, the interest in an ESA would accumulate tax free; the contributions would not be subject to the federal gift tax; and, the balance in an ESA would not be treated as an asset or income for the purposes of determining eligibility for federal means-tested programs.

ESA funds could be withdrawn to meet the higher education expenses—tuition, fees, books, supplies, equipment, and room and board—of the beneficiary. Funds withdrawn for other purposes would be subject to a 10 percent penalty tax and would be considered income for the purposes of federal income taxes (to the extent that the funds were tax deductible when contributed). The penalty tax would not apply in cases of death or disability of the beneficiary of the ESA and in cases of unemployment of the contributors.

In addition, when the beneficiary of the account turns age 30 and is not enrolled in college at least half time, any funds remaining in the ESA would be (1) transferred to another ESA; (2) donated to an educational institution; or (3) refunded to the contributors. In the first two cases, there would be no penalty tax and the money would not be considered taxable income. In the third case, the penalty tax would not apply, but the funds would be counted as income to the extent that the funds were tax deductible when contributed.

Finally, parents could roll over funds from one child's ESA to another child's ESA without regard to any taxes, without regard to the $2000 annual maximum contribution to an ESA, and without regard to the age 30 requirement noted above. Funds rolled over would also not be subject to the federal gift tax.

Language is also included to allow individuals to designate contributions to an ESA as nondeductible even if such contributions could be tax deductible. This gives families the option to build up the principal in an ESA while at a lower tax rate, rather than having to pay taxes on unspent ESA funds when the contributors are older and likely in a higher tax bracket.

Tax deductible contributions to ESAs would be allowed beginning in tax year 1996.

Section 113—Increase in Income Limits for Savings Bond Exclusion

For taxpayers with incomes below certain thresholds, the interest earned on Series EE U.S. Savings Bonds are not considered taxable income if the withdrawn funds are used to pay for higher education tuition and fees. This section increases the income thresholds to allow more Americans to use the Series EE Savings Bonds for education expenses.

Effective with tax year 1996, the income thresholds would be the same as the income thresholds for the higher education tax deduction (see section 101): $70,000 for single taxpayers (phased out up to $90,000), and $100,000 for couples (phased out up to $120,000). As with the higher education tax deduction, these income thresholds would be indexed annually for inflation.

Section 114—Tax Treatment of State Prepaid Tuition Plans

Several states have established prepaid tuition plans, where individuals can make advance payments for college tuition. However, because of the uncertainty of federal tax law, some states have put their plans on hold and other states have not gone forward at all. This section clarifies federal tax law in two respects.

First, state-established trusts or corporations created exclusively for managing tuition prepayment plans would be exempt from federal taxes on investment earnings. Second, the letter-ruling issued by the IRS to Michigan would be codified: purchasers and beneficiaries of prepaid tuition plans would be liable for federal income taxes on the increased value of the investment only at the time the funds were redeemed, not each year as the ''interest'' accrued.

To be eligible for the tax clarification, a state prepaid tuition plan must guarantee at the time of purchase that a certain percentage of costs would be covered at a participating educational institution, regardless of the performance of the investment fund. And, it must guarantee that funds would be refunded in the event of the death or disability of the beneficiary or in the event the beneficiary failed to enroll in a participating institution.

TITLE II—SCHOLARSHIPS FOR ACADEMIC ACHIEVEMENT

Beginning with the high school graduating class of 1997, the top 5 percent of graduating seniors at each high school in the United States would be eligible for a $1000 merit scholarship. If an individual receiving such a scholarship achieved a 3.0 (''B'') average during his or her first year of college, a second $1000 scholarship would be awarded.

However, the merit scholarships would be available only to those students in families with income under $70,000 (single) and $100,000 (couples). These income thresholds would be increased annually for inflation.

Funds are authorized (and subject to annual appropriations) for five years. The first year authorization (fiscal year 1997) is $130 million. In each of the next four years (FY 1998–FY 2001), because the scholarships could be renewed for a second year, the authorization is $260 million per year. Total five-year authorization: $1.17 billion.

TITLE III—DEFICIT NEUTRALITY

To ensure that the ''GET AHEAD'' Act does not increase the deficit, this title declares it the sense of the Senate that the costs of the bill should be paid by closing corporate tax loopholes.

By Mr. DORGAN (for himself, Mr. BAUCUS, Mrs. MURRAY, Mr. WELLSTONE, Mr. CONRAD, Mr. WYDEN, and Mr. DASCHLE):

S. 2036. A bill to amend the Agricultural Market Transition Act to provide equitable treatment for barley producers so that 1996 contract payments to the producers are not reduced to a greater extent than the average percentage reduction in contract payments for other commodities, while maintaining the level of contract payments for other commodities, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

BARLEY GROWERS LEGISLATION

Mr. DORGAN. Mr. President, last week, I was among a group of Senators who tried to correct an inequitable payment reduction in farm program contract payments faced by barley growers. After considerable time and effort we reluctantly came to an agreement on an amendment to address this problem.

At the time, I said it was not the answer to the problem, but rather a small

step in the journey. Unfortunately that journey ended up being a very short one that quickly got sidetracked.

Despite the fact that the Senate agreed to the amendment to provide some relief to barley growers, the conference report came back this week with no additional funds to deal with this problem. The Senate amendment was deleted.

Instead the conferees referred the issue back to the authorizing committee and then provided an unfunded directive to the Secretary of Agriculture to deal with the problem. At the time we agreed to the Senate amendment, I was concerned that this would be the outcome. Another referral and no real action.

Barley growers deserve more than that. The freedom to farm fixed contract payment system has been violated, and the Government is once again being viewed as not keeping its word. While the freedom to farm bill was not my choice for farm legislation, I believe the promises it made to producers constitutes a public commitment that should be kept.

It appears that the only way that commitment can be met is if legislation is introduced to require that such action be taken. That is why I am introducing legislation today.

My bill will give the authorizing committee, the Senate Agriculture Committee, a clear opportunity to move forward to resolve this issue. It will establish the goal that we had in mind when we sought to solve this problem by amending the appropriations bill.

It would seem to me that the majority leadership of the authorizing committees would be the first ones in line to correct this problem. They were the ones who developed the freedom to farm proposal, and they were the ones who used their projected schedule of fixed payments to sell their farm policy approach to American farmers.

A news release issued November 21, 1995, by House Agriculture Committee Chairman PAT ROBERTS clearly states that the expected market transition payments under the Freedom to Farm Program would be 46 cents per bushel for barley, 27 cents per bushel for corn, and 92 cents per bushel for wheat.

This news release lists the source of these estimates as the Republican staff of the Senate Committee on Agriculture, Nutrition, and Forestry. These payment projections went unchanged throughout the farm bill debate right through the final farm bill conference committee.

How or why these miscalculations occurred is a moot point. My purpose is not to blame anybody. My purpose is to point out that the freedom to farm bill sponsors developed these projections and used them to advance their farm program proposal. These estimates were the basis of the decisions of many farmers and farm organizations in deciding what they would support as the farm bill moved through Congress.

Throughout the farm bill debate, it was clear that these estimated amounts might be a few cents off, but nobody expected any substantial difference between these estimates and the contract payments.

MISCALCULATION RESULTS IN 30-PERCENT CUT

Unfortunately, there was a $39 million miscalculation in the payments projected for barley producers. Rather than the original payment rate of 46 cents per bushel in 1996, barley producers found out later that their payments will be only 32 cents per bushel. That is a full 30 percent less than the original congressional estimates.

Our barley producers based their farm plans and cash flow for this crop year on the projections that were made last fall. They went to their bankers and creditors who made loans based on these projections.

Frankly, I shouldn't be the one that is trying to correct this problem. This problem should have been corrected by those that developed the freedom to farm bill and its payment projections. However, since North Dakota is the largest barley producing State in the Nation, this is of considerable concern to our barley producers.

My amendment would restore $35 of the $39 million to barley producers. This would be about a 10-percent cut from what was originally projected. A 10-percent cut is in line with the reductions that are expected in other payments for the other commodities.

The purpose of this amendment is to provide equitable treatment to barley producers so that contract payments are not reduced to any greater degree than they are for other commodities. No other commodity has been asked to take as deep a reduction as barley.

Wheat producers will be getting 87 cents, rather than 92 cents. That is a 5-percent reduction. Corn producers will be getting 24 cents, rather than 27 cents. That is an 11-percent reduction. Barley producers should not be expected to take a 30-percent cut in their payments.

This is a matter of keeping faith with those family farmers that made their plans on the basis of a farm bill that was very late in getting passed. It is a matter of fairness to our Nation's barley producers.

I am pleased that Senators BAUCUS, MURRAY, WELLSTONE, CONRAD, WYDEN, and DASCHLE have joined me in this effort and will be original cosponsors of this legislation.

Mr. CONRAD. Mr. President, I rise as an original cosponsor of legislation to correct the provisions of the Federal Agriculture Improvement and Reform Act of 1996 which unfairly penalizes barley producers. In one of the most egregious examples of misinformation I've ever seen, actual payments to barley producers under the act are dramatically lower than the original promises made by proponents of the bill. The bill we are introducing today corrects that error and gives barley producers the equal treatment they deserve.

On November 21, 1995, House Agriculture Committee Chairman PAT ROBERTS released a press statement announcing the estimated market transition payments under freedom to farm. The announcement clearly stated that barley payments for 1996 would be 46 cents per bushel. While the press release does state the figures were estimates, it is undeniable that the figures became the basis on which farm group after farm group made farm policy decisions. Producers were told they would receive this level of payment, or something very close to it, and that the payment would be guaranteed. I know this is true in North Dakota because in meeting after meeting I heard producers tell me it was their belief they would receive 46 cents in 1996 if freedom to farm became law.

Later we find out this is not the case, that the payments to barley producers would not be 46 cents, they would be only 32 cents. I understand other commodities received some reductions—approximately 5–10 percent—but none received the 30 percent reduction barley producers have little choice but to accept. Opponents of this bill will argue all producers were treated the same and that barley producers should have been aware the initial figures were subject to change. Well, barley producers did know there might be some change, maybe 1 or 2 cents, but did not know there might be a 30 percent change.

It's time we set the record straight and admit that barley producers were not treated fairly by the 1996 farm bill. I hope my colleagues will join me in correcting this extremely unfair situation.

By Mr. LAUTENBERG:

S. 2037. A bill to provide for aviation security, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE AVIATION SECURITY ACT OF 1996

Mr. LAUTENBERG. Mr. President, I rise today to introduce the Aviation Security Act [ASA]. This legislation is designed to significantly enhance security measures at U.S. airports, to better protect those who fly.

Mr. President, I join with all Americans in expressing my sorrow at the loss of 230 innocent lives in the crash of TWA flight 800. My sympathy and prayers are with the victims' families and friends as they struggle to cope with this tragedy.

At this time, the sea has not yielded its secrets, and we do not have conclusive evidence of why the jet crashed. However, terrorism appears to be the likely cause of the disaster.

Whether or not the cause of the crash was a bomb, this disaster has focused national attention on the fact that America's shores are not immune from terrorism. And this is a threat which I fear will only increase in scope and sophistication over the next few years.

Terrorism is an act of war, not against any specific individual, but against our entire nation. Consequently, protecting ourselves from

this scourge is a matter of national security, and we must act accordingly. We must treat this threat as seriously as any declared war. And we need to adopt measures—and attitudes—to aggressively combat this twentieth century plague.

Mr. President, living in a free society, there is only so much we can do to protect every public building, park and gathering place. However, terrorists usually target a nation where it's most vulnerable. And perhaps nowhere are we more vulnerable than in our air security system.

Mr. President, after the past few agonizing days, it's all too apparent that we must significantly upgrade security measures at U.S. airports. Although it may be impossible to stop every terrorist who is determined to bomb an airline, security can be significantly enhanced to better protect those who fly. And it must be continually improved as threats and technology change.

The 1.5 million people who daily board flights at American airports undergo security measures which were designed decades ago to stop highjackers with metal guns and knives. These measures are inadequate when dealing with terrorists with Semtex and other plastic explosives. Such explosives are so dangerous that less than 2 pounds can shred a jumbo jet into a pile of scrap metal.

The problem of inadequate protection stems from many causes. In most other countries, government is responsible for air security. In the United States, the Government, the airlines and the airports share responsibility. The highly competitive airlines, many of which are experiencing financial difficulties, face an inevitable and difficult conflict of interest. Although the Federal Aviation Administration issues minimum security standards, individual airlines and airports are responsible for implementing them.

There are also multiple loopholes in the present security system. On U.S. domestic flights, bags and passengers are not even required to travel together. And there are many other points of vulnerability, including cargo and mail.

It is true that our safety procedures were upgraded after the Lockerbie disaster. As a member of the President's Commission on Aviation Security and Terrorism, I helped draft the Aviation Security Improvement Act of 1990. Among its 38 provisions were requirements that the FAA accelerate explosives detection research and heighten security checks on airport personnel.

Additionally, on July 25, the President announced new air travel security measures. These improvements, which include increased searches of carry-on luggage and required pre-flight cargo and cabin inspections, will certainly enhance security. However, they do not go far enough.

Over the past few weeks, I have been briefed by some of our nation's best experts in the field of aviation safety. They are concerned that terrorists are outstripping our current procedures, and are breaking through America's cordon of safety. We can do better; we must do better. It will require leadership and decisiveness.

This Senator believes that we must institute a truly comprehensive security system. In order to achieve this, we must do at least three things. We must adequately invest in security technology in proportion to the increasing threat of terrorism. We must ensure that the airlines enforce necessary security measures at the gate. And we must make sure that our security personnel are adequately trained and perform well.

To begin the debate on these matters, I am introducing the Aviation Security Act (ASA). This legislation effectively addresses the problems which have become apparent recently, by charging the Department of Transportation with implementing a comprehensive aviation security system.

To enhance security before travelers reach the airport, and once they are at the gate, my bill mandates increased screening of passengers, luggage, and cargo. It also requires that the Department of Transportation review and upgrade the current procedures for examining cargo on passenger flight.

To identify passengers and cargo that pose a heightened risk—in other words, to stop the bad guys before they board or get a package on board—this legislation requries the Department of Transportation to develop a methodology to profile passengers and cargo. It also requires that air carriers implement this methodology and institute contingency plans for dealing with individuals identified as potential threats. For those individuals and cargo that pose the greatest threat, airports and airlines would be required to develop and utilize additional measures, including bag-match, personal interview, and enhanced bag search.

To complement the additional profiling and security measures, my legislation also mandates expedited installation of explosive detection devices at those airports which the Department of Transportation identifies as facing the greatest risk. These devices will include density evaluators, scanners, trace and vapor detectors.

Mr. President, the importance of installing these detection systems, as soon as possible, cannot be overemphasized. The latest luggage scanners, which can detect the most elusive plastic explosives, are now not generally used in U.S. airports. The most advanced scanning machine, the CTX–5000, works like a CAT Scan, providing a three dimensional image. There are 14 in use in Europe and Israel, and two are being installed in Manila. In our country, they are currently being tested in only Atlanta, which has two, and San Francisco. Another device, the EGIS machine, uses air samples from passengers' luggage to check for vapors emitted by explosives. Various overseas airports utilize the machine, but it's being used on only a limited basis in the United States. This, and other technologies, which can detect liquid explosives and trace chemicals, need to be further developed and deployed.

Just as important as any new machine or measure is hiring well trained security people. Most airlines, to save money, contract with security companies for low-wage workers with minimal education and little experience. Training is cursory and turnover is high. Yet, this person may be the last line of defense between a plane full of innocent people and a suicide bomber. By contrast, European security personnel are usually highly trained, educated, speak several languages and have taken courses in psychology.

This legislation requires that airport personnel who have security duties or who have access to any secure area must meet stringent requirements for training, job performance and security checks.

In conjunction with training, performance measures will be developed to assess how well security personnel are doing their jobs. Also, comprehensive investigations, including criminal history checks, will be required of all personnel in this category.

The importance of the human factor in improving security is probably best evidenced by the case of Ramzi Ahmed Yousef. Yousef is currently on trial in New York for his alleged role in the 1994 bombing of the World Trade Center. Less well known are the details of a plot to join two other men in blowing up a dozen U.S. jumbo jets in 1995.

In a 2-day reign of terror, Yousef and his compatriots planned to bomb 12 planes, with over 4,000 people on board. The motive was to provoke an end to United States support of Israel.

The heart of each bomb was a timer built by rewiring a common Casio digital watch. The timer would then be connected to a liquid nitroglycerin, disguised as contact lens solution. Even the newest screening devices would have extreme difficulty detecting the substance. Only human vigilance may have been able to stop these murderers if they had reached the airport gate. Luckily, the plot was discovered by police in the Philippines before the night's sky was set ablaze.

In addition to security, what became painfully obvious this week is that procedures to notify and counsel the families of airline disaster victims are totally inadequate. Compassion dictates that we need to adopt more efficient and humane procedures.

This legislation establishes, perhaps within the National Transportation Safety Board, the Office of Family Advocate. In consultation with the Department of State, the Department of Transportation, experts in psychology and representatives of victims' families, this Office will develop standards for informing, counseling and supporting grieving families. Providing this assistance is not just common sense, it's common decency.

Additionally, this legislation requires that information, such as full name, phone numbers and contact person, be collected when a passenger purchases a ticket. This information would be provided to the Office of Family Advocate within a specified time period after an air disaster.

Mr. President, a comprehensive security system will be expensive. The FAA has estimated that it could cost up to $6 billion over the next 10 years, to pay for security improvements. We need to decide how to pay the bill—and we need to remember that this legislation is not about spending dollars, it is about saving lives.

ASA proposes that an aviation security fee, or small surcharge of no more than $2 per one way ticket or $4 per round trip ticket, be instituted to pay for needed improvements. I would note that recent polls suggest that Americans are willing to pay as much as an extra $50 per ticket to upgrade security.

An alternative financing mechanism would be to authorize the Department of Defense to transfer such funds as may be necessary to implement the provisions of the Act. In drawing on defense funds, we would recognize that terrorism is a threat to our national security.

Mr. President, a truly comprehensive system should be put in place as soon as possible. Although not a panacea for every airport security problem, it can provide significant protection for travelers.

Of course, to truly enhance security, there is another price we all must pay. We must be willing to submit to some delay, inconvenience and intrusion when traveling by air. In London, travelers are patted down. And in many Arab airports, passengers must negotiate fourteen checkpoints before boarding. Anyone who flies coach on El Al, the Israeli national airline, is required to report to the airport 3 hours ahead of a scheduled flight. The FAA is working on how to minimize disruption while enhancing security. But we must be willing to make some trade-offs, giving up easy and quick experiences on the ground, for added security in the air.

Finally, it would be inappropriate for me to close without discussing the issue of terrorism. As a Nation, we need to better address the overall problem. We need to clamp down on domestic fundraising for Middle East Terrorist organizations. Press reports indicate that approximately $10 million is being sent annually by Americans to the terrorist group Hamas. We also need to encourage our allies in the Middle East to fight terrorist organizations in the region. And we must work with the international community to target the economies of countries that sponsor terrorism. We also cannot rule out the use of force, where necessary.

If the crash of TWA flight 800 was the work of terrorists, then they may think that they have won the battle—but they certainly haven't won the war. We can fight back.

But even if this tragedy was not the result of an evil act, but an unfortunate accident, we should not delay upgrading our security systems. We need to change the way this country approaches security. We need to be more proactive, anticipating and preempting changes in terrorist methods, rather than being reactive—always waiting for something to happen before we act.

To those who would try to deny the seriousness of the threat, and the intensity of anti-American feelings in many parts of the world, I want to again recall Ramzi Yousef's legacy of hatred. When questioned by a Pakistani interrogator as to his real motive, Yousef remarked, ''This is * * * the best thing, I enjoy it.'' He went on to explain that the United States is the first country in the world making trouble for the Muslim people. Consequently, he was willing to send 4,000 innocent people to their deaths.

Many of the scenes which have flickered across our T.V. screens over the past 2 weeks can never be forgotten. But there is one moment, in particular, which will always remain with me. A husband and father, who had lost his wife and two daughters in the disaster, hired a helicopter to fly over the crash site, which I had visited last weekend. Once there, he tossed two red roses on the water for his wife, and three white rosebuds for his little girls. And as I watched the news footage which showed the flowers slowly drifting in all directions, I thought of everything which the sea now held—the future lives of those taken too soon, and the past memories of those left behind.

I can think of no better memorial to those who died, and to those who were left behind to carry on, than to work to ensure that such a tragedy does not happen again. For the living, and in memory of the deceased, we must act now.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

S. 2037

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 ''Aviation Security Act of 1996''.

SEC. 2. ENHANCED SECURITY PROGRAMS.

(a) IN GENERAL.—Chapter 449 of title 49, United States Code, is amended by adding at the end of subchapter I the following new sections:

''§ 44916. Enhancement of aviation security

''(a) IN GENERAL.—The Secretary of Transportation (hereafter in this section referred to as the 'Secretary'), in consultation with the Administrator of the Federal Aviation Administration (hereafter in this section referred to as the 'Administrator') and other appropriate officials of the Federal Aviation Administration, shall provide for the enhancement of aviation security programs under the jurisdiction of the Federal Aviation Administration in accordance with this section.

''(b) IMPROVEMENTS IN THE EXAMINATION OF CARGO AND CHECKED BAGGAGE.—The Secretary, in consultation with the Administrator, shall—

''(1) review applicable procedures and requirements relating to the security issues concerning screening and examination of cargo and checked baggage to be placed on flights involving intrastate, interstate, or foreign air transportation that are in effect at the time of the review; and

''(2) on the basis of that review, develop and implement procedures and requirements that are more stringent than those referred to in paragraph (1) for the screening and examination of cargo and checked baggage to be placed on flights referred to in that subparagraph, including procedures that ensure that only personnel with unescorted access privileges have unescorted access at the airport to—

''(A) an aircraft;

''(B) cargo or checked baggage that is loaded onto an aircraft;

''(C) a cargo hold on an aircraft before passengers are loaded and after passengers debark;

''(D) an aircraft servicing area; or

''(E) a secured area of an airport.

''(c) PROFILES FOR RISK ASSESSMENT AND RISK REDUCTION MEASURES.—

''(1) IN GENERAL.—The Secretary, in consultation with the Administrator and appropriate officials of other Federal agencies, shall develop and implement, a methodology to profile the types of passengers, cargo, and air transportation that present, or are most susceptible to, a significant degree of risk with respect to aviation security.

''(2) RISK REDUCTION MEASURES.—In addition to developing the methodology for profiles under paragraph (1), the Secretary, in consultation with the Administrator, shall develop and implement measures to address sources that contribute to a significant degree of risk with respect to aviation security, including improved methods for matching and searching luggage or other cargo.

''(d) EXPLOSIVE DETECTION.—

''(1) IN GENERAL.—The Secretary and the Administrator, in accordance with this section, and section 44913, shall ensure the deployment, by not later than the date specified in subsection (j), of explosive detection equipment that incorporates the best available technology for explosive detection in airports—

''(A) selected by the Secretary on the basis of risk assessments; and

''(B) covered under the plan under paragraph (2).

''(2) PLAN.—The deployment of explosive detection equipment under paragraph (1) shall be carried out in accordance with a plan prepared by the Secretary, in consultation with the Administrator and other appropriate officials of the Federal Government, to expedite the installation and deployment of that equipment.

''(3) REPORT.—

''(A) IN GENERAL.—Not later than 1 year after the date of enactment of this section, and annually thereafter, the Secretary shall submit to the Speaker of the House of Representatives and the President pro tempore of the Senate a report on the deployment of explosive detection devices pursuant to the plan developed under paragraph (2).

''(B) TREATMENT OF CLASSIFIED INFORMATION.—No officer or employee of the Federal Government (including any Member of Congress) may disclose to any person other than another official of the Federal Government in accordance with applicable Federal law,

any information in the report under subparagraph (A) that is classified.

''(e) ENHANCED SCREENING OF PERSONNEL.—

''(1) IN GENERAL.—The Secretary, in consultation with the Administrator, shall establish a program for enhancing the screening of personnel of air carriers or contractors of air carriers (or subcontractors thereof) who—

''(A) in the course of their employment have—

''(i) unescorted access privileges to—

''(I) an aircraft;

''(II) cargo or checked baggage that is loaded onto an aircraft;

''(III) a cargo hold on an aircraft; or

''(IV) an aircraft servicing area; or

''(ii) security responsibilities that affect the access and passage of passengers or cargo in aircraft referred to in subparagraph (A); and

''(B) any immediate supervisor of an individual referred to in subparagraph (A).

''(2) TRAINING.—

''(A) IN GENERAL.—The Secretary, in consultation with the Administrator, shall—

''(i) review regulations and standards relating to the training of personnel referred to in paragraph (1) that are in effect at the time of the review; and

''(ii) on the basis of that review, prescribe such regulations and standards relating to minimum standards for training and certification as the Secretary determines to be appropriate.

''(B) PROHIBITION.—The fact that an individual received training in accordance with this paragraph may not be used as a defense in any action involving the negligence or intentional wrongdoing of that individual in carrying out airline security or in the conduct of intrastate, interstate, or foreign air transportation.

''(f) PERFORMANCE-BASED MEASURES.—The Secretary, in consultation with the Administrator, shall—

''(1) develop and implement, by the date specified in subsection (j), performance-based measures for all security functions covered under this section that are carried out by personnel referred to in subsection (e)(1); and

''(2) require that air carriers and owners or operators of airports that provide intrastate, interstate, or foreign air transportation ensure that those measures are carried out.

''(g) SECURITY CHECKS.—

''(1) IN GENERAL.—The Secretary, in consultation with the Administrator and other appropriate officers and employees of the Federal Government, shall, require comprehensive employment investigations to be conducted for any individual that is employed, or commences employment, in a position described in subsection (e)(1).

''(2) CRIMINAL HISTORY CHECK.—The employment investigations referred to in paragraph (1) shall include criminal history checks. Notwithstanding any other provision of law, a criminal history check may cover a period longer than the 10-year period immediately preceding—

''(A) the initial date of employment of an individual by an employer; or

''(B) the date on which a criminal history check is conducted for an applicant for employment.

''(h) ADMINISTRATIVE ACTIONS.—

''(1) IN GENERAL.—The Secretary, in consultation with the Administrator, shall, as appropriate, specify appropriate administrative actions or violations of this section or the regulations prescribed under this section.

''(2) ORDERS.—The administrative actions referred to in paragraph (1) may include an order by the Secretary requiring, in accordance with applicable requirements of this subtitle and any other applicable law—

''(A) the closure of an airport gate or area that the Secretary determines, on the basis of a risk assessment or inspection conducted under this section, should be secured in accordance with applicable requirements of this subtitle; or

''(B) the cancellation of a flight in intrastate, interstate, or foreign air transportation.

''(3) NOTIFICATION.—If the Secretary carries out an administrative action under this subsection, the Secretary shall provide public notice of that action, except in any case in which the President determines that the disclosure of that information would not be in the national security or foreign policy interest of the United States.

''(i) AUDITS AND EVALUATIONS.—

''(1) IN GENERAL.—The Secretary shall require each air carrier and airport that provides for intrastate, interstate, or foreign air transportation to conduct periodic audits and evaluations of the security systems of that air carrier or airport.

''(2) REPORTS.—Not later than 1 year after the date of enactment of this section, and annually thereafter, each air carrier and airport referred to in paragraph (1) shall submit to the Secretary a report on the audits and evaluations conducted by the air carrier or airport under this subsection.

''(3) INVESTIGATIONS.—The Secretary, in consultation with the Administrator, shall conduct periodic and unannounced inspections of security systems of airports and air carriers to determine whether the air carriers and airports are in compliance with the performance-based measures developed under subsection (f). To the extent allowable by law, the Secretary may provide for anonymous tests of the security systems referred to in the preceding sentence.

''(j) REGULATIONS.—Not later than 180 days after the date of enactment of this section, the Secretary, in consultation with the Administrator and appropriate officers and employees of other Federal agencies, shall prescribe and implement such regulations as are necessary to carry out this section.

''(k) MODIFICATION OF EXISTING PROGRAMS.—If the Secretary or the Administrator determines that a modification of a program in existence on the date specified in subsection (j) could be accomplished without prescribing regulations to meet the requirements of this section, the Secretary or the Administrator may make that modification in lieu of prescribing a regulation.

''§ 44917. Support for families of victims of transportation disasters

''(a) IN GENERAL.—

''(1) ESTABLISHMENT.—The President shall establish, within an appropriate Federal agency, an office to be known as the Office of Family Advocate.

''(2) STANDARDS OF CONDUCT.—

''(A) IN GENERAL.—The head of the Federal agency specified in paragraph (1) (hereafter in this section referred to as the ''agency head''), acting through the Office of Family Advocate, shall develop standards of conduct for informing and supporting families of victims of accidents in air commerce and other transportation accidents involving any other form of transportation that is subject to the jurisdiction of the Department of Transportation.

''(B) CONSULTATION.—In developing the standards under this paragraph, the agency head shall consult with—

''(i) appropriate officers and employees of other Federal agencies;

''(ii) representatives of families of victims of accidents in air commerce and other transportation accidents referred to in subparagraph (A);

''(iii) individuals who are experts in psychology and trauma counseling; and

''(iv) representatives of air carriers.

''(3) THIRD PARTY INVOLVEMENT.—

''(A) IN GENERAL.—The agency head, acting through the Office of Family Advocate, shall provide for counseling, support, and protection for the families of victims of transportation accidents referred to in paragraph (2)(A) by—

''(i) consulting with a nongovernmental organization that the agency head determines to have appropriate experience and expertise; and

''(ii) if appropriate, entering into an agreement with a nongovernmental organization or the head of another appropriate Federal agency (including the Director of the Federal Emergency Management Agency) to provide those services.

''(b) PASSENGER INFORMATION.—

''(1) IN GENERAL.—The Secretary of Transportation (hereafter in this section referred to as the 'Secretary') shall require each air carrier that provides intrastate, interstate, or foreign air transportation to obtain, at the time of purchase of passage, from each passenger that purchases passage on a flight—

''(A) the full name, address, and daytime and evening telephone numbers of the passenger; and

''(B) the full name and daytime and evening telephone numbers of a contact person designated by the passenger.

''(2) REQUIREMENT FOR AIR CARRIERS.—

''(A) IN GENERAL.—The Secretary shall require each air carrier that provides intrastate, interstate, or foreign air transportation to provide the information obtained for a flight under paragraph (1) only—

''(i) in the event of an accident in air commerce in which a serious injury or crime (as determined by the Secretary) or death occurs; and

''(ii) in accordance with section 552a of title 5, United States Code.

''(B) PROVISION OF INFORMATION.—In the event of an accident in air commerce described in subparagraph (A), if the flight involves—

''(i) intrastate or interstate air transportation, the air carrier shall provide the information required to be submitted under subparagraph (A) not later than 3 hours after the accident occurs; or

''(ii) foreign air transportation, the air carrier shall provide such information not later than 4 hours after the accident occurs.

''§ 44918 Exemption; fees

''(a) EXEMPTION.—The regulations issued under sections 44916 and 44917 shall be exempt from any requirement for a cost-benefit analysis under chapter 8 of title 5, United States Code, or any other provision of Federal law.

''(b) FEES.—

''(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall determine, and adjust on an annual basis, a fee that shall be assessed against each individual who purchases passage on a flight in intrastate, interstate, or foreign air transportation that is based on the estimated cost of carrying out sections 44916 and 44917.

''(2) LIMITATION ON AMOUNT.—The amount of a fee assessed under this subsection shall not exceed $2 per flight, per passenger.

''(3) AVIATION SECURITY ACCOUNT.—

''(A) IN GENERAL.—There shall be established within the Treasury of the United States, an Aviation Security Account. The fees collected under this subsection shall be deposited into that account.

''(B) USE OF FUNDS IN ACCOUNT.—The Secretary of the Treasury shall make the funds in the account available only to—

''(i) the Secretary of Transportation for use by the Secretary in accordance with section 44916; and

''(ii) the agency head specified by the President under section 44917, for use by that agency head in accordance with that section.''.

(b) EMPLOYMENT INVESTIGATIONS AND RESTRICTIONS.—Section 44936(b)(1)(B) of title 49, United States Code, is amended by striking '', in the 10-year period ending on the date of the investigation,''.

(c) CONFORMING AMENDMENT.—The analysis for subchapter I of chapter 449 of title 49, United States Code, is amended by adding at the end the following new items:

''44916. Enhancement of aviation security.
''44917. Support for families of victims of transportation disasters.
''44918. Exemption; fees.''.

AVIATION SECURITY PROPOSAL

(1) DOT TO IMPLEMENT AN ENHANCED AVIATION SECURITY SYSTEM

Cargo and checked baggage—The Secretary shall review current procedures for examining cargo and checked baggage on passenger flights and implement a program to reduce all significant security risks. That program shall include, but not be limited to, procedures that restrict access to passenger, cargo, cargo hold and aircraft servicing areas.

Profiling risk assessment—the Secretary shall develop, in consultation with appropriate federal authorities, a methodology to profile passengers, cargo and flights for both pre-airport and airport arrival to identify those passengers and cargo that present a possible risk to aviation security. The Secretary will require that air carriers implement this methodology and develop contingency actions described below with respect to those persons and cargo identified by the methodology. Those measures may include, but not be limited to, bag-match and enhanced bag search.

Explosive Detection Systems—the Secretary shall identify, based on profiles and other information and measures developed in consultation with appropriate federal agencies, all flights that pose the greatest risk to security, and ensure that enhanced, state-of-the-art, explosive detection devices are installed in the appropriate airports to protect against those risks. The Secretary shall, within six months from the enactment of this Act, develop and implement a plan to phase in expedited installation of the devices at priority airports. The Secretary shall submit an annual report to the Speaker of the House of Representatives and the President of the Senate on the progress of the plan. The report may be classified or unclassified at the Secretary's discretion.

(2) INCREASED SCREENING FOR CERTAIN AIRPORT PERSONNEL

Classification of Airport Personnel—the provisions of this section shall apply to those personnel employed by air carriers or their contractors or subcontractors who, through duties and work location, either (a) have unescorted access to all or portions of aircraft that are engaged in the transportation of passengers for hire, or (b) have security responsibilities that affect the access and passage of passengers and/or cargo into the proximity of passenger carrying aircraft.

Training—the Secretary shall review existing standards and, where necessary, impose additional minimum standards for training and certification of security personnel. The fact that the employee passed the minimum standards shall not relieve the air carrier of responsibility if he later is responsible for, or contributes to, an incident or an accident.

Performance Based Measures—the Secretary shall develop performance based measures for all personnel security functions and implement actions to require the air carriers or airports, as appropriate, to accomplish those measures.

Security Checks—the Secretary shall require comprehensive employment investigations on new hires and existing employees, including but not limited to criminal history checks. This provision also lifts the current restriction of ten years on the employee's history.

Penalties—the Secretary shall, within six months from enactment, promulgate regulations that impose penalties for violations that are commensurate with the seriousness of the offense. Such penalties may include temporary suspension of the operating certificate, immediate closure of a gate or secure area, cancellation of flights, public notification of violations or actual revocation of the operating certificate.

(3) MANDATED OPERATIONAL CHECKS OF THE SYSTEM

Self-audits and evaluations—the Secretary shall require air carriers and airports to conduct audits and evaluations on the efficacy of the security systems, and issue annual reports of their results to the Secretary.

The Secretary shall conduct regular, unannounced and/or anonymous tests of the airport and air carrier's security systems to determine whether the systems are in compliance with the performance based measures as determined by the Secretary.

(4) SUPPORT FOR FAMILIES OF VICTIMS OF TRANSPORTATION DISASTERS

Family Advocate—there shall be established an Office of Family Advocate in the appropriate federal agency to be determined by the President. The Office shall develop standards of conduct for informing and supporting families of victims. The standards shall be developed in consultation with any federal agency, representatives of families of victims of airline or other transportation disasters, psychological experts and air carriers.

Third party involvement—the Office shall consult with a third party organization that has the appropriate experience, in offering counseling, support and protection for the families of victims. the Office is authorized to task an organization or other government agency, to carry out the necessary tasks, if appropriate, including the Federal Emergency Management Agency.

Passenger information—the Secretary shall require air carriers, both domestic and foreign flag carriers, to collect the following information at the time of passenger's ticket purchase: full name, address, telephone number (daytime and nighttime) and contact person. The Secretary shall require air carriers to provide, within three hours for domestic flights and four hours for international flights, such information to the Office of Family Advocate only in the event of a transportation disaster where serious injury or death occurred.

(5) FUNDING

Fee per ticket—the Secretary shall determine a fee to be assessed on each airline ticket, the amount of which is based on the cost to implement the provisions of this Act, but not to exceed $4 per ticket. The Secretary shall begin assessing the fee within 30 days from the enactment of this Act.

Aviation Security Account—there shall be established within the Department, an Aviation Security Account. The fees shall be collected and credited to relevant appropriations within the FAA.

By Mr. DASCHLE (for himself and Mr. PRESSLER);

S. 2038. A bill to authorize the construction of the Fall River Water Users District Rural Water System and authorize the appropriation of Federal dollars to assist the Fall River Water Users District, a nonprofit corporation, in the planning and construction of the water supply system, and for other purposes; to the Committee on Energy and Natural Resources.

THE FALL RIVER WATER USERS DISTRICT RURAL WATER SYSTEM ACT OF 1996

S. 2039. A bill to authorize the construction of the Perkins County Rural Water System and authorize the appropriation of Federal dollars to assist the Perkins County Rural Water System, Inc., a nonprofit corporation, in the planning and construction of the water supply system, and for other purposes; to the Committee on Energy and Natural Resources.

THE PERKINS COUNTY RURAL WATER SYSTEM ACT OF 1996

Mr. DASCHLE. Mr. President, the need for water development throughout South Dakota is great. As we prepare to enter the 21st century, all South Dakotans should be able to consider a high quality water supply to be a basic human right, and we should do whatever we can to meet this goal.

While considerable progress has been made in providing clean and safe drinking water to residents of my State, much work remains to be done. Fall River County and Perkins County are examples of areas that urgently need to develop new sources of potable water. That is why I am introducing bills today to authorize the construction of the Fall River Water Users District Rural Water System and the Perkins County Rural Water System.

The communities that would be served by both systems are comprised of farmers and ranchers who for too long have had to endure substandard, and at times remote, sources of drinking water. The drinking water available in Fall River County, SD, like the water in much of the rest of the State, is contaminated with high levels of nitrates, sulfates, and dissolved solids. Wells have been known to run dry, due to the high frequency of droughts in the region. Many people currently must haul water, sometimes as much as 60 miles round-trip. Similar problems exist in Perkins County, where much of the drinking water fails to meet minimum public health standards, thereby posing a long-term health risk to the citizens of that region.

Simply put, this situation is unacceptable and must be remedied.

In Fall River County, the Fall River Water Users District was formed to plan and develop a rural water system capable of supplying the water to sustain this community. I and my congressional colleagues have worked hard over the past year with the district to identify a solution that was affordable and could provide adequate amounts of clean water to satisfy the needs of the community. It became apparent that the only feasible option was the authorization of a rural water system

that involved the financial and technical participation of the Federal, State, and local governments.

My first bill would authorize the construction of a system to bring clean water to the residents of Fall River County. I am absolutely committed to continuing to work with the Fall River County Water Users District, the State and the Federal Government to bring a high quality water supply to Fall River County.

Under the second bill I am introducing today, the Perkins County Rural Water System will obtain Missouri River water through the Southwest Pipeline, which is part of the Garrison Diversion Unit in North Dakota. This is an efficient and cost-effective approach that takes advantage of existing water management infrastructure. Clean, safe drinking water will be provided to about 2,500 people who reside in the towns of Lemmon and Bison, and the surrounding areas.

It is my hope that my colleagues will join with me in supporting these two pieces of legislation, which will provide safe, clean drinking water to deserving South Dakota families.

Mr. President, I ask unanimous consent that the text of the bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 2038

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 ''Fall River Water Users District Rural Water System Act of 1996''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) there are insufficient water supplies of reasonable quality available to the members of the Fall River Water Users District Rural Water System located in Fall River County, South Dakota, and the water supplies that are available are of poor quality and do not meet the minimum health and safety standards, thereby posing a threat to public health and safety;

(2) past cycles of severe drought in the southeastern area of Fall River county have left local residents without a satisfactory water supply and during 1990, many home owners and ranchers were forced to haul water to sustain their water needs;

(3) most members of the Fall River Water Users District are forced to either haul bottled water for human consumption or use distillers due to the poor quality of water supplies available;

(4) the Fall River Water Users District Rural Water System has been recognized by the State of South Dakota; and

(5) the best available, reliable, and safe rural and municipal water supply to serve the needs of the Fall River Water Users District Rural Water System members consists of a Madison Aquifer well, 3 separate water storage reservoirs, 3 pumping stations, and approximately 200 miles of pipeline.

(b) PURPOSES.—The Congress declares that the purposes of sections 1 through 13 are to—

(1) ensure a safe and adequate municipal, rural, and industrial water supply for the members of the Fall River Water Users District Rural Water System in Fall River County, South Dakota;

(2) assist the citizens of the Fall River Water Users District to develop safe and adequate municipal, rural, and industrial water supplies; and

(3) promote the implementation of water conservation programs by the Fall River Water Users District Rural Water System.

SEC. 3. DEFINITIONS.

As used in this Act (unless the context clearly requires otherwise):

(1) ENGINEERING REPORT.—The term ''engineering report'' means the study entitled ''Supplemental Preliminary Engineering Report for Fall River Water Users District'' in August 1995.

(2) PROJECT CONSTRUCTION BUDGET.—The term ''project construction budget'' means the description of the total amount of funds that are needed for the construction of the water supply system, as contained in the feasibility study.

(3) PUMPING AND INCIDENTAL OPERATIONAL REQUIREMENTS.—The term ''pumping and incidental operational requirements'' means all power requirements that are incidental to the operation of intake facilities, pumping stations, water treatment facilities, cooling facilities, reservoirs, and pipelines up to the point of delivery of water by the Fall River Water Users District Rural Water System to each entity that distributes water at retail to individual users.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(5) WATER SUPPLY SYSTEM.—The term ''water supply system'' means the Fall River Water Users District Rural Water System that is established and operated substantially in accordance with the feasibility study.

SEC. 4. FEDERAL ASSISTANCE FOR THE WATER SUPPLY SYSTEM.

(a) IN GENERAL.—The Secretary is authorized to make grants to the Fall River Water Users District Rural Water System, a nonprofit corporation, for the planning and construction of the water supply system.

(b) SERVICE AREA.—The water supply system shall provide for safe and adequate municipal, rural, and industrial water supplies, mitigation of wetlands areas; and water conservation within the boundaries of the Fall River Water Users District, described as follows: bounded on the north by the Angostura Reservoir, the Cheyenne River, and the Fall River/Custer County line, bounded on the east by the Fall River/Shannon County line, bounded on the south by the South Dakota/Nebraska State line, and bounded on the west by the previously established Igloo-Provo Water Project District.

(c) AMOUNT OF GRANTS.—Grants made available under subsection (a) to the Fall River Water Users District Rural Water System shall not exceed the amount authorized under section 10.

(d) LIMITATION ON AVAILABILITY OF CONSTRUCTION FUNDS.—The Secretary shall not obligate funds for the construction of the water supply system until—

(1) the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) have been met;

(2) a final engineering report has been prepared and submitted to the Congress for a period of not less than 90 days before the commencement of construction of the system; and

(3) a water conservation program has been developed and implemented.

SEC. 5. WATER CONSERVATION.

(a) PURPOSE.—The water conservation program required under this section shall be designed to ensure that users of water from the water supply system will use the best practicable technology and management techniques to conserve water use.

(b) DESCRIPTION.—The water conservation programs shall include—

(1) low consumption performance standards for all newly installed plumbing fixtures;

(2) leak detection and repair programs;

(3) rate structures that do not include declining block rate schedules for municipal households and special water users (as defined in the feasibility study);

(4) public education programs; and

(5) coordinated operation between the Fall River Water Users District Rural Water System and any preexisting water supply facilities within its service area.

(c) REVIEW AND REVISION.—The programs described in subsection (b) shall contain provisions for periodic review and revision, in cooperation with the Secretary.

SEC. 6. MITIGATION OF FISH AND WILDLIFE LOSSES.

Mitigation of fish and wildlife losses incurred as a result of the construction and operation of the Fall River Water Users District Rural Water System shall be on an acre-for-acre basis, based on ecological equivalency, concurrent with project construction, as provided in the feasibility study.

SEC. 7. USE OF PICK-SLOAN POWER.

(a) IN GENERAL.—From power designated for future irrigation and drainage pumping for the Pick-Sloan Missouri River Basin Program, the Western Area Power Administration shall make available the capacity and energy required to meet the pumping and incidental operational requirements of the water supply system during the period beginning May 1, and ending October 31, of each year.

(b) CONDITIONS.—The capacity and energy described in subsection (a) shall be made available on the following conditions:

(1) The water supply system shall be operated on a not-for-profit basis.

(2) The water supply system shall contract to purchase its entire electric service requirements, including the capacity and energy made available under subsection (a), from a qualified preference power supplier that itself purchases power from the Western Area Power Administration.

(3) The rate schedule applicable to the capacity and energy made available under subsection (a) shall be the firm power rate schedule of the Pick-Sloan Eastern Division of the Western Area Power Administration in effect when the power is delivered by the Administration.

(4) It shall be agreed by contract among—

(A) the Western Area Power Administration;

(B) the power supplier with which the water supply system contracts under paragraph (2);

(C) the power supplier of the entity described in subparagraph (B); and

(D) the Fall River Water Users District,

that in the case of the capacity and energy made available under subsection (a), the benefit of the rate schedule described in paragraph (3) shall be passed through to the water supply system, except that the power supplier of the water supply system shall not be precluded from including, in the charges of the supplier to the water system for the electric service, the other usual and customary charges of the supplier.

SEC. 8. NO LIMITATION ON WATER PROJECTS IN STATE.

This Act shall not limit the authorization for water projects in South Dakota and under law in effect on or after the date of enactment of this Act.

SEC. 9. WATER RIGHTS.

Nothing in this Act—

(1) invalidates or preempts State water law or an interstate compact governing water;

(2) alters the rights of any State to any appropriated share of the waters of any body of surface or ground water, whether determined by past or future interstate compacts or by past or future legislative or final judicial allocations;

(3) preempts or modifies any Federal or State law, or interstate compact, dealing with water quality or disposal; or

(4) confers on any non-Federal entity the ability to exercise any Federal right to the waters of any stream or to any ground water resource.

SEC. 10. FEDERAL COST SHARE.

The Secretary is authorized to provide funds equal to 80 percent of—

(1) the amount allocated in the total project construction budget for the planning and construction of the water supply system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after August 1, 1995.

SEC. 11. NON-FEDERAL COST SHARE.

The non-Federal share of the costs allocated to the water supply system shall be 20 percent of—

(1) the amount allocated in the total project construction budget for the planning and construction of the water supply system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after August 1, 1995.

SEC. 12. BUREAU OF RECLAMATION AUTHORIZATION.

(a) AUTHORIZATION.—The Secretary is authorized to allow the Bureau of Reclamation to provide construction oversight to the water supply system for those areas of the water supply system that are described in section 4(b).

(b) PROJECT OVERSIGHT ADMINISTRATION.—The amount of funds used by the Bureau of Reclamation for planning and construction of the water supply system may not exceed an amount equal to 3 percent of the amount provided in the total project construction budget for the portion of the projects to be constructed in Fall River County, South Dakota.

SEC. 13. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $3,600,000 for the planning and construction of the water system under section 4, plus such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after August 1, 1995.

S. 2039

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 ''Perkins County Rural Water System Act of 1996''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) there are insufficient water supplies of reasonable quality available to the members of the Perkins County Rural Water System located in Perkins County, South Dakota, and the water supplies that are available do not meet the minimum health and safety standards, thereby posing a threat to public health and safety;

(2) in 1977 the North Dakota State Legislature authorized and directed the State Water Commission to conduct the Southwest Area Water Supply Study, which included water service to a portion of Perkins County, South Dakota;

(3) the Garrison Diversion Unit Reformulation Act of 1986 authorized the Southwest Pipeline project as an eligible project for Federal cost share participation;

(4) the Perkins County Rural Water System has continued to be recognized by the State of North Dakota, the Southwest Water Authority, the North Dakota Water Commission, the Department of the Interior, and the Congress of the United States as a component of the Southwest Pipeline Project; and

(5) the best available, reliable, and safe rural and municipal water supply to serve the needs of the Perkins County Rural Water System, Inc., members is the Missouri River as delivered by the Southwest Pipeline Project in North Dakota.

(b) PURPOSES.—The Congress declares that the purposes of sections 1 through 13 are to—

(1) ensure a safe and adequate municipal, rural, and industrial water supply for the members of the Perkins County Rural Water Supply System, Inc., in Perkins County, South Dakota;

(2) assist the citizens of the Perkins County Rural Water Supply System, Inc., to develop safe and adequate municipal, rural, and industrial water supplies; and

(3) promote the implementation of water conservation programs by the Perkins County Rural Water System, Inc.

SEC. 3. DEFINITIONS.

As used in this Act (unless the context clearly requires otherwise):

(1) FEASIBILITY STUDY.—The term ''feasibility study'' means the study entitled ''Feasibility Study for Rural Water System for Perkins County Rural Water System, Inc.'', as amended in March 1995.

(2) PROJECT CONSTRUCTION BUDGET.—The term ''project construction budget'' means the description of the total amount of funds that are needed for the construction of the water supply system, as contained in the feasibility study.

(3) PUMPING AND INCIDENTAL OPERATIONAL REQUIREMENTS.—The term ''pumping and incidental operational requirements'' means all power requirements that are incidental to the operation of intake facilities, pumping stations, water treatment facilities, reservoirs, and pipelines up to the point of delivery of water by the Perkins County Rural Water System to each entity that distributes water at retail to individual users.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(5) WATER SUPPLY SYSTEM.—The term ''water supply system'' means the Perkins County Rural Water System, Inc., that is established and operated substantially in accordance with the feasibility study.

SEC. 4. FEDERAL ASSISTANCE FOR THE WATER SUPPLY SYSTEM.

(a) IN GENERAL.—The Secretary is authorized to make grants to the Perkins County Rural Water System, Inc., a nonprofit corporation, for the planning and construction of the water supply system.

(b) SERVICE AREA.—The water supply system shall provide for safe and adequate municipal, rural, and industrial water supplies, mitigation of wetlands areas, and water conservation in Perkins County, South Dakota.

(c) AMOUNT OF GRANTS.—Grants made available under subsection (a) to the Perkins County Water System, Inc., shall not exceed the amount authorized under section 10.

(d) LIMITATION ON AVAILABILITY OF CONSTRUCTION FUNDS.—The Secretary shall not obligate funds for the construction of the water supply system until—

(1) the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) have been met;

(2) a final engineering report has been prepared and submitted to the Congress for a period of not less than 90 days before the commencement of construction of the system; and

(3) a water conservation program has been developed and implemented.

SEC. 5. WATER CONSERVATION.

(a) PURPOSE.—The water conservation program required under this section shall be designed to ensure that users of water from the water supply system will use the best practicable technology and management techniques to conserve water use.

(b) DESCRIPTION.—The water conservation programs shall include—

(1) low consumption performance standards for all newly installed plumbing fixtures;

(2) leak detection and repair programs;

(3) rate structures that do not include declining block rate schedules for municipal households and special water users (as defined in the feasibility study);

(4) public education programs;

(5) coordinated operation between the Perkins County Rural Water System and any preexisting water supply facilities within its service area; and

(6) coordinated operation between the Southwest Pipeline Project of North Dakota and the Perkins County Rural Water System, Inc., of South Dakota.

(c) REVIEW AND REVISION.—The programs described in subsection (b) shall contain provisions for periodic review and revision, in cooperation with the Secretary.

SEC. 6. MITIGATION OF FISH AND WILDLIFE LOSSES.

Mitigation of fish and wildlife losses incurred as a result of the construction and operation of the Perkins County Rural Water Supply System shall be on an acre-for-acre basis, based on ecological equivalency, concurrent with project construction, as provided in the feasibility study.

SEC. 7. USE OF PICK-SLOAN POWER.

(a) IN GENERAL.—From power designated for future irrigation and drainage pumping for the Pick-Sloan Missouri River Basin Program, the Western Area Power Administration shall make available the capacity and energy required to meet the pumping and incidental operational requirements of the water supply system during the period beginning May 1, and ending October 31, of each year.

(b) CONDITIONS.—The capacity and energy described in subsection (a) shall be made available on the following conditions:

(1) The water supply system shall be operated on a not-for-profit basis.

(2) The water supply system shall contract to purchase its entire electric service requirements, including the capacity and energy made available under subsection (a), from a qualified preference power supplier that itself purchases power from the Western Area Power Administration.

(3) The rate schedule applicable to the capacity and energy made available under subsection (a) shall be the firm power rate schedule of the Pick-Sloan Eastern Division of the Western Area Power Administration in effect when the power is delivered by the Administration.

(4) It shall be agreed by contract among—

(A) the Western Area Power Administration;

(B) the power supplier with which the water supply system contracts under paragraph (2);

(C) the power supplier of the entity described in subparagraph (B); and

(D) the Perkins County Rural Water System, Inc.,

that in the case of the capacity and energy made available under subsection (a), the benefit of the rate schedule described in paragraph (3) shall be passed through to the water supply system, except that the power supplier of the water supply system shall not be precluded from including, in the charges

of the supplier to the water system for the electric service, the other usual and customary charges of the supplier.

SEC. 8. NO LIMITATION ON WATER PROJECTS IN STATES.

This Act shall not limit the authorization for water projects in South Dakota and North Dakota under law in effect on or after the date of enactment of this Act.

SEC. 9. WATER RIGHTS.

Nothing in this Act—

(1) invalidates or preempts State water law or an interstate compact governing water;

(2) alters the rights of any State to any appropriated share of the waters of any body of surface or ground water, whether determined by past or future interstate compacts or by past or future legislative or final judicial allocations;

(3) preempts or modifies any Federal or State law, or interstate compact, dealing with water quality or disposal; or

(4) confers on any non-Federal entity the ability to exercise any Federal right to the waters of any stream or to any ground water resource.

SEC. 10. FEDERAL COST SHARE.

The Secretary is authorized to provide funds equal to 75 percent of—

(1) the amount allocated in the total project construction budget for the planning and construction of the water supply system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after May 1, 1994.

SEC. 11. NON-FEDERAL COST SHARE.

The non-Federal share of the costs allocated to the water supply system shall be 25 percent of—

(1) the amount allocated in the total project construction budget for the planning and construction of the water supply system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after May 1, 1994.

SEC. 12. BUREAU OF RECLAMATION AUTHORIZATION.

(a) AUTHORIZATION.—The Secretary is authorized to allow the Bureau of Reclamation to provide construction oversight to the water supply system for those areas of the water supply system that are described in section 4(b).

(b) PROJECT OVERSIGHT ADMINISTRATION.—The amount of funds used by the Bureau of Reclamation for planning and construction of the water supply system may not exceed an amount equal to 3 percent of the amount provided in the total project construction budget for the portion of the project to be constructed in Perkins County, South Dakota.

SEC. 13. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $15,000,000 for the planning and construction of the water system under section 4, plus such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after May 1, 1994.

By Mr. HATCH (for himself and Mrs. HUTCHISON):

S. 2040. A bill to amend the Controlled Substances Act to provide a penalty for the use of a controlled substance with the intent to rape, and for other purposes; to the Committee on the Judiciary.

THE DRUG-INDUCED RAPE PREVENTION ACT OF 1996

Mr. HATCH. Mr. President, I rise today to introduce S. 2040, a bill to prevent the use of controlled substances to facilitate rape. This bill is to strike back at those who would use controlled substances to engage in the most reprehensible of crimes. Joining me in cosponsorship of this legislation is Senator HUTCHISON.

Mr. President, earlier in the year as a member of the congressional task force on national drug policy, I joined in issuing a report, ''Setting the Course: A National Drug Strategy.'' This report noted that every survey of teenage drug use in the past two years indicates not only increasing use of dangerous drugs among teens, but a disturbing change in the attitudes teens have about the dangers of drug use.

Two very important surveys have confirmed that teenage drug abuse is on the rise.

The first study is the national high school report, Monitoring the Future, which surveys over 50,000 students in some 400 public and private secondary schools. The second study is the annual survey by the Parents' Resource Institute for Drug Education, which surveys nearly 200,000 ninth to twelfth graders.

While these studies focused on the use of marijuana, the use of hallucinogens, stimulants, and other drugs are also on the rise. According to reports by the Center on Addiction and Substance Abuse, adolescents who use marijuana are 85 times more likely to move to other dangerous drugs, such as cocaine.

As a recent report that we issued from the Judiciary Committee, Losing Ground Against Drugs noted:

The implication for public policy is clear. If such increases are allowed to continue for just two more years, America will be at risk of returning to the epidemic drug use of the 1970's.

While the overwhelming abuse of drugs by teenagers focuses on illicit drugs, the illegal diversion and misuse of medicines is also a growing problem in our country.

During the past few years, there has been increasing abuse of a drug called rohypnol. Rohypnol is not approved for marketing in the United States but it is a legitimate therapeutic agent that is approved for use in several countries to treat sleep disorders.

According to a report from the Haight Ashbury Free Clinic, several abuse patterns of rohypnol have evolved in the United States.

Rohypnol is being abused by heroin addicts as an enhancing agent for low-quality heroin, as well as in combination with cocaine. In some areas it is referred to as a ''club drug''—where it is used by so called ''recreational'' users who intermittently abuse a variety of substances.

However, the most disturbing use of rohypnol is its use to facilitate the rape of women. Reports continue to be made that rohypnol has been illicitly put into the drinks of unsuspecting victims before they are sexually assaulted.

I believe that the Federal Government must show that it will not tolerate the use of this drug—or any drug—to facilitate rape. I believe it is necessary and appropriate to establish a new provision that establishes tough penalties for the use of any controlled substance to facilitate rape.

Rohypnol abuse was initially reported in Florida and Texas, but its use has now become more widespread.

In an effort to stem the illegal flow of rohypnol into the United States, the U.S. Customs Service developed and implemented a ban on the importation of rohypnol into the United States.

Unfortunately, the problem continues to grow.

Rohypnol is a member of the widely-used class of prescription medications known as benzodiazapines. This class of drugs is used to treat sleep disorders, anxiety disorders and to control seizures, among other purposes. When used for legitimate medical purposes, this class of drugs is vital to the physical and mental health of thousands of Americans.

The Controlled Substances Act establishes five schedules of controlled substances, based primarily upon a drug's relative potential for abuse. Drugs listed in schedules I and II are those with the highest potential for abuse, while drugs listed in schedule V are those with the lowest potential for abuse.

Rohypnol is currently listed in Schedule IV of the Controlled Substances Act. In addition to rohypnol, more than twenty other benzodiazepine substances are listed as a Schedule IV substance.

Rohypnol is not marketed or manufactured in the United States. While not legally available for legitimate medical uses in the United States, rohypnol is widely used for legitimate medical purposes in many countries throughout the world.

In response to reports that the incidence of abuse of rohypnol was increasing, the Drug Enforcement Administration instituted the formal rescheduling process for this substance by submitting a formal request on April 11, 1996 to the Food and Drug Administration to conduct an evaluation of the scientific and medical evaluation of this substance. That evaluation is ongoing.

In a letter from Health and Human Services Secretary Donna E. Shalala to me on July 24, 1996, Secretary Shalala informed me that the goal of the rescheduling process was to make rohypnol subject to increased penalties for illicit use and trafficking.

Since this particular drug has become a leading agent of abuse and the focus of this debate, I agree with Secretary Shalala that it is appropriate to increase the penalties for illegal trafficking in rohypnol. This bill does that.

However, I am concerned about the precedent that rescheduling would have on this very useful class of medicines. I fee a more appropriate—and rapid—method to respond to this crisis is to implement the increased penalties

for illegal trafficking in rohypnol without having Congress circumvent the well-established process for rescheduling a substance.

As I mentioned previously, the rescheduling process requires a careful scientific and medical evaluation of the substance. This evaluation is completed by the FDA in consultation with HHS' National Institute on Drug Abuse. Congress does not have the resources or expertise to complete such an evaluation, and by considering rescheduling may establish an unintentional precedent with regard to scheduling of controlled substances which we may regret later on.

I believe that the Drug-Induced Rape Prevention Act of 1996 provides for a rapid, measured response to the problem that the abuse of rohypnol has presented, without establishing an unintended role for Congress with regard to the scheduling of controlled substances. I urge that this legislation be considered when we reconvene next month.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section analysis be place in the RECORD.

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

S. 2040

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 ''Drug-Induced Rape Prevention Act of 1996''.

SEC. 2. PENALTIES FOR DISTRIBUTION OF A CONTROLLED SUBSTANCE WITH INTENT TO RAPE.

Section 401(b) of the Controlled Substances Act is amended by adding at the end the following:

''(7)(A) Whoever, with intent to rape an individual, violates subsection (a) by distributing a controlled substance to that individual without that individual's knowledge, shall be imprisoned not more than 20 years and fined as provided under title 18, United States Code.

''(B) As used in this paragraph—

''(i) the term 'intent to rape' means the intent to facilitate conducted defined in section 2241(b) or 2242(2) of title 18, United States Code; and

''(ii) the term 'without that individual's knowledge' means that the individual is unaware that a substance with the ability to alter that individual's ability to appraise conduct or to decline participation in or communicate unwillingness to participate in conduct is administered to the individual.''.

SEC. 3. ADDITIONAL PENALTIES RELATING TO FLUNITRAZEPAM.

(a) GENERAL PENALTIES.—Section 401 of the Controlled Substances Act (21 U.S.C. 841) is amended—

(1) in subsection (b)(1)(C), by inserting ''or 1 gram of flunitrazepam'' after ''I or II''; and

(2) in subsection (b)(1)(D), by inserting ''or 30 milligrams of flunitrazepam,'' after ''schedule III,''.

(b) IMPORT AND EXPORT PENALTIES.—

(1) Section 1009(a) of the Controlled Substances Import and Export Act (21 U.S.C. 959(a)) is amended by inserting ''or flunitrazepam'' after ''I or II''.

(2) Section 1010(b)(3) of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)) is amended by inserting ''or flunitrazepam'' after ''I or II,''.

(3) Section 1010(b)(4) of the Controlled Substances Import and Export Act is amended by inserting ''(except a violation involving flunitrazepam)'' after ''III, IV, or V,''.

(c) SENTENCING GUIDELINES.—The United States Sentencing Commission shall amend the Sentencing Guidelines so that one dosage unit of flunitrazepam shall be equivalent to one gram of marihuana for determining the offense level under the Drug Quantity Table.

Section 1. Short Title: Establishes the title of the bill as the ''Drug-Induced Rape Prevention Act of 1996.''

Section 2. Penalties for Distribution of a Controlled Substance with Intent to Rape: Creates a specific violation under the Controlled Substances Act (CSA) for unlawful distribution, with the intent to rape, of a controlled substance to a person without that person's knowledge. The penalty will be up to 20 years without probation, and fines will be imposed of up to two million dollars for an individual. The definition of ''intent to rape'' is provided in section 2241(b) or 2242(2) of Title 18, U.S.C. and is referenced in this bill.

Section 3. Additional Penalties Relating to Flunitrazepam:

(a) GENERAL PENALTIES.—Provides enhanced penalties for manufacturing, distributing, dispensing, or possessing with the intent to manufacture, dispense or distribute large quantities of the drug flunitrazepam (marketed under the name ''Rohypnol''). One gram or more of flunitrazepam will carry a penalty of not more than 20 years in prison, and 30 milligrams a penalty of not more than five years in prison.

(b) IMPORT AND EXPORT PENALTIES.—Extends the so-called ''long-arm'' provisions of 21 U.S.C. 959(a) to the unlawful manufacture and distribution of flunitrazepam outside the United States with the intent to import it unlawfully into this country.

(c) SENTENCING GUIDELINES.—Directs the U.S. Sentencing Commission to amend the Sentencing Guidelines so that flunitrazepam will be subject to the same base offense level as schedule I or II depressants.

By Mr. D'AMATO (for himself, Mr. MOYNIHAN, and Mr. FAIRCLOTH):

S. 2041. A bill to amend the Marine Protection, Research, and Sanctuaries Act of 1972 with respect to the dumping of dredged material in Long Island Sound, and for other purposes; to the Committee on Environment and Public Works.

THE LONG ISLAND SOUND PRESERVATION AND PROTECTION ACT

Mr. D'AMATO. Mr. President, I rise today to introduce legislation along with Senator MOYNIHAN and Senator FAIRCLOTH that will help guarantee that one of our Nation's most important estuaries is no longer used as a dumping ground for polluted dredged material. Long Island Sound is a spectacular body of water located between Long Island, NY and the State of Connecticut. Unfortunately, dumping of dredged material of questionable environmental impact has occurred in the sound for a number of years. It is high time that Congress put an end to this practice of willful pollution of the Sound.

The legislation that we are introducing today will prevent any individual or any Government agency from randomly dumping sediments into the ecologically sensitive sound. Specifically, the legislation prevents all sediments that contain any constituents prohibited as other than trace contaminants, as defined by Federal regulations, from being dumped into either Long Island Sound or Block Island Sound. Exceptions to the act can be made only in circumstances where the Administrator of the Environmental Protection Agency shows that the material will not cause undesirable effects to the environment or marine life.

Last fall, the U.S. Navy dumped over 1 million cubic yards of dredged material from the Thames River into the New London dump site located in the sound. Independent tests of this sediment indicated that contaminants were present in that dredged material that now lies at the bottom of the sound's New London dump site–contaminants such as dioxin, cadmium, pesticides, polyaromatic hydrocarbons, PCB's, and mercury. Right now, there is a question as to the long-term impact this material will have on the aquatic life and the environment in this area. Such concerns should not have to occur. It has taken years to come as far as we have in cleaning up Long Island Sound—we should not jeopardize those gains by routinely allowing the dumping of polluted sediments in these waters.

Over $1.2 billion in Federal, State, and local funds have been spent in the State of New York in the last quarter century combating pollution in the sound. However, over the last 25 years, we have continued to look the other way when it comes to dumping in the sound. Such actions are counterproductive in our efforts to restore the Sound for recreational activities such as swimming and boating as well as the economic benefits of sport fishing and the shellfish industry all of which bring more than $5.5 billion to the region each year. We can and must change our current direction. With the passage of this legislation, I am confident that we will do so, and the Long Island Sound will move forward on the road to recovery. I urge my colleagues to join us in cosponsoring this bill, and I encourage its swift passage in the Senate.

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. 2041

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 ''Long Island Sound Preservation and Protection Act of 1996''.

SEC. 2. DUMPING OF DREDGED MATERIALS IN LONG ISLAND SOUND.

Section 106(f) of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1416(f)) is amended to read as follows:

''(f) DUMPING OF DREDGED MATERIAL IN LONG ISLAND SOUND.—

''(1) IN GENERAL.—No dredged material from any Federal or non-Federal project that contains any of the constituents prohibited as other than trace contaminants (as defined by the Federal ocean dumping criteria stated in section 227.6 of title 40, Code of Federal Regulations) may be dumped in Long Island Sound or Block Island Sound except in a case in which it is demonstrated to the Administrator, and the Administrator certifies by publication in the Federal Register, that the dumping of the dredged material containing the constituents will not cause significant undesirable effects, including the threat associated with bioaccumulation of such constituents in marine organisms.

(2) FEDERAL PROJECTS EXCEEDING 25,000 YARDS.—In addition to other provisions of law and notwithstanding the specific exclusion relating to dredged material of the first sentence in section 102(a), any dumping of dredged material in Long Island Sound from a Federal project (or pursuant to Federal authorization) by a non-Federal applicant in a quantity exceeding 25,000 cubic yards shall comply with the criteria established under the second sentence of section 102(a) relating to the effects of dumping.

''(3) RELATION TO OTHER LAW.—Subsection (d) shall not apply to this subsection.''.

By Mr. MACK (for himself, Mr. BOND, Mr. D'AMATO, and Mr. BENNETT):

S. 2042. A bill to reform the multifamily rental assisted housing programs of the Federal Government, maintain the affordability and availability of low-income housing, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE MULTIFAMILY ASSISTED HOUSING REFORM AND AFFORDABILITY ACT OF 1996

Mr. MACK. Mr. President, I am pleased to introduce, on behalf of Senator D'AMATO, BOND, and BENNETT, the Multifamily Assisted Housing Reform and Affordability Act of 1996. This bill is a serious effort to reform the Nation's assisted and insured multifamily housing portfolio in a responsible manner that balances both fiscal and public policy goals. This legislation will save scarce Federal subsidy dollars while maintaining the affordability and availability of decent and safe rental housing.

About 20 years ago, the Federal Government encouraged private developers to construct affordable rental housing by providing mortgage insurance through the Federal Housing Administration [FHA] and rental assistance through the Department of Housing and Urban Development's [HUD] project-based Section 8 programs. In addition, tax incentives for the development of low-income housing were provided through the tax code until 1986.

The combination of these financial incentives resulted in the creation of thousands of decent, safe, and affordable housing properties but, at a great cost to the American taxpayer. Flaws in the Section 8 rental assistance program allowed owners to receive more Federal dollars in rental subsidy than was necessary to maintain properties as decent and affordable rental housing. A recent HUD study found that almost two-thirds of assisted properties have contract rents greater than comparable market rents. Like the severely distressed public housing stock, some of these Section 8 projects have become targets and havens for crime and drug activities. Thus, in some cases, taxpayers are paying costly subsidies for inferior housing. We believe that a policy that pays excessive rental subsidies for housing is not fair to the American taxpayer, and it cannot be sustained in the current budget environment.

It is critical that this legislation be enacted this year because in the next several years, a majority of the Section 8 contracts on the 8,500 FHA-insured properties will expire. If contracts continue to be renewed at existing levels, the cost of renewing these contracts will grow from $1.2 billion in fiscal year 1997 to almost $4 billion in fiscal year 2000 and $8 billion 10 years from now. However, if these project-based assistance contracts are not renewed most of the FHA-insured mortgages—with an unpaid principal balance of $18 billion—will default and result in claims on the FHA insurance funds. This could lead to more severe actions such as foreclosure, which will adversely affect residents and communities.

Like public housing, federally assisted and insured housing provides critical housing to almost 1.6 million American families. There are other similarities to public housing. For one, the average annual income of residents that reside in project-based housing is less than $7,000. A significant percentage of residents are elderly or persons with disabilities. Many of these developments are located in rural areas where no other rental housing exists. some of these properties serve as ''anchors'' of neighborhoods where the economic stability of the neighborhoods is dependent upon the viability of these properties.

Unfortunately for residents and communities, HUD does not have the ability to administer and oversee its portfolio of multifamily housing properties. The General Accounting Office and the HUD Office of Inspector General [IG] have found that even though HUD has various enforcement tools to ensure that properties are properly maintained, poor management information systems and ineffective oversight of properties have impeded HUD's ability to identify problems and pursue enforcement actions in a timely fashion. HUD is further hampered by the lack of adequate staffing and inadequately trained staff. For example, the IG found that the average workload for a HUD loan servicer ranged from 28 projects per servicer to 105 projects per servicer. In comparison, State housing finance agencies averaged 12 to 16 projects per servicer.

The Multifamily Assisted Housing Reform and Affordability Act addresses these issues through a new comprehensive structure that provides a wide variety of tools to address the spiraling costs of Section 8 assistance without harming residents or communities. The bill will reduce the long-term ongoing costs of Federal subsidies by restructuring the underlying debt insured by FHA. This restructuring process will reduce the subsidy needs and costs of the properties and minimizes adverse tax consequences to good owners.

In recognition of HUD's inability to manage and service its housing inventory, this legislation would transfer the functions and responsibilities to capable State and local housing agencies who would act as participating administrative entities in managing this program. Incentives would be provided to these entities to ensure that the American taxpayer is paying the least amount of money to provide decent, safe, and affordable housing. Any amount of incentives provided to State and local entities would only be used for low-income housing purposes.

Horror stories of owners that have clearly violated housing quality standards would no longer be tolerated. Our bill screens out bad owners and managers and nonviable projects from the inventory and provides tougher and more effective enforcement tools that will minimize fraud and abuse of FHA insurance and assisted housing programs.

Lastly, our bill provides tools to recapitalize the assisted stock that suffer from deferred maintenance and empowers residents by providing for meaningful community and resident input into the process. Residents would also be empowered through opportunities to purchase properties.

Mr. President, I would like to reemphasize that it is critical that we address this issue this year. Delays will only harm the assisted housing stock, its residents and communities, and the financial stability of the FHA insurance funds. Further, HUD only has limited statutory authority to renew these contracts. In most cases, it cannot and does not have the capability to deal with this housing portfolio under current law.

This legislation will protect the Federal Government's investment in assisted housing and ensure that participating administrative entities are held accountable for their activities. It is also our goal that this process will ensure the long-term viability of these projects with minimal Federal involvement. It is a real effort to reduce the costs of the Federal Government while recognizing the needs of low-income families and communities throughout the Nation.

Mr. President, I ask unanimous consent that a summary and the text of the bill be printed in the RECORD.

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

S. 2042

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Multifamily Assisted Housing Reform and Affordability Act of 1996''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
TITLE I—FHA-INSURED MULTIFAMILY HOUSING MORTGAGE AND HOUSING ASSISTANCE RESTRUCTURING
Sec. 101. Findings and purposes.
Sec. 102. Definitions.
Sec. 103. Authority of participating administrative entities.
Sec. 104. Mortgage restructuring and rental assistance sufficiency plan.
Sec. 105. Section 8 renewals and long-term affordability commitment by owner of project.
Sec. 106. Prohibition on restructuring.
Sec. 107. Restructuring tools.
Sec. 108. Shared savings incentive.
Sec. 109. Management standards.
Sec. 110. Monitoring of compliance.
Sec. 111. Review.
Sec. 112. GAO audit and review.
Sec. 113. Regulations.
Sec. 114. Technical and conforming amendments.
Sec. 115. Termination of authority.
TITLE II—ENFORCEMENT PROVISIONS
Sec. 201. Implementation.
Subtitle A—FHA Single Family and Multifamily Housing
Sec. 211. Authorization to immediately suspend mortgagees.
Sec. 212. Extension of equity skimming to other single family and multifamily housing programs.
Sec. 213. Civil money penalties against mortgagees, lenders, and other participants in FHA programs.
Subtitle B—FHA Multifamily
Sec. 220. Civil money penalties against general partners, officers, directors, and certain managing agents of multifamily projects.
Sec. 221. Civil money penalties for noncompliance with section 8 HAP contracts.
Sec. 222. Extension of double damages remedy.
Sec. 223. Obstruction of Federal audits.

TITLE I—FHA-INSURED MULTIFAMILY HOUSING MORTGAGE AND HOUSING ASSISTANCE RESTRUCTURING

SEC. 101. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) there exists throughout the Nation a need for decent, safe, and affordable housing;

(2) as of the date of enactment of this Act, it is estimated that—

(A) the insured multifamily housing portfolio of the Federal Housing Administration consists of 14,000 rental properties, with an aggregate unpaid principal mortgage balance of $38,000,000,000; and

(B) approximately 10,000 of these properties contain housing units that are assisted with project-based rental assistance under section 8 of the United States Housing Act of 1937;

(3) FHA-insured multifamily rental properties are a major Federal investment, providing affordable rental housing to an estimated 2,000,000 low- and very low-income families;

(4) approximately 1,600,000 of these families live in dwelling units that are assisted with project-based rental assistance under section 8 of the United States Housing Act of 1937;

(5) a substantial number of housing units receiving project-based assistance have rents that are higher than the rents of comparable, unassisted rental units in the same housing rental market;

(6) many of the contracts for project-based assistance will expire during the several years following the date of enactment of this Act;

(7) it is estimated that—

(A) if no changes in the terms and conditions of the contracts for project-based assistance are made before fiscal year 2000, the cost of renewing all expiring rental assistance contracts under section 8 of the United States Housing Act of 1937 for both project-based and tenant-based rental assistance will increase from approximately $4,000,000,000 in fiscal year 1997 to over $17,000,000,000 by fiscal year 2000 and some $23,000,000,000 in fiscal year 2006;

(B) of those renewal amounts, the cost of renewing project-based assistance will increase from $1,200,000,000 in fiscal year 1997 to almost $8,000,000,000 by fiscal year 2006; and

(C) without changes in the manner in which project-based rental assistance is provided, renewals of expiring contracts for project-based rental assistance will require an increasingly larger portion of the discretionary budget authority of the Department of Housing and Urban Development in each subsequent fiscal year for the foreseeable future;

(8) absent new budget authority for the renewal of expiring rental contracts for project-based assistance, many of the FHA-insured multifamily housing projects that are assisted with project-based assistance will likely default on their FHA-insured mortgage payments, resulting in substantial claims to the FHA General Insurance Fund and Special Risk Insurance Funds;

(9) more than 15 percent of federally assisted multifamily housing projects are physically or financially distressed, including a number which suffer from mismanagement;

(10) due to Federal budget constraints, the downsizing of the Department of Housing and Urban Development, and diminished administrative capacity, the Department lacks the ability to ensure the continued economic and physical well-being of the stock of federally insured and assisted multifamily housing projects; and

(11) the economic, physical, and management problems facing the stock of federally insured and assisted multifamily housing projects will be best served by reforms that—

(A) reduce the cost of Federal rental assistance, including project-based assistance, to these projects by reducing the debt service and operating costs of these projects while retaining the low-income affordability and availability of this housing;

(B) address physical and economic distress of this housing and the failure of some project managers and owners of projects to comply with management and ownership rules and requirements; and

(C) transfer and share many of the loan and contract administration functions and responsibilities of the Secretary with capable State, local, and other entities.

(b) PURPOSES.—The purposes of this title are—

(1) to preserve low-income rental housing affordability and availability while reducing the long-term costs of project-based assistance;

(2) to reform the design and operation of Federal rental housing assistance programs, administered by the Secretary, to promote greater multifamily housing project operating and cost efficiencies;

(3) to encourage owners of eligible multifamily housing projects to restructure their FHA-insured mortgages and project-based assistance contracts in a manner which is consistent with this title before the year in which the contract expires;

(4) to streamline and improve federally insured and assisted multifamily housing project oversight and administration;

(5) to resolve the problems affecting financially and physically troubled federally insured and assisted multifamily housing projects through cooperation with residents, owners, State and local governments, and other interested entities and individuals; and

(6) to grant additional enforcement tools to use against those who violate agreements and program requirements, in order to ensure that the public interest is safeguarded and that Federal multifamily housing programs serve their intended purposes.

SEC. 102. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) COMPARABLE PROPERTIES.—The term ''comparable properties'' means properties that are—

(A) similar to the eligible multifamily housing project in neighborhood (including risk of crime), location, access, street appeal, age, property size, apartment mix, physical configuration, property amenities, inapartment rental amenities, and utilities;

(B) unregulated by contractual encumbrances or local rent-control laws; and

(C) occupied predominantly by renters who receive no rent supplements or rental assistance.

(2) ELIGIBLE MULTIFAMILY HOUSING PROJECT.—The term ''eligible multifamily housing project'' means a property consisting of more than 4 dwelling units—

(A) with rents which, on an average per unit or per room basis, exceed the fair market rent of the same market area, as determined by the Secretary;

(B) that is covered in whole or in part by a contract for project-based assistance under—

(i) the new construction and substantial rehabilitation program under section 8(b)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1983);

(ii) the property disposition program under section 8(b) of the United States Housing Act of 1937;

(iii) the moderate rehabilitation program under section 8(e)(2) of the United States Housing Act of 1937;

(iv) the project-based certificate program under section 8 of the United States Housing Act of 1937;

(v) section 23 of the United States Housing Act of 1937 (as in effect before January 1, 1975);

(vi) the rent supplement program under section 101 of the Housing and Urban Development Act of 1965; or

(vii) section 8 of the United States Housing Act of 1937, following conversion from assistance under section 101 of the Housing and Urban Development Act of 1965; and

(C) financed by a mortgage insured under the National Housing Act.

(3) EXPIRING CONTRACT.—The term ''expiring contract'' means a project-based assistance contract attached to an eligible multifamily housing project which, under the terms of the contract, will expire.

(4) EXPIRATION DATE.—The term ''expiration date'' means the date on which an expiring contract expires.

(5) FAIR MARKET RENT.—The term ''fair market rent'' means the fair market rental established under section 8(c) of the United States Housing Act of 1937.

(6) KNOWING OR KNOWINGLY.—The term ''knowing'' or ''knowingly'' means having actual knowledge of or acting with deliberate ignorance or reckless disregard.

(7) LOW-INCOME FAMILIES.—The term ''low-income families'' has the same meaning as provided under section 3(b)(2) of the United States Housing Act of 1937.

(8) MULTIFAMILY HOUSING MANAGEMENT AGREEMENT.—The term ''multifamily housing management agreement'' means the agreement entered into between the Secretary and a participating administrative entity, as provided under section 103 of the title.

(9) PARTICIPATING ADMINISTRATIVE ENTITY.—The term ''participating administrative entity'' means a public agency, including a State housing finance agency or local housing agency, which meets the requirements under section 103(b).

(10) PROJECT-BASED ASSISTANCE.—The term ''project-based assistance'' means rental assistance under section 8 of the United States Housing Act of 1937 that is attached to a multifamily housing project.

(11) RENEWAL.—The term ''renewal'' means the replacement of an expiring Federal rental contract with a new contract under section 8 of the United States Housing Act of 1937, consistent with the requirements of this title.

(12) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(13) STATE.—The term ''State'' has the same meaning as in section 104 of the Cranston-Gonzalez National Affordable Housing Act.

(14) TENANT-BASED ASSISTANCE.—The term ''tenant-based assistance'' has the same meaning as in section 8(f) of the United States Housing Act of 1937.

(15) UNIT OF GENERAL LOCAL GOVERNMENT.—The term ''unit of general local government'' has the same meaning as in section 104 of the Cranston-Gonzalez National Affordable Housing Act.

(16) VERY LOW-INCOME FAMILY.—The term ''very low-income family'' has the same meaning as in section 3(b) of the United States Housing Act of 1937.

SEC. 103. AUTHORITY OF PARTICIPATING ADMINISTRATIVE ENTITIES.

(a) PARTICIPATING ADMINISTRATIVE ENTITIES.—

(1) IN GENERAL.—The Secretary shall enter into multifamily housing management agreements with participating administrative entities for the implementation of mortgage restructuring and rental assistance sufficiency plans to restructure FHA-insured multifamily housing mortgages, in order to—

(A) reduce the costs of current and expiring contracts for assistance under section 8 of the United States Housing Act of 1937;

(B) address financially and physically troubled projects; and

(C) correct management and ownership deficiencies.

(2) MULTIFAMILY HOUSING MANAGEMENT AGREEMENTS.—Each multifamily housing management agreement entered into under this subsection shall—

(A) be a cooperative agreement to establish the obligations and requirements between the Secretary and the participating administrative entity;

(B) identify the eligible multifamily housing projects or groups of projects for which the participating administrative entity is responsible for assisting in developing and implementing approved mortgage workout and rental assistance sufficiency plans under section 104;

(C) require the participating administrative entity to review and certify to the accuracy and completeness of a comprehensive needs assessment submitted by the owner of an eligible multifamily housing project, in accordance with the information and data requirements of section 403 of the Housing and Community Development Act of 1992, including such other data, information, and requirements as the Secretary may require to be included as part of the comprehensive needs assessment;

(D) identify the responsibilities of both the participating administrative entity and the Secretary in implementing a mortgage restructuring and rental assistance sufficiency plan, including any actions proposed to be taken under section 106 or 107;

(E) require each mortgage restructuring and rental assistance sufficiency plan prepared in accordance with the requirements of section 104 for each eligible multifamily housing project;

(F) indemnify the participating administrative entity against lawsuits and penalties for actions taken pursuant to the agreement, excluding actions involving gross negligence or willful misconduct; and

(G) include compensation for all reasonable expenses incurred by the participating administrative entity necessary to perform its duties under this Act, including such incentives as may be authorized under section 108.

(b) SELECTION OF PARTICIPATING ADMINISTRATIVE ENTITY.—

(1) SELECTION CRITERIA.—The Secretary shall select a participating administrative entity based on the following criteria—

(A) is located in the State or local jurisdiction in which the eligible multifamily housing project or projects are located;

(B) has demonstrated expertise in the development or management of low-income affordable rental housing;

(C) has a history of stable, financially sound, and responsible administrative performance;

(D) has demonstrated financial strength in terms of asset quality, capital adequacy, and liquidity; and

(E) is otherwise qualified, as determined by the Secretary, to carry out the requirements of this title.

(2) SELECTION OF MORTGAGE RISK-SHARING ENTITIES.—Any State housing finance agency or local housing agency which is designated as a qualified participating entity under section 542 of the Housing and Community Development Act of 1992 shall automatically qualify as a participating administrative entity under this section.

(3) ALTERNATIVE ADMINISTRATORS.—With respect to any eligible multifamily housing project that is located in a State or local jurisdiction in which the Secretary determines that a participating administrative entity is not located, is unavailable, or does not qualify, the Secretary shall either—

(A) carry out the requirements of this title with respect to that eligible multifamily housing project; or

(B) contract with other qualified entities that meet the requirements of subsection (b), with the exception of subsection (b)(1)(A), the authority to carry out all or a portion of the requirements of this title with respect to that eligible multifamily housing project.

(4) PREFERENCE FOR STATE HOUSING FINANCE AGENCIES AS PARTICIPATING ADMINISTRATIVE ENTITIES.—For each State in which eligible multifamily housing projects are located, the Secretary shall give preference to the housing finance agency of that State or, if a State housing finance agency is unqualified or has declined to participate, a local housing agency to act as the participating administrative entity for that State or for the jurisdiction in which the agency located.

(5) STATE PORTFOLIO REQUIREMENTS.—

(A) IN GENERAL.—If the housing finance agency of a State is selected as the participating administrative entity, that agency shall be responsible for all eligible multifamily housing projects in that State, except that a local housing agency selected as a participating administrative entity shall be responsible for all eligible multifamily housing projects in the jurisdiction of the agency.

(B) DELEGATION.—A participating administrative entity may delegate or transfer responsibilities and functions under this title to one or more interested and qualified public entities.

(C) WAIVER.—A State housing finance agency or local housing agency may request a waiver from the Secretary from the requirements of this paragraph for good cause.

SEC. 104. MORTGAGE RESTRUCTURING AND RENTAL ASSISTANCE SUFFICIENCY PLAN.

(a) IN GENERAL.—

(1) DEVELOPMENT OF PROCEDURES AND REQUIREMENTS.—The Secretary shall develop procedures and requirements for the submission of a mortgage restructuring and rental assistance sufficiency plan for each eligible multifamily housing project with an expiring contract.

(2) TERMS AND CONDITIONS.—Each mortgage restructuring and rental assistance sufficiency plan submitted under this subsection shall be developed at the initiative of an owner of an eligible multifamily housing project with a participating administrative entity, under such terms and conditions as the Secretary shall require.

(3) CONSOLIDATION.—Mortgage restructuring and rental assistance sufficiency plans submitted under this subsection may be consolidated as part of an overall strategy for more than one property.

(b) NOTICE REQUIREMENTS.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—The Secretary shall establish notice procedures and hearing requirements for tenants and owners concerning the dates for the expiration of project-based assistance contracts for any eligible multifamily housing project.

(B) 12-MONTH NOTICE.—Under the hearing requirements established under this paragraph, the owner shall provide 12 months notice in writing before the expiration of the initial project-based assistance contract to tenants of any eligible multifamily housing project.

(2) EXTENSION OF CONTRACT TERM.—Subject to agreement by a project owner, the Secretary may extend the term of any expiring contract or provide a section 8 contract with rent levels set in accordance with subsection (f)(2) for a period sufficient to facilitate the implementation of a mortgage restructuring and rental assistance sufficiency plan, as determined by the Secretary.

(c) TENANT RENT PROTECTION.—If the owner of a project with an expiring Federal rental assistance contract does not agree to extend the contract, the Secretary shall make tenant-based assistance available to tenants residing in units assisted under the expiring contract at the time of expiration.

(d) MORTGAGE RESTRUCTURING AND RENTAL ASSISTANCE SUFFICIENCY PLAN.—Each mortgage restructuring and rental assistance sufficiency plan shall—

(1) except as otherwise provided, restructure the project-based assistance rents for the eligible multifamily housing property in a manner consistent with subsection (e);

(2) require the owner or purchaser of an eligible multifamily mortgage housing project with an expiring contract to submit to the participating administrative entity a comprehensive housing needs assessment, in accordance with the information and data requirements of section 403 of the Housing and Community Development Act of 1992, including such other data, information, and requirements as the Secretary may require to be included as part of the comprehensive needs assessment;

(3) require the owner or purchaser of the project to provide or contract for competent management of the project;

(4) require the owner or purchaser of the project to take such actions as may be necessary to rehabilitate, maintain adequate reserves, and to maintain the project in decent and safe condition, based on housing quality standards established by—

(A) the Secretary; or

(B) local housing codes or codes adopted by public housing agencies that—

(i) meet or exceed housing quality standards established by the Secretary; and

(ii) do not severely restrict housing choice;

(5) require the owner or purchaser of the project to maintain affordability and use restrictions for 20 years, as the participating administrative entity determines to be appropriate, which restrictions shall be consistent with the long-term physical and financial viability character of the project as affordable housing;

(6) meet subsidy layering requirements under guidelines established by the Secretary; and

(7) require the owner or purchaser of the project to meet such other requirements as the Secretary determines to be appropriate.

(e) TENANT AND COMMUNITY PARTICIPATION AND CAPACITY BUILDING.—

(1) PROCEDURES.—

(A) IN GENERAL.—The Secretary shall establish procedures to provide an opportunity for tenants of the project and other affected parties, including local government and the community in which the project is located, to participate effectively in the restructuring process established by this title.

(B) CRITERIA.—These procedures shall include—

(i) the rights to timely and adequate written notice of the proposed decisions of the owner or the Secretary or participating administrative entity;

(ii) timely access to all relevant information (except for information determined to be proprietary under standards established by the Secretary);

(iii) an adequate period to analyze this information and provide comments to the Secretary or participating administrative entity (which comments shall be taken into consideration by the Administrator); and

(iv) if requested, a meeting with a representative of the Administrator and other affected parties.

(2) PROCEDURES REQUIRED.—The procedures established under paragraph (1) shall permit tenant, local government, and community participation in at least the following decisions or plans specified in this title:

(A) The Multifamily Housing Management Agreement.

(B) Any proposed expiration of the section 8 contract.

(C) The project's eligibility for restructuring pursuant to section 106 and the mortgage restructuring and rental assistance sufficiency plan pursuant to section 104.

(D) Physical inspections.

(E) Capital needs and management assessments, whether before or after restructuring.

(F) Any proposed transfer of the project.

(3) FUNDING.—

(A) IN GENERAL.—The Secretary may provide not more than $10,000,000 annually in funding to tenant groups, nonprofit organizations, and public entities for building the capacity of tenant organizations, for technical assistance in furthering any of the purposes of this title (including transfer of developments to new owners) and for tenant services, from those amounts made available under appropriations Acts for implementing this title.

(B) ALLOCATION.—The Secretary may allocate any funds made available under subparagraph (A) through existing technical assistance programs and procedures developed pursuant to any other Federal law, including the Low-Income Housing Preservation and Resident Homeownership Act of 1990 and the Multifamily Property Disposition Reform Act of 1994.

(C) PROHIBITION.—None of the funds made available under subparagraph (A) may be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by the Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation.

(f) RENT LEVELS.—

(1) IN GENERAL.—Except as provided in paragraph (2), each mortgage restructuring and rental assistance sufficiency plan pursuant to the terms, conditions, and requirements of this title shall establish for units assisted with project-based assistance in eligible multifamily housing projects adjusted rent levels that—

(A) are equivalent to rents derived from comparable properties, if—

(i) the participating administrative entity makes the rent determination not later than 60 days after the owner submits a mortgage restructuring and rental assistance sufficiency plan; and

(ii) the market rent determination is based on not less than 2 comparable properties; or

(B) if those rents cannot be determined, are equal to 90 percent of the fair market rents for the relevant market area.

(2) EXCEPTIONS.—

(A) IN GENERAL.—A contract under this section may include rent levels that exceed the rent level described in paragraph (1) at rent levels that do not exceed 120 percent of the local fair market rent if the participating administrative entity—

(i) determines, that the housing needs of the tenants and the community cannot be adequately addressed through implementation of the rent limitation required to be established through a mortgage restructuring and rental assistance sufficiency plan under paragraph (1); and

(ii) follows the procedures under paragraph (3).

(B) EXCEPTION RENTS.—In any fiscal year, a participating administrative entity may approve exception rents on not more than 20 percent of all units in the geographic jurisdiction of the entity with expiring contracts in that fiscal year, except that the Secretary may waive this ceiling upon a finding of special need in the geographic area served by the participating administrative entity.

(3) RENT LEVELS FOR EXCEPTION PROJECTS.—For purposes of this section, a project eligible for an exception rent shall receive a rent calculation on the actual and projected costs of operating the project, at a level that provides income sufficient to support a budget-based rent that consists of—

(A) the debt service of the project;

(B) the operating expenses of the project, as determined by the participating administrative entity, including—

(i) contributions to adequate reserves;

(ii) the costs of maintenance and necessary rehabilitation; and

(iii) other eligible costs permitted under section 8 of the United States Housing Act of 1937;

(C) an adequate allowance for potential operating losses due to vacancies and failure to collect rents, as determined by the participating administrative entity;

(D) an allowance for a reasonable rate of return to the owner or purchaser of the project, as determined by the participating administrative entity, which shall not exceed 7 percent of the return on equity; and

(E) other expenses determined by the participating administrative entity to be necessary for the operation of the project.

(g) EXEMPTIONS FROM RESTRUCTURING.—Subject to section 106, the Secretary shall renew project-based assistance contracts at existing rents if—

(1) the project was financed through obligations such that the implementation of a mortgage restructuring and rental assistance plan under this section is inconsistent with applicable law or agreements governing such financing;

(2) in the determination of the Secretary or the participating administrative entity, the refinancing would not result in significant savings to the Secretary; or

(3) the project has an expiring contract under section 8 of the United States Housing Act of 1937 but does not qualify as an eligible multifamily project pursuant to section 102(6) of this title.

SEC. 105. SECTION 8 RENEWALS AND LONG-TERM AFFORDABILITY COMMITMENT BY OWNER OF PROJECT.

(a) SECTION 8 RENEWALS OF RESTRUCTURED PROJECTS.—Subject to the availability of amounts provided in advance in appropriations Acts, the Secretary shall enter into contracts with participating administrative entities pursuant to which the participating administrative entity shall offer to renew or extend an expiring section 8 contract on an eligible multifamily project, and the owner of the project shall accept the offer, provided the initial renewal is in accordance with the terms and conditions specified in the mortgage restructuring and rental sufficiency plan.

(b) REQUIRED COMMITMENT.—After the initial renewal of a section 8 contract pursuant to this section, the owner shall accept each offer made pursuant to subsection (a) to renew the contract, for a period of 20 years from the date of the initial renewal, if the offer to renew is on terms and conditions specified in the mortgage restoration and rental sufficiency plan.

SEC. 106. PROHIBITION ON RESTRUCTURING.

(a) PROHIBITION ON RESTRUCTURING.—The Secretary shall not consider any mortgage restructuring and rental assistance sufficiency plan or request for contract renewal if the participating administrative entity determines that—

(1) the owner or purchaser of the project has engaged in material adverse financial or managerial actions or omissions with regard to this project (or with regard to other similar projects if the Secretary determines that those actions or omissions constitute a pattern of mismanagement that would warrant suspension or debarment by the Secretary), including—

(A) knowingly and materially violating any Federal, State, or local law or regulation with regard to this project or any other federally assisted project;

(B) knowingly and materially breaching a contract for assistance under section 8 of the United States Housing Act of 1937;

(C) knowingly and materially violating any applicable regulatory or other agreement with the Secretary or a participating administrative entity;

(D) repeatedly failing to make mortgage payments at times when project income was sufficient to maintain and operate the property;

(E) materially failing to maintain the property according to housing quality standards after receipt of notice and a reasonable opportunity to cure; or

(F) committing any actions or omissions that would warrant suspension or debarment by the Secretary;

(2) the owner or purchaser of the property materially failed to follow the procedures

and requirements of this title, after receipt of notice and an opportunity to cure; or

(3) the poor condition of the project cannot be remedied in a cost effective manner, as determined by the participating administrative entity.

(b) OPPORTUNITY TO DISPUTE FINDINGS.—

(1) IN GENERAL.—During the 30-day period beginning on the date on which the owner or purchaser of an eligible multifamily housing project receives notice of a rejection under subsection (a) or of a mortgage restructuring and rental assistance sufficiency plan under section 104, the Secretary or participating administrative entity shall provide that owner or purchaser with an opportunity to dispute the basis for the rejection and an opportunity to cure.

(2) AFFIRMATION, MODIFICATION, OR REVERSAL.—

(A) IN GENERAL.—After providing an opportunity to dispute under paragraph (1), the Secretary or the participating administrative entity may affirm, modify, or reverse any rejection under subsection (a) or rejection of a mortgage restructuring and rental assistance sufficiency plan under section 104.

(B) REASONS FOR DECISION.—The Secretary or the participating administrative entity, as applicable, shall identify the reasons for any final decision under this paragraph.

(C) REVIEW PROCESS.—The Secretary shall establish an administrative review process to appeal any final decision under this paragraph.

(c) FINAL DETERMINATION.—Any final determination under this section shall not be subject to judicial review.

(d) DISPLACED TENANTS.—Subject to the availability of amounts provided in advance in appropriations Acts, for any low-income tenant that is residing in a project or receiving assistance under section 8 of the United States Housing Act of 1937 at the time of rejection under this section, that tenant shall be provided with tenant-based assistance and reasonable moving expenses, as determined by the Secretary.

(e) TRANSFER OF PROPERTY.—For properties disqualified from the consideration of a mortgage restructuring and rental assistance sufficiency plan under this section because of actions by an owner or purchaser in accordance with paragraph (1) or (2) of subsection (a), the Secretary shall establish procedures to facilitate the voluntary sale or transfer of a property as part of a mortgage restructuring and rental assistance sufficiency plan, with a preference for tenant organizations and tenant-endorsed community-based nonprofit and public agency purchasers meeting such reasonable qualifications as may be established by the Secretary.

SEC. 107. RESTRUCTURING TOOLS.

(a) RESTRUCTURING TOOLS.—For purposes of this title, and to the extent these actions are consistent with this section, an approved mortgage restructuring and assistance sufficiency plan may include one or more of the following:

(1) FULL OR PARTIAL PAYMENT OF CLAIM.—Making a full payment of claim or partial payment of claim under section 541(b) of the National Housing Act.

(2) REFINANCING OF DEBT.—Refinancing of all or part of the debt on a project, if the refinancing would result in significant subsidy savings under section 8 of the United States Housing Act of 1937.

(3) MORTGAGE INSURANCE.—Providing FHA multifamily mortgage insurance, reinsurance or other credit enhancement alternatives, including multifamily risk-sharing mortgage programs, as provided under section 542 of the Housing and Community Development Act of 1992. Any limitations on the number of units available for mortgage insurance under section 542 shall not apply to eligible multifamily housing projects. Any credit subsidy costs of providing mortgage insurance shall be paid from the General Insurance Fund and the Special Risk Insurance Fund.

(4) CREDIT ENHANCEMENT.—Any additional State or local mortgage credit enhancements and risk-sharing arrangements may be established with State or local housing finance agencies, the Federal Housing Finance Board, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation, to a modified first mortgage.

(5) COMPENSATION OF THIRD PARTIES.—Entering into agreements, incurring costs, or making payments, as may be reasonably necessary, to compensate the participation of participating administrative entities and other parties in undertaking actions authorized by this title. Upon request, participating administrative entities shall be considered to be contract administrators under section 8 of the United States Housing Act of 1937 for purposes of any contracts entered into as part of an approved mortgage restructuring and rental assistance sufficiency plan.

(6) RESIDUAL RECEIPTS.—Applying any acquired residual receipts to maintain the long-term affordability and physical condition of the property. The participating administrative entity may expedite the acquisition of residual receipts by entering into agreements with owners of housing covered by an expiring contract to provide an owner with a share of the receipts, not to exceed 10 percent.

(7) REHABILITATION NEEDS.—Assisting in addressing the necessary rehabilitation needs of the project, except that assistance under this paragraph shall not exceed the equivalent of $5,000 per unit for those units covered with project-based assistance. Rehabilitation may be paid from the provision of grants from residual receipts or, as provided in appropriations Acts, from budget authority provided for increases in the budget authority for assistance contracts under section 8 of the United States Housing Act of 1937, or through the debt restructuring transaction. Each owner that receives rehabilitation assistance shall contribute not less than 25 percent of the amount of rehabilitation assistance received.

(8) MORTGAGE RESTRUCTURING.—Restructuring mortgages to provide a structured first mortgage to cover rents at levels that are established in section 104(f) and a second mortgage equal to the difference between the restructured first mortgage and the mortgage balance of the eligible multifamily housing project at the time of restructuring. The second mortgage shall bear interest at a rate not to exceed the applicable Federal rate for a term not to exceed 40 years. If the first mortgage remains outstanding, payments of interest and principal on the second mortgage shall be made from all excess project income only after the payment of all reasonable and necessary operating expenses (including deposits in a reserve for replacement), debt service on the first mortgage, and such other expenditures as may be approved by the Secretary. Except as required by the preceding sentence, during the period in which the first mortgage remains outstanding, no payments of interest or principal shall be required on the second mortgage. The second mortgage shall be assumable by any subsequent purchaser of any multifamily housing project, pursuant to guidelines established by the Secretary. The principal and accrued interest due under the second mortgage shall be fully payable upon disposition of the property, unless the mortgage is assumed under the preceding sentence. The owner shall begin repayment of the second mortgage upon full payment of the first mortgage in equal monthly installments in an amount equal to the monthly principal and interest payments formerly paid under the first mortgage. The principal and interest of a second mortgage shall be immediately due and payable upon a finding by the Secretary that an owner has failed to materially comply with this title or any requirements of the United States Housing Act of 1937 as those requirements apply to the applicable project. Any credit subsidy costs of providing a second mortgage shall be paid from the General Insurance Fund and the Special Risk Insurance Fund.

(b) ROLE OF FNMA AND FHLMC.—Section 1335 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4565) is amended—

(1) in paragraph (3), by striking ''and'' at the end;

(2) paragraph (4), by striking the period at the end and inserting ''; and'';

(3) by striking ''To meet'' and inserting the following:

''(a) IN GENERAL.—To meet''; and

(4) by adding at the end the following:

''(5) assist in maintaining the affordability of assisted units in eligible multifamily housing projects with expiring contracts, as defined under the Multifamily Assisted Housing Reform and Affordability Act of 1996.

''(b) AFFORDABLE HOUSING GOALS.—Actions taken under subsection (a)(5) shall constitute part of the contribution of each entity in meeting their affordable housing goals under sections 1332, 1333, and 1334 for any fiscal year, as determined by the Secretary.''.

(c) PROHIBITION ON EQUITY SHARING BY THE SECRETARY.—The Secretary is prohibited from participating in any equity agreement or profit-sharing agreement in conjunction with any eligible multifamily housing project.

SEC. 108. SHARED SAVINGS INCENTIVE.

(a) IN GENERAL.—At the time a participating administrative entity is designated, the Secretary shall negotiate an incentive agreement with the participating administrative entity, which agreement may provide such entity with a share of savings from any restructured mortgage and reduced subsidies resulting from actions under section 107. The Secretary shall negotiate with participating administrative entities a savings incentive formula that provides for periodic payments over a 5-year period, which is allocated as incentives to participating administrative entities and to project owners.

(b) USE OF SAVINGS.—Notwithstanding any other provision of law, the incentive agreement under subsection (a) shall require any savings provided to a participating administrative entity under that agreement to be used only for providing decent, safe, and affordable housing for very low-income families and persons with a priority for eligible multifamily housing projects; and

SEC. 109. MANAGEMENT STANDARDS.

Each participating administrative entity shall establish and implement management standards, including requirements governing conflicts of interest between owners, managers, contractors with an identity of interest, pursuant to guidelines established by the Secretary and consistent with industry standards.

SEC. 110. MONITORING OF COMPLIANCE.

(a) COMPLIANCE AGREEMENTS.—Pursuant to regulations issued by the Secretary after public notice and comment, each participating administrative entity, through binding contractual agreements with owners and

otherwise, shall ensure long-term compliance with the provisions of this title. Each agreements shall, at a minimum, provide for—

(1) enforcement of the provisions of this title; and

(2) remedies for the breach of those provisions.

(b) PERIODIC MONITORING.—

(1) IN GENERAL.—Not less than annually, each participating administrative entity shall review the status of all multifamily housing projects for which a mortgage restructuring and rental assistance sufficiency plan has been implemented.

(2) INSPECTIONS.—Each review under this subsection shall include onsite inspection to determine compliance with housing codes and other requirements as provided in this title and the multifamily housing management agreements.

(c) AUDIT BY THE SECRETARY.—The Comptroller General of the United States, the Secretary, and the Inspector General of the Department of Housing and Urban Development may conduct an audit at any time of any multifamily housing project for which a mortgage restructuring and rental assistance sufficiency plan has been implemented.

SEC. 111. REVIEW.

(a) ANNUAL REVIEW.—In order to ensure compliance with this title, the Secretary shall conduct an annual review and report to the Congress on actions taken under this title and the status of eligible multifamily housing projects.

(b) SUBSIDY LAYERING REVIEW.—The participating administrative entity shall certify, pursuant to guidelines issued by the Secretary, that the requirements of section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 are satisfied so that the combination of assistance provided in connection with a property for which a mortgage is to be restructured shall not be any greater than is necessary to provide affordable housing.

SEC. 112. GAO AUDIT AND REVIEW.

(a) INITIAL AUDIT.—Not later than 18 months after the effective date of interim or final regulations promulgated under this title, the Comptroller General of the United States shall conduct an audit to evaluate a representative sample of all eligible multifamily housing projects and the implementation of all mortgage restructuring and rental assistance sufficiency plans.

(b) REPORT.—

(1) IN GENERAL.—Not later than 18 months after the audit conducted under subsection (a), the Comptroller General of the United States shall submit to the Congress a report on the status of all eligible multifamily housing projects and the implementation of all mortgage restructuring and rental assistance sufficiency plans.

(2) CONTENTS.—The report submitted under paragraph (1) shall include—

(A) a description of the initial audit conducted under subsection (a); and

(B) recommendations for any legislative action to increase the financial savings to the Federal Government of the restructuring of eligible multifamily housing projects balanced with the continued availability of the maximum number of affordable low-income housing units.

SEC. 113. REGULATIONS.

(a) RULEMAKING AND IMPLEMENTATION.—The Secretary shall issue interim regulations necessary to implement this title not later than the expiration of the 6-month period beginning on the date of enactment of this Act. Not later than 1 year after the date of enactment of this Act, in accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall implement final regulations implementing this title.

(b) REPEAL OF FHA MULTIFAMILY HOUSING DEMONSTRATION AUTHORITY.—

(1) IN GENERAL.—Beginning upon the expiration of the 6-month period beginning on the date of enactment of this Act, the Secretary may not exercise any authority or take any action under section 210 of the Balanced Budget Down Payment Act, II.

(2) UNUSED BUDGET AUTHORITY.—Any unused budget authority under section 210(f) of the Balanced Budget Down Payment Act, II, shall be available for taking actions under the requirements established through regulations issued under subsection (a).

SEC. 114. TECHNICAL AND CONFORMING AMENDMENTS.

(a) CALCULATION OF LIMIT ON PROJECT-BASED ASSISTANCE.—Section 8(d) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)) is amended by adding at the end the following new paragraph:

''(5) CALCULATION OF LIMIT.—Any contract entered into under section 104 of the Multifamily Assisted Housing Reform and Affordability Act of 1996 shall be excluded in computing the limit on project-based assistance under this subsection.''.

(b) PARTIAL PAYMENT OF CLAIMS ON MULTIFAMILY HOUSING PROJECTS.—Section 541 of the National Housing Act (12 U.S.C. 1735f–19) is amended—

(1) in subsection (a), in the subsection heading, by striking ''AUTHORITY'' and inserting ''DEFAULTED MORTGAGES'';

(2) by redesignating subsection (b) as subsection (c); and

(3) by inserting after subsection (a) the following new subsection:

''(b) EXISTING MORTGAGES.—Notwithstanding any other provision of law, the Secretary, in connection with a mortgage restructuring under section 104 of the Multifamily Assisted Housing Reform and Affordability Act of 1996, may make a one time, nondefault partial payment of the claim under the mortgage insurance contract, which shall include a determination by the Secretary or the participating administrative entity, in accordance with the Multifamily Assisted Housing Reform and Affordability Act of 1996, of the market value of the project and a restructuring of the mortgage, under such terms and conditions as the Secretary may establish.''.

SEC. 115. TERMINATION OF AUTHORITY.

(a) IN GENERAL.—Except as provided in subsection (b), this title is repealed effective October 1, 2001.

(b) EXCEPTION.—The repeal under this section does not apply with respect to projects and programs for which binding commitments have been entered into before October 1, 2001.

TITLE II—ENFORCEMENT PROVISIONS

SEC. 201. IMPLEMENTATION.

(a) ISSUANCE OF NECESSARY REGULATIONS.—Notwithstanding section 7(o) of the Department of Housing and Urban Development Act or part 10 of title 24, Code of Federal Regulations (as in existence on the date of enactment of this Act), the Secretary shall issue such regulations as the Secretary determines to be necessary to implement this title and the amendments made by this title in accordance with section 552 or 553 of title 5, United States Code, as determined by the Secretary.

(b) USE OF EXISTING REGULATIONS.—In implementing any provision of this title, the Secretary may, in the discretion of the Secretary, provide for the use of existing regulations to the extent appropriate, without rulemaking.

Subtitle A—FHA Single Family and Multifamily Housing

SEC. 211. AUTHORIZATION TO IMMEDIATELY SUSPEND MORTGAGEES.

Section 202(c)(3)(C) of the National Housing Act (12 U.S.C. 1708(c)(3)(C)) is amended by inserting after the first sentence the following new sentence: ''Notwithstanding paragraph (4)(A), a suspension shall be effective upon issuance by the Board if the Board determines that there exists adequate evidence that immediate action is required to protect the financial interests of the Department or the public.''.

SEC. 212. EXTENSION OF EQUITY SKIMMING TO OTHER SINGLE FAMILY AND MULTIFAMILY HOUSING PROGRAMS.

Section 254 of the National Housing Act (12 U.S.C. 1715z–19) is amended to read as follows:

''SEC. 254. EQUITY SKIMMING PENALTY.

''(a) IN GENERAL.—Whoever, as an owner, agent, or manager, or who is otherwise in custody, control, or possession of a multifamily project or a 1- to 4-family residence that is security for a mortgage note that is described in subsection (b), willfully uses or authorizes the use of any part of the rents, assets, proceeds, income, or other funds derived from property covered by that mortgage note for any purpose other than to meet reasonable and necessary expenses that include expenses approved by the Secretary if such approval is required, in a period during which the mortgage note is in default or the project is in a nonsurplus cash position, as defined by the regulatory agreement covering the property, or the mortgagor has failed to comply with the provisions of such other form of regulatory control imposed by the Secretary, shall be fined not more than $500,000, imprisoned not more than 5 years, or both.

''(b) MORTGAGE NOTES DESCRIBED.—For purposes of subsection (a), a mortgage note is described in this subsection if it—

''(1) is insured, acquired, or held by the Secretary pursuant to this Act;

''(2) is made pursuant to section 202 of the Housing Act of 1959 (including property still subject to section 202 program requirements that existed before the date of enactment of the Cranston-Gonzalez National Affordable Housing Act); or

''(3) is insured or held pursuant to section 542 of the Housing and Community Development Act of 1992, but is not reinsured under section 542 of the Housing and Community Development Act of 1992.''.

SEC. 213. CIVIL MONEY PENALTIES AGAINST MORTGAGEES, LENDERS, AND OTHER PARTICIPANTS IN FHA PROGRAMS.

(a) CHANGE TO SECTION TITLE.—Section 536 of the National Housing Act (12 U.S.C. 1735f–14) is amended by striking the section heading and the section designation and inserting the following:

''SEC. 536. CIVIL MONEY PENALTIES AGAINST MORTGAGEES, LENDERS, AND OTHER PARTICIPANTS IN FHA PROGRAMS.''.

(b) EXPANSION OF PERSONS ELIGIBLE FOR PENALTY.—Section 536(a) of the National Housing Act (12 U.S.C. 1735f–14(a)) is amended—

(1) in paragraph (1), by striking the first sentence and inserting the following: ''If a mortgagee approved under the Act, a lender holding a contract of insurance under title I of this Act, or a principal, officer, or employee of such mortgagee or lender, or other person or entity participating in either an insured mortgage or title I loan transaction under this Act or providing assistance to the borrower in connection with any such loan, including sellers of the real estate involved,

borrowers, closing agents, title companies, real estate agents, mortgage brokers, appraisers, loan correspondents and dealers, knowingly and materially violates any applicable provision of subsection (b), the Secretary may impose a civil money penalty on the mortgagee or lender, or such other person or entity, in accordance with this section. The penalty under this paragraph shall be in addition to any other available civil remedy or any available criminal penalty, and may be imposed whether or not the Secretary imposes other administrative sanctions.''; and

(2) in paragraph (2)—

(A) in the first sentence, by inserting ''or such other person or entity'' after ''lender''; and

(B) in the second sentence, by striking ''provision'' and inserting ''the provisions''.

(c) ADDITIONAL VIOLATIONS FOR MORTGAGEES, LENDERS, AND OTHER PARTICIPANTS IN FHA PROGRAMS.—Section 536(b) of the National Housing Act (12 U.S.C. 1735f–14(b)) is amended—

(1) by redesignating paragraph (2) as paragraph (3);

(2) by inserting after paragraph (1) the following new paragraph:

''(2) The Secretary may impose a civil money penalty under subsection (a) for any knowing and material violation by a principal, officer, or employee of a mortgagee or lender, or other participants in either an insured mortgage or title I loan transaction under this Act or provision of assistance to the borrower in connection with any such loan, including sellers of the real estate involved, borrowers, closing agents, title companies, real estate agents, mortgage brokers, appraisers, loan correspondents, and dealers for—

''(A) submission to the Secretary of information that was false, in connection with any mortgage insured under this Act, or any loan that is covered by a contract of insurance under title I of this Act;

''(B) falsely certifying to the Secretary or submitting to the Secretary a false certification by another person or entity; or

''(C) failure by a loan correspondent or dealer to submit to the Secretary information which is required by regulations or directives in connection with any loan that is covered by a contract of insurance under title I of this Act.''; and

(3) in paragraph (3), as redesignated, by striking ''or paragraph (1)(F)'' and inserting ''or (F), or paragraph (2)(A), (B), or (C)''.

(d) CONFORMING AND TECHNICAL AMENDMENTS.—Section 536 of the National Housing Act (12 U.S.C. 1735f–14) is amended—

(1) in subsection (c)(1)(B), by inserting after ''lender'' the following: ''or such other person or entity'';

(2) in subsection (d)(1)—

(A) by inserting ''or such other person or entity'' after ''lender''; and

(B) by striking ''part 25'' and inserting ''parts 24 and 25''; and

(3) in subsection (e), by inserting ''or such other person or entity'' after ''lender'' each place that term appears.

Subtitle B—FHA Multifamily

SEC. 220. CIVIL MONEY PENALTIES AGAINST GENERAL PARTNERS, OFFICERS, DIRECTORS, AND CERTAIN MANAGING AGENTS OF MULTIFAMILY PROJECTS.

(a) CIVIL MONEY PENALTIES AGAINST MULTIFAMILY MORTGAGORS.—Section 537 of the National Housing Act (12 U.S.C. 1735f–15) is amended—

(1) in subsection (b)(1), by striking ''on that mortgagor'' and inserting the following: ''on that mortgagor, on a general partner of a partnership mortgagor, or on any officer or director of a corporate mortgagor'';

(2) in subsection (c)—

(A) by striking the subsection heading and inserting the following:

''(c) OTHER VIOLATIONS.—''; and

(B) in paragraph (1)—

(i) by striking ''VIOLATIONS.—The Secretary may'' and all that follows through the colon and inserting the following:

''(A) LIABLE PARTIES.—The Secretary may also impose a civil money penalty under this section on—

''(i) any mortgagor of a property that includes five or more living units and that has a mortgage insured, coinsured, or held pursuant to this Act;

''(ii) any general partner of a partnership mortgagor of such property;

''(iii) any officer or director of a corporate mortgagor;

''(iv) any agent employed to manage the property that has an identity of interest with the mortgagor, with the general partner of a partnership mortgagor, or with any officer or director of a corporate mortgagor of such property; or

''(v) any member of a limited liability company that is the mortgagor of such property or is the general partner of a limited partnership mortgagor or is a partner of a general partnership mortgagor.

''(B) VIOLATIONS.—A penalty may be imposed under this section upon any liable party under subparagraph (A) that knowingly and materially takes any of the following actions:'';

(ii) in subparagraph (B), as designated by clause (i), by redesignating the subparagraph designations (A) through (L) as clauses (i) through (xii), respectively;

(iii) by adding after clause (xii), as redesignated by clause (ii), the following new clauses:

''(xiii) Failure to maintain the premises, accommodations, any living unit in the project, and the grounds and equipment appurtenant thereto in good repair and condition in accordance with regulations and requirements of the Secretary, except that nothing in this clause shall have the effect of altering the provisions of an existing regulatory agreement or federally insured mortgage on the property.

''(xiv) Failure, by a mortgagor, a general partner of a partnership mortgagor, or an officer or director of a corporate mortgagor, to provide management for the project that is acceptable to the Secretary pursuant to regulations and requirements of the Secretary.''; and

(iv) in the last sentence, by deleting ''of such agreement'' and inserting ''of this subsection'';

(3) in subsection (d)—

(A) in paragraph (1)(B), by inserting after ''mortgagor'' the following: '', general partner of a partnership mortgagor, officer or director of a corporate mortgagor, or identity of interest agent employed to manage the property''; and

(B) by adding at the end the following new paragraph:

''(5) PAYMENT OF PENALTY.—No payment of a civil money penalty levied under this section shall be payable out of project income.'';

(4) in subsection (e)(1), by deleting ''a mortgagor'' and inserting ''an entity or person'';

(5) in subsection (f), by inserting after ''mortgagor'' each place such term appears the following: '', general partner of a partnership mortgagor, officer or director of a corporate mortgagor, or identity of interest agent employed to manage the property'';

(6) by striking the heading of subsection (f) and inserting the following: ''CIVIL MONEY PENALTIES AGAINST MULTIFAMILY MORTGAGORS, GENERAL PARTNERS OF PARTNERSHIP MORTGAGORS, OFFICERS AND DIRECTORS OF CORPORATE MORTGAGORS, AND CERTAIN MANAGING AGENTS''; and

(7) by adding at the end the following new subsection:

''(k) IDENTITY OF INTEREST MANAGING AGENT.—For purposes of this section, the terms 'agent employed to manage the property that has an identity of interest' and 'identity of interest agent' mean an entity—

''(1) that has management responsibility for a project;

''(2) in which the ownership entity, including its general partner or partners (if applicable) and its officers or directors (if applicable), has an ownership interest; and

''(3) over which the ownership entity exerts effective control.''.

(b) IMPLEMENTATION.—

(1) PUBLIC COMMENT.—The Secretary shall implement the amendments made by this section by regulation issued after notice and opportunity for public comment. The notice shall seek comments primarily as to the definitions of the terms 'ownership interest in' and 'effective control', as those terms are used in the definition of the terms 'agent employed to manage the property that has an identity of interest' and 'identity of interest agent'.

(2) TIMING.—A proposed rule implementing the amendments made by this section shall be published not later than one year after the date of enactment of this Act.

(c) APPLICABILITY OF AMENDMENTS.—The amendments made by subsection (a) shall apply only with respect to—

(1) violations that occur on or after the effective date of the final regulations implementing the amendments made by this section; and

(2) in the case of a continuing violation (as determined by the Secretary of Housing and Urban Development), any portion of a violation that occurs on or after that date.

SEC. 221. CIVIL MONEY PENALTIES FOR NONCOMPLIANCE WITH SECTION 8 HAP CONTRACTS.

(a) BASIC AUTHORITY.—Title I of the United States Housing Act of 1937 is amended by adding at the end the following new section:

''SEC. 27. CIVIL MONEY PENALTIES AGAINST SECTION 8 OWNERS.

''(a) IN GENERAL.—

''(1) EFFECT ON OTHER REMEDIES.—The penalties set forth in this section shall be in addition to any other available civil remedy or any available criminal penalty, and may be imposed regardless of whether the Secretary imposes other administrative sanctions.

''(2) FAILURE OF SECRETARY.—The Secretary may not impose penalties under this section for a violation, if a material cause of the violation is the failure of the Secretary, an agent of the Secretary, or a public housing agency to comply with an existing agreement.

''(b) VIOLATIONS OF HOUSING ASSISTANCE PAYMENT CONTRACTS FOR WHICH PENALTY MAY BE IMPOSED.—

''(1) LIABLE PARTIES.—The Secretary may impose a civil money penalty under this section on—

''(A) any owner of a property receiving project-based assistance under section 8;

''(B) any general partner of a partnership owner of that property; and

''(C) any agent employed to manage the property that has an identity of interest with the owner or the general partner of a partnership owner of the property.

''(2) VIOLATIONS.—A penalty may be imposed under this section for a knowing and material breach of a housing assistance payments contract, including the following—

''(A) failure to provide decent, safe, and sanitary housing pursuant to section 8; or

''(B) knowing or willful submission of false, fictitious, or fraudulent statements or requests for housing assistance payments to

the Secretary or to any department or agency of the United States.

''(3) AMOUNT OF PENALTY.—The amount of a penalty imposed for a violation under this subsection, as determined by the Secretary, may not exceed $25,000 per violation.

''(c) AGENCY PROCEDURES.—

''(1) ESTABLISHMENT.—The Secretary shall issue regulations establishing standards and procedures governing the imposition of civil money penalties under subsection (b). These standards and procedures—

''(A) shall provide for the Secretary or other department official to make the determination to impose the penalty;

''(B) shall provide for the imposition of a penalty only after the liable party has received notice and the opportunity for a hearing on the record; and

''(C) may provide for review by the Secretary of any determination or order, or interlocutory ruling, arising from a hearing and judicial review, as provided under subsection (d).

''(2) FINAL ORDERS.—

''(A) IN GENERAL.—If a hearing is not requested before the expiration of the 15-day period beginning on the date on which the notice of opportunity for hearing is received, the imposition of a penalty under subsection (b) shall constitute a final and unappealable determination.

''(B) EFFECT OF REVIEW.—If the Secretary reviews the determination or order, the Secretary may affirm, modify, or reverse that determination or order.

''(C) FAILURE TO REVIEW.—If the Secretary does not review that determination or order before the expiration of the 90-day period beginning on the date on which the determination or order is issued, the determination or order shall be final.

''(3) FACTORS IN DETERMINING AMOUNT OF PENALTY.—In determining the amount of a penalty under subsection (b), the Secretary shall take into consideration—

''(A) the gravity of the offense;

''(B) any history of prior offenses by the violator (including offenses occurring before the enactment of this section);

''(C) the ability of the violator to pay the penalty;

''(D) any injury to tenants;

''(E) any injury to the public;

''(F) any benefits received by the violator as a result of the violation;

''(G) deterrence of future violations; and

''(H) such other factors as the Secretary may establish by regulation.

''(4) PAYMENT OF PENALTY.—No payment of a civil money penalty levied under this section shall be payable out of project income.

''(d) JUDICIAL REVIEW OF AGENCY DETERMINATION.—Judicial review of determinations made under this section shall be carried out in accordance with section 537(e) of the National Housing Act.

''(e) REMEDIES FOR NONCOMPLIANCE.—

''(1) JUDICIAL INTERVENTION.—

''(A) IN GENERAL.—If a person or entity fails to comply with the determination or order of the Secretary imposing a civil money penalty under subsection (b), after the determination or order is no longer subject to review as provided by subsections (c) and (d), the Secretary may request the Attorney General of the United States to bring an action in an appropriate United States district court to obtain a monetary judgment against that person or entity and such other relief as may be available.

''(B) FEES AND EXPENSES.—Any monetary judgment awarded in an action brought under this paragraph may, in the discretion of the court, include the attorney's fees and other expenses incurred by the United States in connection with the action.

''(2) NONREVIEWABILITY OF DETERMINATION OR ORDER.—In an action under this subsection, the validity and appropriateness of the determination or order of the Secretary imposing the penalty shall not be subject to review.

''(f) SETTLEMENT BY SECRETARY.—The Secretary may compromise, modify, or remit any civil money penalty which may be, or has been, imposed under this section.

''(g) DEPOSIT OF PENALTIES.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, if the mortgage covering the property receiving assistance under section 8 is insured or formerly insured by the Secretary, the Secretary shall apply all civil money penalties collected under this section to the appropriate insurance fund or funds established under this Act, as determined by the Secretary.

''(2) EXCEPTION.—Notwithstanding any other provision of law, if the mortgage covering the property receiving assistance under section 8 is neither insured nor formerly insured by the Secretary, the Secretary shall make all civil money penalties collected under this section available for use by the appropriate office within the Department for administrative costs related to enforcement of the requirements of the various programs administered by the Secretary.

''(h) DEFINITIONS.—For the purposes of this section—

''(1) the term 'agent employed to manage the property that has an identity of interest' means an entity—

''(A) that has management responsibility for a project;

''(B) in which the ownership entity, including its general partner or partners (if applicable), has an ownership interest; and

''(C) over which such ownership entity exerts effective control; and

''(2) the term 'knowing' means having actual knowledge of or acting with deliberate ignorance of or reckless disregard for the prohibitions under this section.''.

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply only with respect to—

(1) violations that occur on or after the effective date of final regulations implementing the amendments made by this section; and

(2) in the case of a continuing violation (as determined by the Secretary of Housing and Urban Development), any portion of a violation that occurs on or after such date.

(c) IMPLEMENTATION.—

(1) REGULATIONS.—

(A) IN GENERAL.—The Secretary shall implement the amendments made by this section by regulation issued after notice and opportunity for public comment.

(B) COMMENTS SOUGHT.—The notice under subparagraph (A) shall seek comments as to the definitions of the terms ''ownership interest in'' and ''effective control'', as such terms are used in the definition of the term ''agent employed to manage such property that has an identity of interest''.

(2) TIMING.—A proposed rule implementing the amendments made by this section shall be published not later than one year after the date of enactment of this Act.

SEC. 222. EXTENSION OF DOUBLE DAMAGES REMEDY.

Section 421 of the Housing and Community Development Act of 1987 (12 U.S.C. 1715z–4a) is amended—

(1) in subsection (a)(1)—

(A) in the first sentence, by striking ''Act; or (B)'' and inserting the following: ''Act; (B) a regulatory agreement that applies to a multifamily project whose mortgage is insured or held by the Secretary under section 202 of the Housing Act of 1959 (including property subject to section 202 of such Act as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act of 1990); (C) a regulatory agreement or such other form of regulatory control as may be imposed by the Secretary that applies to mortgages insured or held by the Secretary under section 542 of the Housing and Community Development Act of 1992, but not reinsured under section 542 of the Housing and Community Development Act of 1992; or (D)''; and

(B) in the second sentence, by inserting after ''agreement'' the following: '', or such other form of regulatory control as may be imposed by the Secretary,'';

(2) in subsection (a)(2), by inserting after ''Act,'' the following: ''under section 202 of the Housing Act of 1959 (including section 202 of such Act as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act of 1990) and under section 542 of the Housing and Community Development Act of 1992,'';

(3) in subsection (b), by inserting after ''agreement'' the following: '', or such other form of regulatory control as may be imposed by the Secretary,'';

(4) in subsection (c)—

(A) in the first sentence, by inserting after ''agreement'' the following: '', or such other form of regulatory control as may be imposed by the Secretary,''; and

(B) in the second sentence, by inserting before the period the following: ''or under the Housing Act of 1959, as appropriate''; and

(5) in subsection (d), by inserting after ''agreement'' the following: '', or such other form of regulatory control as may be imposed by the Secretary,''.

SEC. 223. OBSTRUCTION OF FEDERAL AUDITS.

Section 1516(a) of title 18, United States Code, is amended by inserting after ''under a contract or subcontract,'' the following: ''or relating to any property that is security for a mortgage note that is insured, guaranteed, acquired, or held by the Secretary of Housing and Urban Development pursuant to any Act administered by the Secretary,''.

SUMMARY OF THE MULTIFAMILY ASSISTED HOUSING REFORM AND AFFORDABILITY ACT OF 1996

Restructures the oversubsidized portfolio and reduces Section 8 subsidy costs while maintaining the affordable housing stock. Projects with subsidy contract rents above the fair market rent would be restructured in a manner that would reduce the rents by restructuring the underlying debt. Rents would be ''marked'' to comparable market rents where comparable properties exist or at 90 percent of fair market rents (FMR) if comparable properties do not exist.

In some cases (such as properties that provide special services to elderly and disabled households or because of the local market rent conditions), even if debt is restructured, setting rents at comparable market rent levels of 90 percent of FMR may be inadequate to cover the costs of operation. In these cases, a budget-based process would be used to set rents at the minimum level necessary to support proper operations and maintenance costs.

Screens out troubled multifamily properties and noncompliant owners. Nonviable housing projects and bad owners would be screened out from the renewal and debt restructuring process. Community and resident involvement would be used in resolving these problems. Potential outcomes could include demolition or change of ownership to other entities including nonprofits. Alternative housing would be provided to affected residents in cases of demolition. Stronger FHA and Section 8 enforcement authorities would also be provided to address troubled

properties and bad owners. In addition, stronger enforcement remedies would be an integral part of all restructuring transactions, to ensure that restructured properties would continue to provide high quality affordable housing.

Recapitalizes the assisted stock that suffer from deferred maintenance. In some cases, recapitalization is needed to address deferred maintenance for properties under portfolio restructuring. Rehabilitation grants or deeper debt writedowns would be used.

Utilizes capable public entities to restructure portfolio and recognizes HUD's limited capacity. Portfolio restructuring is being undertaken to reform and improve the programs from a financial and operating perspective, but not to abandon the long-term commitment to resident protection and ongoing affordability. As a result, balancing the fiscal goals of reducing costs with the public policy goals of maintaining affordable housing requires an intermediary accountable to the public interest. With HUD's acknowledged lack of capacity to address these issues, public intermediaries that have demonstrated expertise in affordable housing and responsible management would be selected. State housing finance agencies would be given a priority in acting as Participating Administrative Entities (PAE). Incentives would be negotiated with the PAEs to protect the financial interests of the Federal Government.

Addresses the tax issues facing debt restructuring. Under current tax law, debt restructuring could result in the triggering of a large income tax liability on the owners/investors without generating sufficient cash with which the owners/investors could pay the tax. As a result, a tax solution is needed to avoid resistance and delays from owners and investors. Debt restructuring results in an event that reduces the outstanding mortgage that is owed by the owners and investors. This reduction in the mortgage amount will result in a tax liability—referred to as ''cancellation of indebtedness'' or COD. COD is generally treated as ordinary taxable income under the Internal Revenue Code.

The bill addresses this problem by bifurcating the existing mortgage into two obligations. The first piece would be determined on the amount the mortgage could be supported by the rental income stream. Payment on the second piece would be deferred until the first mortgage is paid off. According to Treasury officials, this practice would not result in an immediate tax liability to owners and investors.

Provides for resident and community input into the restructuring process. To ensure that portfolio restructuring does not adversely affect the residents or local communities in which the properties are located, communities, residents, and local government officials would be provided an opportunity to comment on the process.

Strengthens HUD and FHA enforcement authority. This bill contains important provisions that will minimize the incidence of fraud and abuse of federally assisted programs. Such key provisions include (1) expanding HUD's ability to impose sanctions on lenders, (2) expanding equity skimming prohibitions, and (3) broadening the use of civil money penalties.

Mr. BOND. Mr. President, I stand in strong support of the Multifamily Assisted Housing Reform and Affordability Act of 1996. This bill goes a long way toward developing a constructive and comprehensive section 8 mark-to-market contract renewal program for reducing the costs of expiring project-based section 8 contracts, limiting the financial exposure of the FHA multifamily housing insurance fund for FHA-insured section 8 projects, and preserving, to the maximum extent possible, the section 8 project-based housing stock for very-low- and low-income families.

I congratulate Senators D'AMATO, MACK, and BENNETT for their contribution and commitment to this comprehensive legislation, as well as their commitment to finding a bipartisan approach to the many difficult issues associated with the renewal of over subsidized section 8 project-based contracts. This legislation is a meaningful step in developing a reasonable policy toward the concerns raised by these expiring section 8 project-based contracts.

Over the last 25 years, a number of HUD programs were established for the construction of affordable, low-income housing by providing FHA mortgage insurance while financing the cost of the housing through section 8 project-based housing assistance. Currently, there are some 8,500 projects with almost 1 million units that are both FHA-insured and whose debt service is almost totally dependent on rental assistance payments made under section 8 project-based contracts. Most of these projects serve very-low-income families, with approximately 37 percent of the stock serving elderly families.

The crisis facing this housing stock is that the section 8 project-based housing assistance was initially budgeted and appropriated through 15- and 20-year section 8 project-based contracts that are now expiring and for which contract renewal is prohibitively expensive. For example, at least 75 percent of this housing stock have rents that exceed the fair market rent of the local area.

Since current law prohibits HUD from renewing these section 8 contracts at rents above 100 percent of the fair market rent, with some exceptions not to exceed 120 percent, in many cases, the failure to renew expiring section 8 project-based contracts at existing rents will leave owners without the financial ability to pay the mortgage debt on these projects. This means that owners likely will default on their FHA-insured mortgage liabilities, resulting in FHA mortgage insurance claims and foreclosures. HUD would then own and be responsible for managing these low-income multifamily housing projects. This bill is intended to avoid this potential crisis through a fiscally responsible and housing sensitive strategy.

In addition, the cost of the section 8 contracts on these projects reemphasizes the difficult budget and appropriation issues facing the Congress. In particular, according to HUD estimates, the cost of all section 8 contract renewals, both tenant-based and project-based, will require appropriations of about $4.3 billion in fiscal year 1997, $10 billion in fiscal year 1998, and over $16 billion in fiscal year 2000. In addition, the cost of renewing the section 8 project-based contracts will grow from $1.2 billion in fiscal year 1997 to almost $4 billion in fiscal year 2000, and to some $8 billion in 10 years.

Since the HUD appropriations account cannot sustain these exploding costs, this legislation is intended to be a comprehensive response which will reduce the financial cost and exposure to the Federal Government and preserve this valuable housing resource. The Senate bill would generally preserve this low-income housing by using various tools to restructure these multifamily housing mortgages to the market value of the housing with resulting reductions in section 8 costs.

I also am troubled by some of the other section 8 mark-to-market proposals being promoted, including the position taken by HUD which, in general, opposes preserving this housing as FHA-insured or as assisted through section 8 project-based assistance, including the elderly assisted housing, in favor of vouchers. This position is very questionable, and I emphasize that it is widely opposed by the housing industry and tenant groups and advocates.

I highlight the underlying principles of the bill which would authorize the establishing of participating administrative entities [PAE's] which would generally be a public agency, with a first preference that a PAE be a State housing finance agency or, second, a local housing agency. These entities would be contracted by HUD to develop work-out plans in conjunction with owners of FHA-insured projects with expiring, oversubsidized section 8 contracts. Each PAE would develop mortgage restructuring and rental assistance sufficiency plans as workout instruments to reduce the section 8 subsidy needs of projects through mortgage restructuring.

The basic tool provided in the draft bill, and the likely key to any successful strategy to preserve this housing, is to authorize the restructuring of the mortgage debt on these oversubsidized section 8 multifamily housing projects. In particular, the bill would allow the restructuring of these high cost mortgages with a new first mortgage reflecting, generally, the market value of a project, and a soft second mortgage held by HUD, with interest at the applicable Federal rate, covering the remainder of the original mortgage debt and payable upon disposition or upon full payment of the first mortgage. This provision will reduce the cost of section 8 assistance and minimize any loss to the FHA multifamily insurance fund. In addition, this approach ensures that there is no taxable event by virtue of the mortgage restructuring.

I also think it would be beneficial to look at some kind of exit tax relief to encourage owners, especially limited partners, to divest their interest in these properties, to encourage new investment in and revitalization of these properties. Nevertheless, I am convinced that the tax committees are unlikely to take up this issue during this

Congress and that any discussion on tax relief will have to wait for another time.

Finally, I emphasize that it is time to act now. I am currently sponsoring a section 8 mark-to-market demonstration to be included in the VA–HUD fiscal year 1997 appropriations bill which is similar to the Multifamily Assisted Housing Reform and Affordability Act and which represents an interim approach to the section 8 mark-to-market contract renewal issue. This appropriation language indicates my strong belief that we can no longer afford, as a matter of housing policy and fiscal responsibility, to renew expiring section 8 project-based contracts at the existing, over-market rents. Nevertheless, I strongly prefer that section 8 reform legislation be acted on by the authorizing committees before the end of the fiscal year, with the full benefit of hearings and discussion on these very difficult policy issues.

I look forward to working with my colleagues on the legislation and hope that the Housing Subcommittee and Banking Committee can act in an expeditious manner on this measure. I emphasize the need to work together and I look forward to moving this legislation through Congress and onto the desk of the President.

Mr. D'AMATO. Mr. President, I rise today to cosponsor the Multifamily Assisted Housing Reform and Affordability Act of 1996. I wish to thank my colleagues, Senators CONNIE MACK and KIT BOND, for their outstanding efforts in crafting and advancing this vitally important piece of legislation to restructure the Department of Housing and Urban Development's [HUD] Federal Housing Administration [FHA] insured and section 8 assisted multifamily housing portfolio. Also,I would like to thank Senator BENNETT for his diligence in confronting the complex issues surrounding our federal multifamily housing programs.

Mr. President, this legislation represents a significant step forward in addressing the complicated and vexing problem of the rising costs of HUD's section 8 assisted housing program. Over the course of the next several years, the costs of renewing expiring section 8 contracts at their current rent levels will skyrocket from $4.3 billion in fiscal year 1997 to $20 billion in fiscal year 2002—a figure which represents the entire existing HUD budget. This is the result of the expiration of long-term housing assistance contracts which were entered into 15 to 20 years ago. In addition, many of these contracts support projects with rents that are far higher than local market rents. While these rising costs are clearly significant and represent a formidable challenge, the expiration of these long-term contracts also presents us with an opportunity to address the oversubsidized and often inflated costs of the section 8 program.

During the course of the past year, the Banking Committee has held hearings and has conducted an ongoing dialogue with residents, lenders, servicers, public officials and leading professionals within the housing community to find a consensus solution to the problems associated with the section 8 program. This legislation represents the culmination of that important effort.

Mr. President, I would like to emphasize the guiding principles of this legislation: To contain the growth of the expanding costs of the section 8 program; to protect existing tenants; to maintain the existing stock of decent, safe and affordable housing for future needs; to remove bad owners and managers; to protect the FHA insurance fund and minimize the liability of the Federal taxpayer; and to provide for local control and flexibility while reducing HUD's administrative burden.

This legislation seeks to: Reduce inflated contract rents to market-rate and budget-based rent levels; screen out bad owners, replace corrupt managers and encourage transfers to resident-supported nonprofit corporations; and provide must needed capital and facilitate private financing to address backlogged maintenance needs. This comprehensive approach will allow us to reduce the costs of the section 8 program while protecting the FHA insurance fund and minimizing the liability of the federal taxpayer. The outstanding debt on the oversubsidized portfolio would be restructured to reflect market rent levels. This debt restructuring would include the continuation of project-based subsidies as well as FHA multifamily insurance. This bill also addresses the significant tax dilemma which would be caused by debt restructuring. In order to avoid adverse tax consequences, a bifurcation of the mortgage into two separate obligations is proposed.

The legislation recognizes the lack of capacity at HUD and seeks to maximize local control and flexibility in carrying out debt restructuring in order to reduce inflated rents. A preference would be provided to State and local housing finance agencies to oversee mortgage workouts. These public entities are ideally suited for this role and are already accountable to the public interest in their own jurisdictions. Also, residents of affected properties would be provided with input in a communitywide consultation process, and will be provided adequate notice, access to information, and an adequate time period for analysis and comment.

In conclusion, let me reiterate my appreciation for my colleagues who made tremendous contributions to the effort to stem this impending crisis. As chairman of the Subcommittee on Housing Opportunity and Community Development, Senator MACK has charted a reasonable and rational course for us to follow. He has utilized a fair and bipartisan approach in the development of this legislation, and should be commended for his efforts. Also, Senator BOND, chairman of the Subcommittee on VA–HUD Appropriations and my fellow colleague on the Banking Committee, has been very instrumental in moving the process forward. Throughout, he has insisted on our continued federal commitment to providing affordable housing and the protection of the interests of existing low and moderate income tenants.

I thank all members of the Banking Committee for their tireless efforts on behalf of affordable housing and look forward to pursuing our bipartisan commitment to resolving the HUD section 8 crisis as expeditiously as possible.

By Mr. KERRY:

S. 2043. A bill to require the implementation of a corrective action plan in States in which child poverty has increased; to the Committee on Finance.

CHILD POVERTY LEGISLATION

Mr. KERRY. Mr. President, the welfare bill we passed this week would allow States to experiment with various welfare policies. Many States may implement innovative welfare policies to move parents from welfare to work. But if we are sending Federal money to States, if we are going to take this risk and allow States to experiment, we must be sure that child poverty does not increase.

There is nothing more important than constantly reminding ourselves that our focus is—or ought to be—this Nation's children. That was the focus when under Franklin Roosevelt's leadership title IV–A of the Social Security Act was originally enacted. The objective here is to help impoverished children.

This bill I am introducing today says that if child poverty increases in a State after the date of enactment of the welfare bill, then that State would be required to submit a corrective action plan. Although a weaker version of my bill passed and was included in the welfare bill, I am introducing this as a separate bill in the hope that ultimately we will be able to pass the strongest possible version.

What would this bill do? This bill says that if the most recent State child poverty rate exceeds the level for the previous year by 5 percent or more then the State would have to submit to the HHS Secretary within 90 days a corrective action plan describing the actions the state shall take to reduce child poverty rates.

Mr. President, I want to be clear that this bill in no way intrudes on a State's ability to design its own welfare program. State flexibility would not be decreased in any way. This bill simply says that if a state's welfare system increases child poverty, that state must take corrective action.

Mr. President, I believe all of us regardless of party can agree on two things at least: We can all agree that the child poverty rate in this country is too high. The fact is that 15.3 million U.S. children live in poverty. This

means that more than 1 in 5 children—21.8 percent—live in poverty. In Massachusetts, there are more than 176,000 children who live in poverty. And despite the stereotypes, Mr. President, the majority of America's poor children are white (9.3 million) and live in rural or suburban areas (8.4 million) rather than central cities (6.9 million).

The other thing on which we can all agree, because it is a fact rather than an opinion, is that the child poverty rate in this country is dramatically higher than the rate in other major industrialized countries. According to an excellent, comprehensive recent report by an international research group called the Luxembourg Income Study, the child poverty rate in the United Kingdom is less than half our rate (9.9 percent), the rate in France is less than one-third of our rate (6.5 percent), and the rate in Denmark (3.3 percent) is about one-sixth our rate.

Mr. President, we know that poverty is bad for children. This should be obvious. Nobel prizewinning economist Robert Solow and the Children's Defense Fund recently conducted the first-ever long-term impact of child poverty. They found that their lowest estimate was that the future cost to society of a single year of poverty for the 15 million poor children is $36 billion in lost output per worker. When they included lost work hours, lower skills, and other labor market disadvantages related to poverty, they found that the future cost to society was $177 billion.

With this bill, I want to make sure that, at the very least, if a State's welfare plan increases child poverty—instead of increasing the number of parents moving from welfare to work and self-sufficiency—that State will take immediate steps to refocus its program.

Mr. President, I urge all my colleagues to support this bill to ensure that welfare reform results in more parents working, not more child poverty.

By Mr. SANTORUM:

S. 2044. A bill to provide for modification of the State agreement under title II of the Social Security Act with the State of Pennsylvania with respect to certain students; to the Committee on Finance.

LEGISLATION HELPING PENNSYLVANIA STUDENTS

Mr. SANTORUM. Mr. President, I wanted to take a few minutes of Senate business today to introduce legislation of importance to the Pennsylvania state system of higher education and to the students enrolled and working at our state-related universities.

The bill is a companion measure to legislation in the House of Representatives. The House proposal was introduced by my friend and distinguished colleague from Pennsylvania, Representative BILL CLINGER.

Mr. President, this legislation will affect students and graduate assistants employed by Pennsylvania's public universities and will allow them to keep more of their pay from campus employment. Currently, student employees of Pennsylvania's State system of higher education are covered under FICA and pay taxes unlike working students at schools in most other states. Only a change in the law would enable Pennsylvania's colleges and universities to exempt their student employees from FICA coverage.

This legislation would make Pennsylvania schools more attractive and competitive with the other states who have opted out of Social Security coverage. Graduate students are often called upon to perform paid assistant teaching duties. The current system and application of FICA coverage does not make Pennsylvania institutions as competitive with other out of state graduate programs.

If a student or graduate student compares their employment earning possibilities with other states, Pennsylvania students are at a distinct disadvantage. At a time in young adults' lives when resources are usually limited, it makes practical sense to free up more funds for student employees who are working hard toward their educational goals.

Today, colleges and universities are being called upon to downsize and make better use of dollars. This legislation is an easy way to support individuals who are attaining goals while attending Pennsylvania state-related universities.

By Mr. HATFIELD:

S. 2045. A bill to provide regulatory relief for small business concerns, and for other purposes; to the Committee on Small Business.

THE NATIONAL SMALL BUSINESS REGULATORY RELIEF ACT

Mr. HATFIELD. Mr. President, one of the most common small business complaints my constituents bring to my attention is the issue of burdensome government regulations. As we all recognize, small businesses rarely have the expertise or resources necessary to keep up to date with changing Federal requirements. Consequently, many small businesses are not in compliance with Federal regulations and face potential fines. Fines or costly compliance procedures can be devastating to small businesses which characteristically operate at a very narrow profit margin.

All across this Nation conscientious small business owners are frustrated with Federal regulations simply because they cannot get concise and specific answers to their compliance questions. How can we realistically expect to increase environmental protection, work place safety or tax compliance, if these respective agency's regulations are so complex that professionals in these fields cannot determine the meanings and applications of these rules? While our regulatory reform efforts have done much to change the rulemaking process and the sheer volume of regulations, very little has been done to translate rules written by bureaucrats into easy to understand language that the owner of any small firm can implement.

Mr. President, according to a 1995 study by the Small Business Administration's Office of Advocacy, 94 percent of small businesses were unsure of what they needed to do to comply with Federal regulations. The same study revealed that it is difficult, if not impossible, for small businesses to obtain concise answers to compliance questions from a Federal agency. It is no wonder that so many business owners, who have honestly believed they were in compliance, have either lost or had their businesses crippled because they were uninformed or misunderstood Federal regulations which applied to them.

Congress has considered several proposals which would scale back intrusive Federal regulations. However, we must realize that Federal regulations will continue in some capacity. Consequently, it is vital to establish a mechanism which assists small businesses in complying with these regulations.

The Small Business Development Centers have established themselves as a valuable resource for small businesses. They have an existing network of over 950 centers nationwide which have been providing education and technical assistance to small business owners for years.

The Oregon Small Business Development Center Network has distinguished itself as a national model of how SBDC's can play an integral role in ensuring the success of small businesses. In April 1995 I conducted a field hearing in Portland, OR on a proposal to expand the responsibilities of the SBDC's to include regulatory compliance assistance. At that hearing, I heard from several Oregon small business owners who testified about their experience with the Oregon Small Business Development Center Network and the positive benefits these centers have had on small businesses in the State of Oregon.

The proposal to accomplish a shift in Federal regulatory policy from enforcement to education was at a conceptual stage at the time of the Oregon field hearing. However, this idea was extremely intriguing and the small business owners who discussed this issue were impressive in conveying their vision for the future of this proposal. Since that time, I have worked with the National Association of Small Business Development Center and the Director of the Oregon SBDC Network to develop this concept into the legislation I am introducing today.

The National Small Business Regulatory Relief Act provides comprehensive regulatory assistance to small firms by enlisting the nationwide network of over 950 Small Business Development Centers (SBDC's). Over 550,000 small businesses each year seek SBDC

help in drafting business plans and expansion strategies, developing financing and marketing tactics, improving management and personnel skills, and addressing many other business needs. The locally controlled and managed SBDC network's long-standing confidentiality policy and its proven track record of success make it an ideal, cost-effective and user-friendly delivery system for meaningful compliance assistance. Even though SBDC's are funded by all 50 States and the Federal Government they do not have enough resources to provide the regulatory help small businesses so desperately need.

Mr. President this legislation provides the resources necessary to expand SBDC assistance, creating a one-stop shop business resource that can explain how a company's marketing, finance, personnel, international trade, procurement and technology strategies comport with the regulatory requirements of EPA, OSHA, and IRS. The result will be a holistic delivery system of business assistance that will not only increase compliance with today's regulations, but will help small businesses bring about a cleaner environment, safer work place and better tax compliance. Most importantly, by utilizing the vast SBDC network, the cost of making comprehensive regulatory assistance available to all of America's small businesses is minimized for a program of this magnitude.

This legislation authorizes appropriations to the Occupational Safety and Health Administration, the Environmental Protection Agency and the Internal Revenue Service to accomplish the goals I described earlier. However, I would like to point out that similar legislation has been introduced in the House of Representatives which directs each of these three Federal agencies to set-aside a percentage of their overall budget for SBDC compliance assistance activities. While I sympathize with the intentions of the House sponsors of this measure to use existing funds for this program, as Chairman and a longtime member of the Senate Appropriations Committee I feel the appropriations process is the proper way to distribute Federal discretionary dollars. I believe that the goals of this proposal can be accomplished using existing Federal dollars.

Mr. President, America's small businesses are frustrated by the current Federal regulatory situation and have been pleading for help. The National Small Business Regulatory Relief Act is a creative approach towards balancing economic growth with regulatory compliance. I urge my colleagues to join me in this important effort to assist our Nation's small businesses in complying with Federal regulations.

I ask unanimous consent that a letter from the Oregon Small Business Development Center Network in support of this legislation be included in the RECORD.

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

OREGON SMALL BUSINESS
DEVELOPMENT CENTER NETWORK,
Eugene, OR, January 8, 1996.

Hon. MARK O. HATFIELD,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR HATFIELD: Thank you for taking time from your busy schedule to meet with me and John Eskildsen regarding the Oregon Small Business Development Center Network and the National Small Business Extension Network proposal. We appreciate your strong support and advocacy for the OSBDCN and the NSBEN proposal.

I believe that the NSBEN proposal represents a tremendous opportunity to reduce the federal regulatory burden on small business while simultaneously reducing the federal budget. This legislation, if enacted, will enable small business owners in Oregon and throughout the United States to meet federal regulatory standards without fear of reprisal.

Thank you again for your leadership and support for small business.

Sincerely,

SANDY CUTLER,
State Director, Oregon Small Business Development Center Network.

By Mr. ROCKEFELLER:

S. 2046. A bill to amend section 29 of the Internal Revenue Code of 1986 to allow a credit for qualified fuels produced from wells drilled during 1997, and for other purposes; to the Committee on Finance.

THE MARGINAL WELL DRILLING INCENTIVE ACT OF 1996

Mr. ROCKEFELLER. Mr. President, today I offer a bill that is very important to my State of West Virginia, and can benefit the entire Nation. This very small bill will have a very big impact on the ability of small oil and gas producers in my State and across the Nation to compete. The bill creates a new tax incentive, modeled on the old section 29 tax credit, to help small marginal well drillers.

I offer this with a measure of frustration, based on the fact that while Congress managed to incorporate a great number of narrowly targeted amendments into the small business tax bill passed today, the final bill did not include this provision that I propose today. I am pleased that the tax package includes an extension of the part of section 29 dealing with facilities that manufacture gas from biomass and coal. That is helpful to a variety of States, including West Virginia. But for less than one tenth the cost of that provision, we could and should have done something to help drillers get gas from devonian shale and other nonconventional sources.

The original section 29 credit for drilling expired in 1992 after some of the larger gas companies in this country put emphasis on getting relief from the alternative minimum tax instead of renewing section 29. They got that, but it didn't help a lot of the smaller drillers, which happen to include most of the gas producers in West Virginia.

Mr. President, I'd like the record to show that since the credit expired, drilling for margin gas wells in West Virginia has dropped off by more than 30 percent. In 1992, the last year of the credit, 760 wells were drilled in West Virginia. By 1995, that number had fallen to 530 wells. In that same timeframe, the number of rigs actively drilling wells in the Appalachian basin declined from 73 to 45—a 48-percent decline. That translates directly into jobs, as the average rig employs about 25 people. When you add to that all the jobs associated with a well (from transportation to bookkeeping), you have a job loss of more than 1,500 in the Appalachian Basin, which stretches from New York to Kentucky, and from Ohio to Virginia.

Mr. President, this is about more than jobs. I have spoken in the past of the great problem our Nation has with oil dependency. Following the oil shocks of the 1970's, Congress made a concerted effort to help ease our dependency on foreign energy sources. That effort showed much success in the 1980's when imports fell by more than 40 percent from 1970's highs. However, the 1990's have seen import totals steadily rise, to today when more than 50 percent of our oil is imported. In fact, Mr. President, the biggest 1-year rise in imports since 1986 came in the year following the expiration of section 29, in 1993.

The Senate knows well the problem raised by energy dependency. The Gulf war was fought largely to protect our foreign oil sources in the Middle East, and 19 brave American soldiers died in June for that very same cause. Our energy dependency, in addition to years of cheap oil and an exceptionally harsh winter, also led to the outrage earlier this spring when gas prices at the pump rose steeply.

For all these reasons, Mr. President, it is important that we foster the development of new sources of domestic energy. Gas in my State, and many others, is hard to get at. It is locked in rock formations that yield their fuel much more slowly, and at lower profits, than wells in the oil patch out West.

This bill is specifically designed to offer a very modest incentive to those producers, when the price of natural gas gets so low that they can't make a profit from their wells. Unlike the original section 29, the credit will be available only for the first 10 million cubic feet of gas produced each year by each well. Additionally, the credit will only be available to wells that produce less than 100 million cubic feet of gas per year.

Mr. President, I have intentionally limited the scope of this bill so that it is only available to smaller wells, and only there, for a limited amount of gas. The idea behind this bill is not to have a big giveaway for big oil and gas producers. But instead, it is designed to give a little bit of insurance to risk-taking drillers who make their living tilling nonconventional sources for fuel.

This is a modest bill, but one that can make a big difference in certain places that have the potential for more prosperity, more job growth, and more economic growth like West Virginia. Reviving and revising section 29 will put an incentive in place to seize more of this potential while reducing the entire country's dependence in foreign oil. I urge the Senate to find a way to make this bill a reality—the sooner, the better.

By Mr. HATCH (for himself, Mr. CONRAD, Mr. PRESSLER, Mr. PRYOR, Mr. NICKLES, and Mr. BAUCUS):

S. 2047. A bill to amend the Internal Revenue Code of 1986 to modify the application of the pension nondiscrimination rules to governmental plans; to the Committee on Finance.

NONDISCRIMINATION RULES FOR GOVERNMENT PENSION PLANS LEGISLATION

Mr. HATCH. Mr. President, I rise today to introduce legislation with Senators CONRAD, PRESSLER, PRYOR, NICKLES, and BAUCUS that would make permanent the current moratorium on the application of the pension nondiscrimination rules to State and local government pension plans.

For nearly 20 years, State and local government pension plans have been deemed to satisfy the complex nondiscrimination rules of the Internal Revenue Code for qualified retirement plans until Treasury can figure out how or if these rules are applicable to unique Government pension plans. This bill simply puts an end to this stalled process and dispels over 20 years of uncertainty for administrators of State and local retirement plans. Let me summarize the evolution of this issue and why this bill is being introduced today.

Mr. President, the Federal Government has a long-established policy of encouraging tax deferred retirement savings. Most retirement plans that benefit employees are employer sponsored tax deferred retirement plans. Over the years, Congress has required that these plans meet strict nondiscrimination standards designed to ensure that they do not provide disproportionate benefits to business owners, officers, or highly compensated individuals.

In response to the growing popularity of employer sponsored tax deferred pension plans, Congress passed the Employee Retirement Income Security Act [ERISA] in 1974 to enhance the rules governing pension plans. However, during consideration of ERISA Congress recognized that nondiscrimination rules for private pension plans were not readily applicable to public pension plans because of the unique nature of governmental employers. Former Representative Ullman, during Ways and Means Committee consideration of ERISA, stated, ''The committee exempted Government plans from the new higher requirements because adequate information is not now available to permit a full understanding of the impact these new requirements would have on Governmental plans.'' Thus, Congress was not prepared to apply nondiscrimination rules to public plans. After studying the issue, the Internal Revenue Service on August 10, 1977, issued News Release IR–1869, which stated that issues concerning discrimination under State and local government retirement plans would not be raised until further notice. Thus, an indefinite moratorium was placed on the application of the new rules to government plans.

In 1986, Congress passed the Tax Reform Act of 1986, which made further changes to pension laws and the general nondiscrimination rules. On May 18, 1989, the Department of the Treasury, in proposed regulations, lifted the 12-year public sector moratorium and required that public sector plans comply with the new rules immediately. However, further examination revealed, and Treasury and the IRS recognized, that a separate set of rules was required for State and local government plans because of their unique features. Consequently, through final rules issued in September 1991, the Treasury reestablished the moratorium on a temporary basis until January 1, 1993, and solicited comments for consideration. In addition, government pension plans were deemed to satisfy the statutory nondiscrimination requirements for years prior to 1993. Since then, the moratorium has been extended three more times, the latest of which began this year and is in effect until 1999.

Mr. President, here we are, in August 1996, 22 years since the passage of ERISA and State and local government pension plans are still living under the shadow of having to comply with the cumbersome, costly, and complex nondiscrimination rules. Experience over the past 20 years has shown that the existing nondiscrimination rules have limited utility in the public sector. Furthermore, the long delay in action illustrates the seriousness of the problem and the doubtful issuance of nondiscrimination regulations by the Department of the Treasury.

Mr. President, last year during consideration of another extension of the moratorium, a coalition of associations representative of State and local governmental plans summarized their current position in a letter to IRS Commissioner Margaret Richardson dated October 13, 1995.

> In our discussions with Treasury over the past two years, there have been no abuses or even significant concerns identified that would warrant the imposition of such a cumbersome thicket of federal rules on public plans that already are the subject of State and local government regulation.
>
> Accordingly, while we always remain open to further discussion, as our Ways and Means statement indicates the experience of the past two years in working with Treasury to develop a sensible and workable set of nondiscrimination rules for governmental plans has convinced us that the task ultimately is a futile one—portending tremendous cost, complexity, and disruption of sovereign State operations in the absence of any identifiable problem.

Mr. President, the sensible conclusion of this 20 year exercise is to admit that the Treasury is not likely to issue regulations for State and local pension plans and Congress should make the temporary moratorium permanent.

Furthermore, there are examples to support this legislation. Relief from the pension nondiscrimination rules is not a new concept. Multiemployer plans are currently not covered by the nondiscrimination rules under the theory that labor-management collective bargaining will ensure nondiscriminatory treatment to rank-and-file workers. In reality, Mr. President, State and local government pension plans face an even higher level of scrutiny. State law generally requires publicly elected legislators to amend the provisions of a public plan. Electoral accountability to the voters and media scrutiny serve as protections against abusive and discriminatory benefits.

Moreover, further precedent exists for Congress to grant relief from the nondiscrimination rules. In 1986, the Congress established the Thrift Savings Fund for Federal employees. As originally enacted, the Fund was required to comply with the 401(k) nondiscrimination rules on employee contributions and matching contributions to the fund. However, in 1987, as part of a Continuing Appropriations Act for 1988, the Congress passed a provision that made these nondiscrimination rules inapplicable to the Federal Thrift Savings Fund. Thus, Congress has reaffirmed the need to treat Governmental pension plans as unique.

Mr. President, this legislation is not sweeping nor does it grant any new treatment to these plans. Because of moratorium, governmental plans are currently treated as satisfying the nondiscrimination rules. Lifting the moratorium would impose on governmental pension plans the costly task of testing for discrimination when no significant abuses or concerns exist. In fact, finally imposing these rules may require benefits to be reduced for State and local government employees and force costly modifications to these retirement plans. This legislation coincides with the principle of allowing a State to enjoy the right to determine the compensation of its employees.

Mr. President, with another expiration of the moratorium looming in the future, I believe it is time to address this issue. I am under no delusion that it will be resolved quickly. The complexities of these rules and the uniqueness of governmental plans have brought us to where we are today. I believe that as members better understand the history of this issue they will agree with us that the appropriate step is to end this uncertainty and make the temporary moratorium permanent.

Mr. President, I ask unanimous consent that the text of the bill be printed following my remarks.

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

S. 2047

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

SECTION 1. MODIFICATIONS TO NONDISCRIMINATION AND MINIMUM PARTICIPATION RULES WITH RESPECT TO GOVERNMENTAL PLANS.

(a) GENERAL NONDISCRIMINATION AND PARTICIPATION RULES.—

(1) NONDISCRIMINATION REQUIREMENTS.—Paragraph (5) of section 401(a) of the Internal Revenue Code of 1986 (relating to qualified pension, profit-sharing, and stock bonus plans) is amended by adding at the end the following new subparagraph:

''(F) GOVERNMENTAL PLANS.—Paragraphs (3) and (4) shall not apply to a governmental plan (within the meaning of section 414(d)).''

(2) ADDITIONAL PARTICIPATION REQUIREMENTS.—Subparagraph (H) of section 401(a)(26) of such Code is amended to read as follows:

''(H) EXCEPTION FOR GOVERNMENTAL PLANS.—This paragraph shall not apply to a governmental plan (within the meaning of section 414(d)).''

(3) MINIMUM PARTICIPATION STANDARDS.—Paragraph (2) of section 410(c) of such Code is amended to read as follows:

''(2) A plan described in paragraph (1) shall be treated as meeting the requirements of this section for purposes of section 401(a), except that in the case of a plan described in subparagraph (B), (C), or (D) of paragraph (1), this paragraph shall only apply if such plan meets the requirements of section 401(a)(3) (as in effect on September 1, 1974).''

(b) PARTICIPATION STANDARDS FOR QUALIFIED CASH OR DEFERRED ARRANGEMENTS.—Paragraph (3) of section 401(k) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(E)(i) The requirements of subparagraph (A)(i) and (C) shall not apply to a governmental plan (within the meaning of section 414(d)).

''(ii) The requirements of subsection (m)(2) (without regard to subsection (a)(4)) shall apply to any matching contribution of a governmental plan (as so defined).''

(c) NONDISCRIMINATION RULES FOR SECTION 403(b) PLANS.—Paragraph (12) of section 403(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(C) GOVERNMENTAL PLANS.—For purposes of paragraph (1)(D), the requirements of subparagraph (A)(i) shall not apply to a governmental plan (within the meaning of section 414(d)).''

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning on or after the date of enactment of this Act.

(2) TREATMENT FOR YEARS BEGINNING BEFORE DATE OF ENACTMENT.—A governmental plan (within the meaning of section 414(d) of the Internal Revenue Code of 1986) shall be treated as satisfying the requirements of sections 401(a)(3), 401(a)(4), 401(a)(26), 401(k), 401(m), 403 (b)(1)(D) and (b)(12), and 410 of such Code for all taxable years beginning before the date of enactment of this Act.

By Mr. MOYNIHAN (for himself, Mr. D'AMATO, and Mr. DODD):

S. 2048. A bill to amend section 552 of title 5, United States Code (commonly referred to as the Freedom of Information Act), to provide for disclosure of information relating to individuals who committed Nazi war crimes, and for other purposes; to the Committee on the Judiciary.

WAR CRIMES DISCLOSURE ACT

Mr. MOYNIHAN. Mr. President, today I am joined by Senators D'AMATO and DODD in introducing the War Crime Disclosure Act. This legislation is a companion measure to a bill pending in the House, H.R. 1281, sponsored by Representative MALONEY.

The measure is a simple one. It requires the disclosure of information under the Freedom of Information Act regarding individuals who participated in Nazi war crimes.

Ideally, such documents would be made available to the public without further legislation and without having to go through the slow process involved in getting information through the Freedom of Information Act [FOIA]. Unfortunately this is not the case. Researchers seeking information on Nazi war criminals are denied access to relevant materials in the possession of the United States Government, even when the disclosure of these documents no longer pose a threat to national security—if indeed they ever did.

With the passing of time it becomes ever more important to document Nazi war crimes, lest the enormity of those crimes be lost to history. The greater access which this legislation will provide will add clarity of this important effort. I applaud those researchers who continue to pursue this important work.

I would also like to call to the attention of my colleagues the excellent work of the Office of Special Investigations of the Department of Justice. This office has a monumental task and I would not wish to add to that burden or divert its officials from their primary goal of pursuing Nazi war criminals. To that end, I would note that this legislation does not apply to the Office of Special Investigations, as it is not identified in paragraph (1)(B) of the bill as a ''specified agency.'' I would also add that there is a provision in the bill which specifically prohibits the disclosure of information which would compromise the work of the Office of Special Investigations.

Mr. President, I would like to thank Representative MALONEY for her original work on this subject in the House of Representatives. I would also thank Senators D'AMATO and DODD for joining me in this effort here in the Senate. Finally, I would be remiss if I did not pay special tribute to A.M. Rosenthal, whose indefatigable efforts on this subject are as admirable as they are effective.

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. 2048

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 ''War Crimes Disclosure Act''.

SEC. 2. REQUIREMENT FOR DISCLOSURE UNDER FOIA OF INFORMATION RELATING TO INDIVIDUALS WHO COMMITTED NAZI WAR CRIMES.

(a) IN GENERAL.—Section 552 of title 5, United States Code, is amended—

(1) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (g), respectively; and

(2) by inserting after subsection (c) the following new subsection:

''(d)(1)(A) Notwithstanding subsection (b), this section shall apply to any matter in the possession of a specified agency, that relates to any individual as to whom there exists reasonable grounds to believe that such individual, during the period beginning on March 23, 1933, and ending on May 8, 1945, under the direction of or in association with—

''(i) the Nazi Government of Germany,

''(ii) any government in any area occupied by the military forces of the Nazi Government of Germany,

''(iii) any government established with the assistance or cooperation of the Nazi government of Germany, or

''(iv) any government that was an ally of the Nazi government of Germany,

ordered, incited, assisted or otherwise participated in the persecution of any person because of race, religion, national origin, or political opinion.

''(B) For purposes of subparagraph (a), the term 'specified agency' means the following entities, any predecessors of such an entity, and any component of such an entity (or of such a predecessor):

''(i) The Central Intelligence Agency.

''(ii) The Department of Defense.

''(iii) The National Security Agency.

''(iv) The National Security Council.

''(v) The Department of State.

''(vi) The Federal Bureau of Investigation.

''(vii) The United States Information Agency.

''(2)(A) Except as provided in subparagraph (B), Paragraph (1) shall not apply to the disclosure of any matter when there is clear and convincing evidence that such disclosure would—

''(i) reasonably be expected to constitute an unwarranted invasion of personal privacy;

''(ii) pose a current threat to military defense, intelligence operations, or the conduct of foreign relations of the United States;

''(iii) reveal an intelligence agent whose identity currently requires protection;

''(iv) compromise an understanding of confidentiality currently requiring protection between an agent of the Government and a cooperating individual or a foreign government;

''(v) constitute a substantial risk of physical harm to a living person who provided confidential information to the United States; or

''(vi) compromise an enforcement investigation,inquiry, or prosecution by the Office of Special Investigations of the Department of Justice.

''(B) Subparagraph (A) shall only apply to records, information, or other relevant matter which is—

''(i) properly classified; and

''(ii) the protection of which outweighs the public interest in disclosure.

''(3) Any reasonably segregable portion of a matter referred to in paragraph (2) shall be provided, after deletion of all portions of the matter that are referred to in such subparagraph, to any person requesting the matter

under this section if the reasonably segregable portion of the matter would otherwise be required to be disclosed under this section.

''(4) In the case of a request under this section for any matter required to be disclosed under this subsection, if the agency receiving such request is unable to locate the records so requested, such agency shall promptly supply, to the person making such a request, a description of the steps which were taken by such agency to search the indices and other locator systems of the agency to determine whether such records are in the possession or control of the agency.''.

(b) INAPPLICABILITY OF NATIONAL SECURITY ACT OF 1947 EXEMPTION.—Section 701 of the National Security Act of 1947 (50 U.S.C. 431) is amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following new subsection:

''(e) Subsection (a) shall not apply to any operational file, or any portion of any operational file, described under section 552(d) of title 5, United States Code (Freedom of Information Act).''.

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall apply to requests made after the expiration of the 180-day period beginning on the date of the enactment of this Act.

ADDITIONAL COSPONSORS

S. 607

At the request of Mr. AKAKA, his name was added as a cosponsor of S. 607 a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify the liability of certain recycling transactions, and for other purposes.

S. 1487

At the request of Mr. GRAMM, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor 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. 1493

At the request of Mr. LAUTENBERG, the name of the Senator from Oregon [Mr. WYDEN] was added as a cosponsor of S. 1493, a bill to amend title 18, United States Code, to prohibit certain interstate conduct relating to exotic animals.

S. 1542

At the request of Mr. LEVIN, his name was added as a cosponsor of S. 1542, a bill to amend the Internal Revenue Code of 1986 to provide for the expensing of environmental remediation costs in empowerment zones and enterprise communities.

S. 1662

At the request of Mr. HATFIELD, the name of the Senator from Oregon [Mr. WYDEN] was added as a cosponsor of S. 1662, a bill to establish areas of wilderness and recreation in the State of Oregon, and for other purposes.

S. 1735

At the request of Mr. PRESSLER, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 1735, a bill to establish the United States Tourism Organization as a nongovernmental entity for the purpose of promoting tourism in the United States.

S. 1820

At the request of Mr. DASCHLE, the name of the Senator from Washington [Mrs. MURRAY] was added as a cosponsor of S. 1820, a bill to amend title 5 of the United States Code to provide for retirement savings and security.

S. 1821

At the request of Mr. DASCHLE, the name of the Senator from Washington [Mrs. MURRAY] was added as a cosponsor of S. 1821, a bill to amend the Internal Revenue Code of 1986 to provide for retirement savings and security.

S. 1832

At the request of Ms. MIKULSKI, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 1832, a bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of 50 percent if the recipient dies during the first 15 days of such month, and for other purposes.

S. 1892

At the request of Mr. LAUTENBERG, the name of the Senator from Illinois, [Mr. SIMON] was added as a cosponsor of S. 1892, a bill to reward States for collecting medicaid funds expended on tobacco-related illnesses, and for other purposes.

S. 1900

At the request of Mr. DORGAN, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1900, a bill to amend title XVIII and XIX of the Social Security Act to permit a waiver of the prohibition of offering nurse aide training and competency evaluation programs in certain nursing facilities.

S. 1901

At the request of Mr. DORGAN, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1901, a bill to amend title XIX of the Social Security Act to repeal the requirement for annual resident review for nursing facilities under the Medicaid program and to require resident reviews for mentally ill or mentally retarded residents when there is a significant change in physical or mental condition.

S. 1944

At the request of Mr. HATFIELD, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 1944, a bill to establish a commission to be known as the Harold Hughes Commission on Alcoholism.

SENATE RESOLUTION 277

At the request of Mr. CRAIG, the name of the Senator from Kansas [Mrs. FRAHM] was added as a cosponsor of Senate Resolution 277, a resolution to express the sense of the Senate that, to ensure continuation of a competitive free-market system in the cattle and beef markets, the Secretary of Agriculture and Attorney General should use existing legal authorities to monitor commerce and practices in the cattle and beef markets for potential antitrust violations, the Secretary of Agriculture should increase reporting practices regarding domestic commerce in the beef and cattle markets (including exports and imports), and for other purposes.

SENATE CONCURRENT RESOLUTION 68—TO CORRECT THE ENROLLMENT OF H.R. 3103

Mr. WELLSTONE (for himself, Mr. KENNEDY, and Mr. WYDEN) submitted the following resolution; which was considered and agreed to:

S. CON. RES. 68

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill (H.R. 3103) entitled ''An Act 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, to improve access to long-term care services and coverage, to simplify the administration of health insurance, and for other purposes'', the Clerk of the House of Representatives shall make the following correction:

Strike subtitle H of title II.

SENATE CONCURRENT RESOLUTION 69—RELATIVE TO EUTHANASIA DURING WORLD WAR II

Mr. SANTORUM (for himself and Mrs. FEINSTEIN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 69

Whereas Dr. Hans Joachim Sewering was a member of the Nazi party beginning on November 11, 1933, as well as a member of the SS;

Whereas Dr. Sewering served as staff physician and medical director at the Schoenbrunn Sanitarium beginning in 1942;

Whereas, between 1943 and 1945, under Dr. Sewering's supervision, 909 German Catholic mentally and physically disabled patients, mainly children, were transferred from the sanitarium to a ''Healing Center'' at Eglfing-Haar;

Whereas, subsequently, these patients were killed by starvation and an overdose of a sleeping drug, Luminal;

Whereas there is documentation with Dr. Sewering's signature on its that transfers a 14-year-old epileptic girl names Babette Frowis from the sanitarium to the healing center on October 26, 1943;

Whereas Babette Frowis was pronounced dead on November 16, 1943, just 15 days after being transferred there by Dr. Sewering;

Whereas Dr. Sewering has enjoyed a successful and lengthy medical career after the war, most recently acting as the President of the Federal Physicians Chamber in Germany;

Whereas 4 Franciscan nuns, who worked in the sanitarium at the time these acts occurred, came forward in January of 1993 to corroborate the accusations against Dr. Sewering made by physicians in Germany;

Whereas these nuns broke a 50-year-long vow of silence at the suggestion of the Bishop of Munich to expose Dr. Sewering and share their accounts of the patients;

Whereas these being elected president-elect of the World Medical Association in 1993, protest by the American Medical Association about his alleged crimes led Dr. Sewering to resign as president-elect;

Whereas the German Government has never conducted a criminal inquiry or indicted Dr. Sewering;

Whereas the German Government has all of the patient records, including the signature of the doctor that ordered the transfers to the ''Healing Center'', in a government archival center, and these records have never been examined by government prosecutors; and

Whereas the German Government has so far protected this criminal: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the German Government should investigate and prosecute Dr. Hans Joachim Sewering for his war crimes of active euthanasia and crimes against humanity committed during World War II.

Mr. SANTORUM. Mr. President, I rise today to submit a concurrent resolution with my colleague Senator FEINSTEIN and to give a few remarks on the Holocaust. Mr. President, many Americans probably have the opinion that we have closed the door on the Holocaust. In fact, we have a museum here in Washington that stands as a reminder of this black mark in our history. Unfortunately, the very submission of this concurrent resolution tells us that this chapter has not yet been closed.

By way of background, my father- and mother-in-law, Dr. Ken and Betty Lee Garver, have done extensive research on the medical history of Nazi war time. In their continued work within the medical community, they have come in contact with Dr. Michael Franzblau from California. It is Dr. Franzblau who brought to our attention the background and history of a German doctor who was a member of the Nazi party and referred many of Germany's disabled and afflicted to ''healing centers'' or death camps during the 1940's.

Of the millions of victims of World War II, it is the faces of the children we remember most, like the face of Babette Frowis. Babette Frowis was a 14-year-old child who suffered from epilepsy. She was sent to the Schoenbrunn Sanitarium in 1943 when Adolf Hitler began ''cleansing'' the German race. The Medical Director of the Sanitarium, Dr. Hans Joachim Sewering, then transferred her to the Healing Center at Eglfing-Haar on October 26, 1943. Twenty-one days later, on November 16, 1943, she was pronounced dead.

Babette Frowis was not the only one. It is estimated that between 1942 and 1945, 909 patients, the overwhelming majority of whom were children, were transferred to the ''Healing Center'' for extermination, under Dr. Sewerings' command. At Eglfing-Haar, the children were subjected to a mixture of starvation and an overdose of a sleeping drug, Luminal. Authorities at the center saw this method as a low cost way of disposing of disabled children.

Dr. Sewering was a member of the Nazi party, as well as the Medical Director of the Sanitarium. When the war ended, Dr. Sewering went on to enjoy a full and rewarding medical career in Bavaria. In 1993 he became the president-elect of the World Medical Association, but after protest he resigned. Shortly after this, the Department of Justice placed Dr. Sewering on the ''watch list'' thereby preventing his entry into the United States. Dr. Sewering, at the age of 78, still practices medicine in Bavaria.

I have been in contact with the German Ambassador on this matter requesting an explanation and information on behalf of the German Government as to why Dr. Sewering has not been investigated and why the documents regarding the transfer of patients have not been made public. This concurrent resolution expresses the Sense of Congress that the German Government should investigate and prosecute Dr. Sewering for his war crimes of active euthanasia and crimes against humanity committed during World War II.

I appreciate the interest and joint sponsorship of Senator FEINSTEIN, and look forward to working with her as we continue to draw the attention of Congress to this situation and ultimately action by the German Government.

SENATE CONCURRENT RESOLUTION 70—DIRECTING THE CLERK OF THE HOUSE OF REPRESENTATIVES

Mr. MURKOWSKI submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 70

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill (H.R. 1975) to improve the management of royalties from Federal and Outer Continental Shelf oil and gas leases, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

(1) On page 5, line 23, strike the word ''provision'' and insert in lieu thereof the word ''provisions''.

(2) On page 29, line 23, insert the word ''so'' before the word ''demonstrate''.

(3) On page 36, line 2, insert the word ''not'' after the word ''shall''.

(4) On page 36, line 19, strike the word ''rate'' and insert in lieu thereof the word ''date''.

(5) On page 36, line 24, strike the word ''owned'' and insert in lieu thereof the word ''owed''.

(6) On page 39, line 8, strike the word ''dues'' and insert in lieu thereof the word ''due''.

(7) On page 44, line 24, strike the word ''it'' and insert in lieu thereof the word ''its''.

SENATE RESOLUTION 287—TO AUTHORIZE THE PRODUCTION OF RECORDS BY THE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 287

Whereas, the Office of the Attorney General of the State of New Jersey has requested that the Permanent Subcommittee on Investigations provide it with copies of Subcommittee records in connection with a licensing investigation that the Office is currently conducting;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Ranking Minority Member of the Permanent Subcommittee on Investigations, acting jointly, are authorized to provide to the Office of the Attorney General of the State of New Jersey copies of Subcommittee records that the Office has requested for use in connection with its pending licensing investigation.

Mr. LOTT. Mr. President, the Permanent Subcommittee on Investigations has received a request from the New Jersey Attorney General's Office for copies of subcommittee records relevant to a background investigation that the Office is conducting in connection with a solid waste disposal company's licensing application.

In the course of drug enforcement hearings in the mid-1970s, the subcommittee investigated allegations relating to an individual who was then a federal drug enforcement official and is now a principal in the solid waste firm seeking licensure from the State of New Jersey. The Attorney General's Office is seeking access to subcommittee records to enable the Office to fulfill its responsibilities under state law to conduct a thorough background investigation of this individual.

Mr. President, this resolution would authorize the chairman and ranking minority member of the Permanent Subcommittee on Investigations, acting jointly, to provide subcommittee records in response to this request.

AMENDMENTS SUBMITTED

THE FOOD AND GROCERY PRODUCTS DONATION ACT OF 1996

LEAHY AMENDMENT NO. 5148

Mr. SANTORUM (for Mr. LEAHY) proposed an amendment to the bill (H.R. 2428) to encourage the donation of food and grocery products to nonprofit organizations for distribution to needy individuals by giving the Model Good Samaritan Food Donation Act the full force and effect of law.

Beginning on page 2, strike line 16 and all that follows through page 3, line 11, and insert the following:

(C) by striking subsection (c) and inserting the following:

''(c) LIABILITY FOR DAMAGES FROM DONATED FOOD AND GROCERY PRODUCTS.—

''(1) LIABILITY OF PERSON OR GLEANER.—A person or gleaner shall not be subject to civil or criminal liability arising from the nature, age, packaging, or condition of apparently wholesome food or an apparently fit grocery product that the person or gleaner donates in good faith to a nonprofit organization for ultimate distribution to needy individuals.

''(2) LIABILITY OF NONPROFIT ORGANIZATION.—A nonprofit organization shall not be subject to civil or criminal liability arising from the nature, age, packaging, or condition of apparently wholesome food or an apparently fit grocery product that the nonprofit organization received as a donation in good faith from a person or gleaner for ultimate distribution to needy individuals.

''(3) EXCEPTION.—Paragraphs (1) and (2) shall not apply to an injury to or death of an ultimate user or recipient of the food or grocery product that results from an act or omission of the person, gleaner, or nonprofit organization, as applicable, constituting gross negligence or intentional misconduct.''.

KENNEDY AMENDMENT NO. 5149

Mr. SANTORUM (for Mr. KENNEDY) proposed an amendment to the bill, H.R. 2428, supra; as follows:

On page 2, line 8, insert ''the title heading and'' before ''sections''.

On page 2, strike line 15 and insert the following: Samaritan'';

(C) in subsection (b)(7), to read as follows:

''(7) GROSS NEGLIGENCE.—The term 'gross negligence' means voluntary and conscious conduct (including a failure to act) by a person who, at the time of the conduct, knew that the conduct was likely to be harmful to the health or well-being of another person.'';

On page 3, line 11, strike the period and insert ''; and''.

On page 3, between lines 11 and 12, insert the following:

(E) in subsection (f), by adding at the end the following: ''Nothing in this section shall be construed to supercede State or local health regulations.''

On page 4, after line 1, insert the following:

(c) CONFORMING AMENDMENT.—The table of contents for the National and Community Service Act of 1990 is amended by striking the items relating to title IV.

THE OREGON RESOURCE CONSERVATION ACT OF 1996 OPAL CREEK WILDERNESS AND OPAL CREEK SCENIC RECREATION AREA ACT OF 1996

HATFIELD AMENDMENT NO. 5150

Mr. HATFIELD proposed an amendment to the bill (S. 1662) to establish areas of wilderness and recreation in the State of Oregon, and for other purposes; as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Oregon Resource Conservation Act of 1996''.

TITLE I—OPAL CREEK WILDERNESS AND SCENIC RECREATION AREA

SEC. 101. SHORT TITLE.

This title may be cited as the ''Opal Creek Wilderness and Opal Creek Scenic Recreation Area Act of 1996''.

SEC. 102. DEFINITIONS.

In this title:

(1) BULL OF THE WOODS WILDERNESS.—The term ''Bull of the Woods Wilderness'' means the land designated as wilderness by section 3(4) of the Oregon Wilderness Act of 1984 (Public Law 98–328; 16 U.S.C. 1132 note).

(2) OPAL CREEK WILDERNESS.—The term ''Opal Creek Wilderness'' means certain land in the Willamette National Forest in the State of Oregon comprising approximately 12,800 acres, as generally depicted on the map entitled ''Proposed Opal Creek Wilderness and Scenic Recreation Area'', dated July 1996.

(3) SCENIC RECREATION AREA.—The term ''Scenic Recreation Area'' means the Opal Creek Scenic Recreation Area, comprising approximately 13,000 acres, as generally depicted on the map entitled ''Proposed Opal Creek Wilderness and Scenic Recreation Area'', dated July 1996 and established under section 104(a)(3) of this title.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

SEC. 103. PURPOSES.

The purposes of this title are:

(1) to establish a wilderness and scenic recreation area to protect and provide for the enhancement of the natural, scenic, recreational, historic and cultural resources of the area in the vicinity of Opal Creek;

(2) to protect and support the economy of the communities in the Sanitiam Canyon; and

(3) to provide increased protection for an important drinking water source for communities served by the North Santiam River.

SEC. 104. ESTABLISHMENT OF OPAL CREEK WILDERNESS AND SCENIC RECREATION AREA.

(a) ESTABLISHMENT.—On a determination by the Secretary under subsection (b)—

(1) the Opal Creek Wilderness, as depicted on the map described in Section 102(2), is hereby designated as wilderness, subject to the provisions of the Wilderness Act of 1964, shall become a component of the National Wilderness System, and shall be know as the Opal Creek Wilderness;

(2) the part of the Bull of the Woods Wilderness that is located in the Willamette National Forest shall be incorporated into the Opal Creek Wilderness; and

(3) the Secretary shall establish the Opal Creek Scenic Recreation Area in the Willamette National Forest in the State of Oregon, comprising approximately 13,000 acres, as generally depicted on the map described in Section 102(3).

(b) CONDITIONS.—The designations in subsection (a) shall not take effect unless the Secretary makes a determination, not later than 2 years after the date of enactment of this title, that the following conditions have been met:

(1) the following have been donated to the United States in an acceptable condition and without encumbrances—

(A) all right, title, and interest in the following patented parcels of land—

(i) Santiam Number 1, mineral survey number 992, as described in patent number 39–92–0002, dated December 11, 1991;

(ii) Ruth Quartz Mine Number 2, mineral survey number 994, as described in patent number 39–91–0012, dated February 12, 1991;

(iii) Morning Star Lode, mineral survey number 993, as described in patent number 36–91–0011, dated February 12, 1991;

(B) all right, title, and interest held by any entity other than the Times Mirror Land and Timber Company, its successors and assigns, in and to lands located in section 18, township 8 south, range 5 east, Marion County, Oregon, Eureka numbers 6, 7, 8, and 13 mining claims; and

(C) an easement across the Hewitt, Starvation, and Poor Boy Mill Sites, mineral survey number 990, as described in patent number 36–91–0017, dated May 9, 1991. In the sole discretion of the Secretary, such easement may be limited to administrative use if an alternative access route, adequate and appropriate for public use, is provided.

(2) a binding agreement has been executed by the Secretary and the owners of record as of March 29, 1996, of the following interests, specifying the terms and conditions for the disposition of such interests to the United States Government—

(A) the lode mining claims known as Princess Lode, Black Prince Lode, and King Number 4 Lode, embracing portions of sections 29 and 32, township 8 south, range 5 east, Willamette-Meridian, Marion County, Oregon, the claims being more particularly described in the field notes and depicted on the plat of mineral survey number 887, Oregon; and

(B) Ruth Quartz Mine Number 1, mineral survey number 994, as described in patent number 39–91–0012, dated February 12, 1991.

(c) ADDITIONS TO THE WILDERNESS AND SCENIC RECREATION AREAS.—

(1) Lands or interests in lands conveyed to the United States under this section shall be included in and become part of, as appropriate, Opal Creek Wilderness or the Opal Creek Scenic Recreation Area.

(2) On acquiring all or substantially all of the land located in section 36, township 8 south, range 4 east, of the Williamette Meridian, Marion County, Oregon, commonly known as the Rosboro section by exchange, purchase from a willing seller, or by donation, the Secretary shall expand the boundary of the Scenic Recreation Area to include such land.

(3) On acquiring all or substantially all of the land located in section 18, township 8 south, range 5 east, Marion County, Oregon, commonly known as the Times Mirror property, by exchange, purchase from a willing seller, or by donation, such land shall be included in and become a part of the Opal Creek Wilderness.

SEC. 105. ADMINISTRATION OF THE SCENIC RECREATION AREA.

(a) IN GENERAL.—The Secretary shall administer the Scenic Recreation Area in accordance with this title and the laws (including regulations) applicable to the National Forest System.

(b) OPAL CREEK MANAGEMENT PLAN.—

(1) IN GENERAL.—Not later than 2 years after the date of establishment of the Scenic Recreation Area, the Secretary, in consultation with the advisory committee established under section 106(a), shall prepare a comprehensive Opal Creek Management Plan (Management Plan) for the Scenic Recreation Area.

(2) INCORPORATION IN LAND AND RESOURCE MANAGEMENT PLAN.—Upon its completion, the Opal Creek Management Plan shall become part of the land and resource management plan for the Williamette National Forest and supersede any conflicting provision in such land and resource management plan. Nothing in this paragraph shall be construed to supersede the requirements of the Endangered Species Act or the National Forest Management Act or regulations promulgated under those Acts, or any other law.

(3) REQUIREMENTS.—The Opal Creek Management Plan shall provide for a broad range of land uses, including—

(A) recreation;

(B) harvesting of nontraditional forest products, such as gathering mushrooms and material to make baskets; and

(C) educational and research opportunities.

(4) PLAN AMENDMENTS.—The Secretary may amend the Opal Creek Management Plan as the Secretary may determine to be necessary, consistent with the procedures and purposes of this title.

(c) RECREATION.—

(1) RECOGNITION.—Congress recognizes recreation as an appropriate use of the Scenic Recreation Area.

(2) MINIMUM LEVELS.—The management plan shall permit recreation activities at not less than the levels in existence on the date of enactment of this title.

(3) HIGHER LEVELS.—The management plan may provide for levels of recreation use higher than the levels in existence on the date of enactment of this title if such uses are consistent with the protection of the resource values of Scenic Recreation Area.

(4) The management plan may include public trail access through section 28, township 8 south, range 5 east, Willamette Meridian, to Battle Axe Creek, Opal Pool and other areas in the Opal Creek Wilderness and the Opal Creek Scenic Recreation Area.

(d) TRANSPORTATION PLANNING.—

(1) IN GENERAL.—Except as provided in this subparagraph, motorized vehicles shall not be permitted in the Scenic Recreation Area. To maintain reasonable motorized and other access to recreation sites and facilities in existence on the date of enactment of this title, the Secretary shall prepare a transportation plan for the Scenic Recreation Area that:

(A) evaluates the road network within the Scenic Recreation Area to determine which roads shall be retained and which roads should be closed;

(B) provides guidelines for transportation and access consistent with this title;

(C) considers the access needs of persons with disabilities in preparing the transportation plan for the Scenic Recreation Area;

(D) allows forest road 2209 beyond the gate to the Scenic Recreation Area, as depicted on the map described in 102(2), to be used by motorized vehicles only for administrative purposes and for access by private inholders, subject to such terms and conditions as the Secretary may determine to be necessary; and

(E) restricts construction on or improvements to forest road 2209 beyond the gate to the Scenic Recreation Area to maintaining the character of the road as it existed upon the date of enactment of this title, which shall not include paving or widening. In order to comply with subsection 107(b) of this title, the Secretary may make improvements to forest road 2209 and its bridge structures consistent with the character of the road as it existed on the date of enactment of this title.

(e) HUNTING AND FISHING.—

(1) IN GENERAL.—Subject to applicable Federal and State law, the Secretary shall permit hunting and fishing in the Scenic Recreation Area.

(2) LIMITATION.—The Secretary may designate zones in which, and establish periods when, no hunting or fishing shall be permitted for reasons of public safety, administration or public use and enjoyment of the Scenic Recreation Area.

(3) CONSULTATION.—Except during an emergency, as determined by the Secretary, the Secretary shall consult with the Oregon State Department of Fish and Wildlife before issuing any regulation under this subsection.

(f) TIMBER CUTTING.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall prohibit the cutting and/or selling of trees in the Scenic Recreation Area.

(2) PERMITTED CUTTING.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary may allow the cutting of trees in the Scenic Recreation Area only—

(i) for public safety, such as to control the continued spread of a forest fire in the Scenic Recreation Area or on land adjacent to the Scenic Recreation Area;

(ii) for activities related to administration of the Scenic Recreation Area, consistent with the Opal Creek Management Plan; or

(iii) for removal of hazard trees along trails and roadways.

(B) SALVAGE SALES.—The Secretary may not allow a salvage sale in the Scenic Recreation Area.

(g) WITHDRAWAL.—

(1) Subject to valid existing rights, all lands in the Scenic Recreation Area are withdrawn from—

(i) any form of entry, appropriation, or disposal under the public land laws;

(ii) location, entry, and patent under the mining laws; and

(iii) disposition under the mineral and geothermal leasing laws.

(h) BORNITE PROJECT.—

(1) Nothing in this title shall be construed to interfere with or approve any exploration, mining, or mining-related activity in the Bornite Project Area, depicted on the map described in subsection 102(3), conducted in accordance with applicable laws.

(2) Nothing in this title shall be construed to interfere with the ability of the Secretary to approve and issue, or deny, special use permits in connection with exploration, mining, and mining-related activities in the Bornite Project Area.

(3) Motorized vehicles, roads, structures, and utilities (including but not limited to power lines and water lines) may be allowed inside the Scenic Recreation Area to serve the activities conducted on land within the Bornite Project.

(4) After the date of enactment of this title, no patent shall be issued for any mining claim under the general mining laws located within the Bornite Project Area.

(i) WATER IMPOUNDMENTS.—Notwithstanding the Federal Power Act (16 U.S.C. 791a et seq.), the Federal Energy Regulatory Commission may not license the construction of any dam, water conduit, reservoir, powerhouse, transmission line, or other project work in the Scenic Recreation Area, except as may be necessary to comply with the provisions of subsection 105(h) with regard to the Bornite Project.

(j) CULTURAL AND HISTORIC RESOURCE INVENTORY.—

(1) IN GENERAL.—Not later than 1 year after the date of establishment of the Scenic Recreation Area, the Secretary shall review and revise the inventory of the cultural and historic resources on the public land in the Scenic Recreation Area developed pursuant to the Oregon Wilderness Act of 1984 (Public Law 98–328; U.S.C. 1132).

(2) INTERPRETATION.—Interpretive activities shall be developed under the management plan in consultation with State and local historic preservation organizations and shall include a balanced and factual interpretation of the cultural, ecological, and industrial history of forestry and mining in the Scenic Recreation Area.

(k) PARTICIPATION.—So that the knowledge, expertise, and views of all agencies and groups may contribute affirmatively to the most sensitive present and future use of the Scenic Recreation Area and its various subareas for the benefit of the public:

(1) ADVISORY COUNCIL.—The Secretary shall consult on a periodic and regular basis with the advisory council established under section 106 with respect to matters relating to management of the Scenic Recreation Area.

(2) PUBLIC PARTICIPATION.—The Secretary shall seek the views of private groups, individuals, and the public concerning the Scenic Recreation Area.

(3) OTHER AGENCIES.—The Secretary shall seek the views and assistance of, and cooperate with, any other Federal, State, or local agency with any responsibility for the zoning, planning, or natural resources of the Scenic Recreation Area.

(4) NONPROFIT AGENCIES AND ORGANIZATIONS.—The Secretary shall seek the views of any nonprofit agency or organization that may contribute information or expertise about the resources and the management of the Scenic Recreation Area.

SEC. 106. ADVISORY COUNCIL.

(a) ESTABLISHMENT.—Not later than 90 days after the establishment of the Scenic Recreation Area, the Secretary shall establish an advisory council for the Scenic Recreation Area.

(b) MEMBERSHIP.—The advisory council shall consist of not more than 13 members, of whom—

(1) 1 member shall represent Marion County, Oregon, and shall be designated by the governing body of the county;

(2) 1 member shall represent Clackamas County, Oregon and shall designated by the governing body of the county;

(3) 1 member shall represent the State of Oregon and shall be designated by the governor of Oregon; and

(4) 1 member shall represent the City of Salem, and shall be designated by the mayor of Salem, Oregon;

(5) 1 member from a city within a 25 mile radius of the Opal Creek Scenic Recreation Area, to be designated by the governor of the State of Oregon from a list of candidates provided by the mayors of the cities located within a 25 mile radius of the Opal Creek Scenic Recreation Area; and

(6) not more than 8 members shall be appointed by the Secretary from among persons who, individually or through association with a national or local organization, have an interest in the administration of the Scenic Recreation Area, including, but not limited to, representatives of the timber industry, environmental organizations, the mining industry, inholders in the Opal Creek Wilderness and Scenic Recreation Area, economic development interests and Indian Tribes.

(c) STAGGERED TERMS.—Members of the advisory council shall serve for staggered terms of three years.

(d) CHAIRMAN.—The Secretary shall designate one member of the advisory council as chairman.

(e) VACANCIES.—The Secretary shall fill a vacancy on the advisory council in the same manner as the original appointment.

(f) COMPENSATION.—Members of the advisory council shall receive no compensation for service on the advisory council.

SEC. 107. GENERAL PROVISIONS.

(a) LAND ACQUISITION.—

(1) IN GENERAL.—Subject to the other provisions of this title the Secretary may acquire any lands or interests in land in the Scenic Recreation Area or the Opal Creek Wilderness that the Secretary determines are needed to carry out this title.

(2) PUBLIC LAND.—Any lands or interests in land owned by a State or a political subdivision of a State may be acquired only by donation or exchange.

(3) CONDEMNATION.—Within the boundaries of the Opal Creek Wilderness or the Scenic Recreation Area, the Secretary may not acquire any privately owned land or interest in land without the consent of the owner unless the Secretary finds that—

(A) the nature of land use has changed significantly, or the landowner has demonstrated intent to change the land use significantly, from the use that existed on the date of the enactment of this title; and

(B) acquisition by the Secretary of the land or interest in land is essential to ensure use of the land or interest in land in accordance with the purposes of this title or the

management plan prepared under section 105(b).

(4) Nothing in this title shall be construed to enhance or diminish the condemnation authority available to the Secretary outside the boundaries of the Opal Creek Wilderness or the Scenic Recreation Area.

(b) ENVIRONMENTAL RESPONSE ACTIONS AND COST RECOVERY.—

(1) RESPONSE ACTIONS.—Nothing in this title shall limit the authority of the Secretary or a responsible party to conduct an environmental response action in the Scenic Recreation Area in connection with the release, threatened release, or cleanup of a hazardous substance, pollutant, or contaminant, including a response action conducted under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(2) LIABILITY.—Nothing in this title shall limit the authority of the Secretary or a responsible party to recover costs related to the release, threatened release, or cleanup of any hazardous substance or pollutant or contaminant in the Scenic Recreation Area.

(c) MAPS AND DESCRIPTION.—

(1) IN GENERAL.—As soon as practicable after the date of enactment of this title, the Secretary shall file a map and a boundary description for the Opal Creek Wilderness and for the Scenic Recreation Area with the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

(2) FORCE AND EFFECT.—The boundary description and map shall have the same force and effect as if the description and map were included in this title, except that the Secretary may correct clerical and typographical errors in the boundary description and map.

(3) AVAILABILITY.—The map and boundary description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture.

(d) Nothing in this title shall interfere with any activity for which a special use permit has been issued, has not been revoked, and has not expired, before the date of enactment of this title, subject to the terms of the permit.

SEC. 108. ROSBORO LAND EXCHANGE.

(a) AUTHORIZATION.—Notwithstanding any other law, if the Rosboro Lumber Company (referred to in this section as ''Rosboro'') offers and conveys marketable title to the United States to the land described in subsection (b), the Secretary of Agriculture shall convey all right, title and interest held by the United States to sufficient lands described in subsection (c) to Rosboro, in the order in which they appear in subsection (c), as necessary to satisfy the equal value requirements of subsection (d).

(b) LAND TO BE OFFERED BY ROSBORO.—The land referred to in subsection (a) as the land to be offered by Rosboro shall comprise Section 36, Township 8 South, Range 4 East, Willamette Meridian.

(c) LAND TO BE CONVEYED BY THE UNITED STATES.—The land referred to in subsection (a) as the land to be conveyed by the United States shall comprise sufficient land from the following prioritized list to be of equal value under subparagraph (d):

(i) Section 5, Township 17 South, Range 4 East, Lot 7 (37.63 acres);

(ii) Section 2, Township 17 South, Range 4 East, Lot 3 (29.28 acres);

(iii) Section 13, Township 17 South, Range 4 East, S½SE¼ (80 acres);

(iv) Section 2, Township 17 South, Range 4 East, SW¼SW¼ (40 acres);

(v) Section 2, Township 17 South, Range 4 East, NW¼SE¼ (40 acres);

(vi) Section 8, Township 17 South, Range 4 East, SE¼SW¼ (40 acres);

(vii) Section 11, Township 17 South, Range 4 East, W½NW¼ (80 acres);

(d) EQUAL VALUE.—The land and interests in land exchanged under this section shall be of equal market value as determined by nationally recognized appraisal standards, including, to the extent appropriate, the Uniform Standards for Federal Land Acquisition, the Uniform Standards of Professional Appraisal Practice, or shall be equalized by way of payment of cash pursuant to the provisions of section 206(d) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(d)), and other applicable law. The appraisal shall consider access costs for the parcels involved.

(e) TIMETABLE.—

(1) The exchange directed by this section shall be consummated not later than 120 days after the date Rosboro offers and conveys the property described in subsection (b) to the United States.

(2) The authority provided by this section shall lapse if Rosboro fails to offer the land described in subsection (b) within two years after the date of enactment of this title.

(3) Rosboro shall have the right to challenge in United States District Court for the District of Oregon a determination of marketability under subsection (a) and a determination of value for the lands described in subsections (b) and (c) by the Secretary of Agriculture. The Court shall have the authority to order the Secretary to complete the transaction contemplated in this Section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 109. DESIGNATION OF ELKHORN CREEK AS A WILD AND SCENIC RIVER.

Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding at the end the following:

''( )(A) ELKHORN CREEK.—The 6.4 mile segment traversing federally administered lands from that point along the Willamette National Forest boundary on the common section line between Sections 12 and 13, Township 9 South, Range 4 East, Willamette Meridian, to that point where the segment leaves federal ownership along the Bureau of Land Management boundary in Section 1, Township 9 South, Range 3 East, Willamette Meridian, in the following classes:

(i) a 5.8-mile wild river area, extending from that point along the Willamette National Forest boundary on the common section line between Sections 12 and 13, Township 9 South, Range 4 East, Willamette Meridian, to its confluence with Buck Creek in Section 1, Township 9 South, Range 3 East, Willamette Meridian, to be administered as agreed on by the Secretaries of Agriculture and the Interior, or as directed by the President; and

(ii) a 0.6-mile scenic river area, extending from the confluence with Buck Creek in Section 1, Township 9 South, Range 3 East, Willamette Meridian, to that point where the segment leaves federal ownership along the Bureau of Land Management boundary in Section 1, Township 9 South, Range 3 East, Willamette Meridian, to be administered by the Secretary of Interior, or as directed by the President.

(B) Notwithstanding Section 3(b) of this Act, the lateral boundaries of both the wild river area and the scenic river area along Elkhorn Creek shall include an average of not more than 640 acres per mile measured from the ordinary high water mark on both sides of the river.''

SEC. 110. ECONOMIC DEVELOPMENT.

(A) ECONOMIC DEVELOPMENT PLAN.—As a condition for receiving funding under subsection (b) of this section, the State of Oregon, in consultation with Marion and Clackamas Counties and the Secretary of Agriculture, shall develop a plan for economic development projects for which grants under this section may be used in a manner consistent with this title and to benefit local communities in the vicinity of the Opal Creek area. Such plan shall be based on an economic opportunity study and other appropriate information.

(b) FUNDS PROVIDED TO THE STATES FOR GRANTS.—Upon completion of the Opal Creek Management Plan, and receipt of the plan referred to in subsection (a) of this section, the Secretary shall provide, subject to appropriations, $15,000,000 to the State or Oregon. Such funds shall be used to make grants or loans for economic development projects that further the purposes of this title and benefit the local communities in the vicinity of Opal Creek.

(c) REPORT.—The State of Oregon shall—

(1) prepare and provide the Secretary and Congress with an annual report on the use of the funds made available under this section;

(2) make available to the Secretary and to Congress, upon request, all accounts, financial records, and other information related to grants and loans made available pursuant to this section; and

(3) as loans are repaid, make additional grants and loans with the money made available for obligation by such repayments.

TITLE II—UPPER KLAMATH BASIN

SEC. 201. UPPER KLAMATH BASIN ECOLOGICAL RESTORATION PROJECTS.

(a) DEFINITIONS.—In this section:

(1) ECOSYSTEM RESTORATION OFFICE.—The term ''Ecosystem Restoration Office'' means the Klamath Basin Ecosystem Restoration Office operated cooperatively by the United States Fish and Wildlife Service, Bureau of Reclamation, Bureau of Land Management, and Forest Service.

(2) WORKING GROUP.—The term ''Working Group'' means the Upper Klamath Basin Working Group, established before the date of enactment of this title, consisting of members nominated by their represented groups, including:

(A) 3 tribal members;

(B) 1 representative of the city of Klamath Falls Oregon;

(C) 1 representative of Klamath County, Oregon;

(D) 1 representative of institutions of higher education in the Upper Klamath Basin;

(E) 4 representatives of the environmental community, including at least one such representative from the State of California with interests in the Klamath Basin National Wildlife Refuge Complex;

(F) 4 representatives of local businesses and industries, including at least one representative of the wood products industry and one representative of the ocean commercial fishing industry and/or the recreational fishing industry based in either Oregon or California;

(G) 4 representatives of the ranching and farming community, including representatives of federal lease-land farmers and ranchers and of private land farmers and ranchers in the Upper Klamath Basin;

(H) 2 representatives from State of Oregon agencies with authority and responsibility in the Klamath River Basin, including one from the Oregon Department of Fish and Wildlife and one from the Oregon Water Resources Department;

(I) 4 representatives from the local community;

(J) 1 representative each from the following federal resource management agencies in the Upper Klamath Basin: Fish and Wildlife Service, Bureau of Reclamation, Bureau of

Land Management, Bureau of Indian Affairs, Forest Service, Natural Resources Conservation Service, National Marine Fisheries Service and Ecosystem Restoration Office; and

(K) 1 representative of the Klamath County Soil and Water Conservation District.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(4) TASK FORCE.—The term ''Task Force'' means the Klamath River Basin Fisheries Task Force as established by the Klamath River Basin Fishery Resource Restoration Act (P.L. 99–552, 16 U.S.C. 460ss–3, et seq.).

(5) COMPACT COMMISSION.—The term ''Compact Commission'' means the Klamath River Basin Compact Commission created pursuant to the Klamath River Company Act of 1954.

(6) CONSENSUS.—The term ''consensus'' means a unanimous agreement by the Working Group members present and consisting of at least a quorum at a regularly scheduled business meeting.

(7) QUORUM.—The term ''quorum'' means one more than half of those qualified Working Group members appointed and eligible to serve.

(8) TRINTY TASK FORCE.—The term ''Trinity Task Force'' means the Trinity River Restoration Task Force created by P.L. 98–541, as amended by P.L. 104–143.

(b) IN GENERAL.—

(1) The Working Group through the Ecosystem Restoration Office, with technical assistance from the Secretary, will propose ecological restoration projects, economic development and stability projects, and projects designed to reduce the impacts of drought conditions to be undertaken in the Upper Klamath Basin based on a consensus of the Working Group membership.

(2) The Secretary shall pay, to the greatest extent feasible, up to 50 percent of the cost of performing any project approved by the Secretary or his designee, up to a total amount of $1,000,000 during each of fiscal years 1997 through 2001.

(3) Funds made available under this title through the Department of the Interior or the Department of Agriculture shall be distributed through the Ecosystem Restoration Office.

(4) The Ecosystem Restoration Office may utilize not more than 15 percent of all federal funds administered under this section for administrative costs relating to the implementation of this title.

(5) All funding recommendations developed by the Working Group shall be based on a consensus of Working Group members.

(c) COORDINATION.—

(1) The Secretary shall formulate a cooperative agreement among the Working Group, the Task Force, the Trinity Task Force and the Compact Commission for the purposes of ensuring that projects proposed and funded through the Working Group are consistent with other basin-wide fish and wildlife restoration and conservation plans, including but not limited to plans developed by the Task Force and the Compact Commission.

(2) To the greatest extent practicable, the Working Group shall provide notice to, and accept input from, two members each of the Task Force, the Trinity Task Force, and the Compact Commission, so appointed by those entities, for the express purpose of facilitating better communication and coordination regarding additional basin-wide fish and wildlife and ecosystem restoration and planning efforts. The roles and relationships of the entities involved shall be clarified in the cooperative agreement.

(d) PUBLIC MEETINGS.—The Working Group shall conduct all meetings subject to applicable open meeting and public participation laws. They chartering requirements of 5 U.S.C. App 2 ss 1–15 are hereby deemed to have been met by this section.

(e) TERMS AND VACANCIES.—Working Group members shall serve for three-year terms, beginning on the date of enactment of this title. Vacancies which occur for any reason after the date of enactment of this title shall be filled by direct appointment of the governor of the State of Oregon, in consultation with nominations from the appropriate groups, interests, and government agencies outlined in subsection (a)(2).

(f) RIGHTS, DUTIES, AND AUTHORITIES UNAFFECTED.—The Working Group will supplement, rather than replace, existing efforts to manage the natural resources of the Deschutes Basin. Nothing in this title affects any legal right, duty or authority of any person or agency, including any member of the working group.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this title $1,000,000 for each of fiscal year 1997 through 2002.

TITLE III—DESCHUTES BASIN.

SEC. 301. DESCHUTES BASIN ECOSYSTEM RESTORATION PROJECTS.

(a) DEFINITIONS.—In this section:

(1) WORKING GROUP.—The term ''Working Group'' means the Deschutes River Basin Working Group established before the date of enactment of this title, consisting of members nominated by their represented groups, including:

(A) 5 representatives of private interests including one each from hydroelectric production, livestock grazing, timber, land development, and recreation/tourism;

(B) 4 representatives of private interests including two each from irrigated agriculture and the environmental community;

(C) 2 representatives from the Confederated Tribes of the Warm Springs Reservation of Oregon;

(D) 2 representatives from Federal agencies with authority and responsibility in the Deschutes River Basin, including one from the Department of the Interior and one from the Agriculture Department;

(E) 2 representatives from the State of Oregon agencies with authority and responsibility in the Deschutes River Basin, including one from the Oregon Department of Fish and Wildlife and one from the Oregon Water Resources Department; and

(F) 4 representatives from county or city governments within the Deschutes River Basin county and/or city governments.

(2) SECRETARY.—the term ''Secretary'' means the Secretary of the Interior.

(3) FEDERAL AGENCIES.—The term ''Federal agencies'' means agencies and departments of the United States, including, but not limited to, the Bureau of Reclamation, Bureau of Indian Affairs, Bureau of Land Management, Fish and Wildlife Service, Forest Service, Natural Resources Conservation Service, Farm Services Agency, the National Marine Fisheries Service, and the Bonneville Power Administration.

(4) CONSENSUS.—The term ''consensus'' means a unanimous agreement by the Working Group members present and constituting at least a quorum at a regularly scheduled business meeting.

(5) QUORUM.—The term ''quorum'' means one more than half of those qualified Working Group members appointed and eligible to serve.

(b) IN GENERAL.—

(1) The Work Group will propose ecological restoration projects on both Federal and non-federal lands and waters to be undertaken in the Deschutes River Basin based on a consensus of the Working Group, provided that such projects, when involving Federal land or funds, shall be proposed to the Bureau of Reclamation in the Department of the Interior and any other Federal agency with affected land or funds.

(2) The Working Group will accept donations, grants or other funds and place such funds received into a trust fund, to be expended on ecological restoration projects which, when involving federal land or funds, are approved by the affected Federal agency.

(3) The Bureau of Reclamation shall pay from funds authorized under subsection (g) of this title up to 50 percent of the cost of performing any project proposed by the Working Group and approved by the Secretary, up to a total amount of $1,000,000 during each of the fiscal years 1997 through 2001.

(4) Non-federal contributions to project costs for purposes of computing the federal matching share under paragraph (3) of this subsection may include in-kind contributions.

(5) Funds authorized in subsection (g) of this title shall be maintained in and distributed by the Bureau of Reclamation in the Department of the Interior. The Bureau of Reclamation shall not expend more than 5 percent of amounts appropriated pursuant to subsection (h) for Federal administration of such appropriations pursuant to this title.

(6) The Bureau of Reclamation is authorized to provide by grant to the Working Group not more than 5 percent of funds appropriated pursuant to subsection (g) of this title for not more than 50 percent of administrative costs relating to the implementation of this title.

(7) The Federal agencies with authority and responsibility in the Deschutes River Basin shall provide technical assistance to the Working Group and shall designate representatives to serve as members of the Working Group.

(8) All funding recommendations developed by the Working Group shall be based on a consensus of the Working Group members.

(c) PUBLIC NOTICE AND PARTICIPATION.—The Working Group shall conduct all meetings subject to applicable open meeting and public participation laws. The chartering requirements of 5 U.S.C. App 2 ss 1–15 are hereby deemed to have been met by this section.

(d) PRIORITIES.—The Working Group shall give priority to voluntary market-based economic incentives for ecosystem restoration including, but not limited to, water leases and purchases; land leases and purchases; tradable discharge permits; and acquisition of timber, grazing, and land development rights to implement plans, programs, measures, and projects.

(e) TERMS AND VACANCIES.—Members of the Working Group representing governmental agencies or entities shall be named by the represented government agency. Members of the Working Group representing private interests shall be named in accordance with the articles of incorporation and bylaws of the Working Group. Representatives from federal agencies will serve for terms of 3 years. Vacancies which occur for any reason after the date of enactment of this title shall be filled in accordance with this title.

(f) ADDITIONAL PROJECTS.—Where existing authority and appropriations permit, Federal agencies may contribute to the implementation of projects recommended by the Working Group and approved by the Secretary.

(g) RIGHTS, DUTIES AND AUTHORITIES UNAFFECTED.—The Working Group will supplement, rather than replace, existing efforts to manage the natural resources of the Deschutes Basin. Nothing in this title affects any legal right, duty or authority of any person or agency, including any member of the Working Group.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to

carry out this title $1,000,000 for each of fiscal years 1997 through 2001.

TITLE IV—MOUNT HOOD CORRIDOR

SEC. 401. LAND EXCHANGE.

(a) AUTHORIZATION.—Notwithstanding any other law, if Longview Fibre Company (referred to in this section as ''Longview'') offers and conveys title that is acceptable to the United States to some or all of the land described in subsection (b), the Secretary of the Interior (referred to in this section as the ''Secretary'') shall convey to Longview title to some or all of the land described in subsection (c), as necessary to satisfy the requirements of subsection (d).

(b) LAND TO BE OFFERED BY LONGVIEW.—The land referred to in subsection (a) as the land to be offered by Longview are those lands depicted on the map entitled ''Mt. Hood Corridor Land Exchange Map'', dated July 18, 1996.

(c) LAND TO BE CONVEYED BY THE SECRETARY.—The land referred to in subsection (a) as the land to be conveyed by the Secretary are those lands depicted on the map entitled ''Mt. Hood Corridor Land Exchange Map'', dated July 18, 1996.

(d) EQUAL VALUE.—The land and interests in land exchanged under this section—

(1) shall be of equal market value as determined by nationally recognized appraisal standards, including, to the extent appropriate, the Uniform Standards for Federal Land Acquisition, the Uniform Standards of Professional Appraisal Practice, or shall be equalized by way of payment of cash pursuant to the provisions of section 206(d) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(d)), and other applicable law.

(e) REDESIGNATION OF LAND TO MAINTAIN REVENUE FLOW.—So as to maintain the current flow of revenue from land subject to the Act entitled ''An Act relating to the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant land situated in the State of Oregon'', approved August 28, 1937 (43 U.S.C. 1181a et seq.), the Secretary may redesignate public domain land located in and west of Range 9 East, Willamette Meridian, Oregon, as land subject to that Act.

(f) TIMETABLE.—The exchange directed by this section shall be consummated not later than 1 year after the date of enactment of this title.

(g) WITHDRAWAL OF LANDS.—All lands managed by the Department of the Interior, Bureau of Land Management, located in Townships 2 and 3 South, Ranges 6 and 7 East, Willamette Meridian, which can be seen from the right-of-way of U.S. Highway 26 (in this section, such lands are referred to as the ''Mt. Hood Corridor Lands''), shall be managed primarily for the protection or enhancement of scenic qualities. Management prescriptions for other resource values associated with these lands shall be planned and conducted for purposes other than timber harvest, so as not to impair the scenic qualities of the area.

(h) TIMBER CUTTING.—Timber cutting may be conducted on Mt. Hood Corridor Lands following a resource-damaging catastrophic event. Such cutting may only be conducted to achieve the following resource management objectives, in compliance with the current land use plans—

(1) to maintain safe conditions for the visiting public;

(2) to control the continued spread of forest fire;

(3) for activities related to administration of the Mt. Hood Corridor Lands; or

(4) for removal of hazard trees along trails and roadways.

(i) ROAD CLOSURE.—The forest road gate located on Forest Service Road 2503, located in T. 2 S., R. 6 E., sec. 14, shall remain closed and locked to protect resources and prevent illegal dumping and vandalism. Access to this road shall be limited to—

(1) Federal and State officers and employees acting in an official capacity;

(2) employees and contractors conducting authorized activities associated with the telecommunication-sites located in T. 2 S., R. 6 E., sec. 14; and

(3) the general public for recreational purposes, except that all motorized vehicles will be prohibited.

(j) NEPA EXEMPTION.—The National Environmental Policy Act of 1969 (P.L. 91–190) shall not apply to this section for one year after the date of enactment of this title.

(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

TITLE V—COQUILLE TRIBAL FOREST

SEC. 501. CREATION OF THE COQUILLE FOREST.

(a) The Coquille Restoration Act (P.L. 101–42) is amended by inserting at the end of section 5 the following:

''(d) CREATION OF THE COQUILLE FOREST.—

(1) DEFINITIONS.—In this subsection:

(A) the term ''Coquille Forest'' means certain lands in Coos County, Oregon, comprising approximately 5,400 acres, as generally depicted on the map entitled ''Coquille Forest Proposal'', dated July 8, 1996.

(B) the term ''Secretary'' means the Secretary of Interior.

(C) the term ''the Tribe'' means the Coquille Tribe of Coos County, Oregon.

(2) MAP.—The map described in subparagraph (d)(1)(A), and such additional legal descriptions which are applicable, shall be placed on file at the local District Office of the Bureau of Land Management, the Agency Office of the Bureau of Indian Affairs, and with the Senate Committee on Energy and Natural Resources and the House Committee on Resources.

(3) INTERIM PERIOD.—From the date of enactment of this subsection until two years after the date of enactment of this subsection, the Bureau of Land Management shall:

(A) retain federal jurisdiction for the management of lands designated under this subsection as the Coquille Forest and continue to distribute revenues from such lands in a manner consistent with existing law; and,

(B) prior to advertising, offering or awarding any timber sale contract on lands designated under his subsection as the Coquille Forest, obtain the approval of the Assistant Secretary for Indian Affairs, acting on behalf of and in consultation with the Tribe.

(4) TRANSITION PLANNING AND DESIGNATION.—

(A) During the two year interim period provided for in paragraph (3), the Assistant Secretary for Indian Affairs, acting on behalf of and in consultation with Tribe, is authorized to initiate development of a forest management plan for the Coquille Forest. The Secretary, acting through the director of the Bureau of Land Management, shall cooperate and assist in the development of such plan and in the transition of forestry management operations for the Coquille Forest to the Assistant Secretary for Indian Affairs.

(B) Two years after the date of enactment of this subsection, the Secretary shall take the lands identified under subparagraph (d)(1)(A) into trust, and shall hold such lands in trust, in perpetuity, for the Coquille Tribe. Such lands shall be thereafter designated as the Coquille Forest.

(C) So as to maintain the current flow of revenue from land subject to the Act entitled ''An Act relating to the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant land situated in the State of Oregon'' (the O & C Act), approved August 28, 1937 (43 U.S.C. 1181a et seq.), the Secretary may redesignate, from public domain lands within the Tribe's service area, as defined in this Act, certain lands to be subject to the O & C Act. Lands redesignated under this subparagraph shall not exceed lands sufficient to constitute equivalent timber value as compared to lands constituting the Coquille Forest.

(5) MANAGEMENT.—The Secretary of Interior, acting through the Assistant Secretary for Indian Affairs shall manage the Coquille Forest under applicable State and Federal forestry and environmental protection laws, and subject to critical habitat designations under the Endangered Species Act, and subject to the standards and guidelines of Federal forest plans on adjacent or nearby Federal lands, now and in the future. The Secretary shall otherwise manage the Coquille Forest in accordance with the laws pertaining to the management of Indian Trust lands and shall distribute revenues in accord with PL 101–630, 25 U.S.C. 3107.

(A) Unprocessed logs harvested from the Coquille Forest shall be subject to the same Federal statutory restrictions on export to foreign Nations that apply to unprocessed logs harvested from Federal lands.

(B) Notwithstanding any other provision of law, all sales of timber from land subject to this subsection shall be advertised, offered and awarded according to competitive bidding practices, with sales being awarded to the highest responsible bidder.

(6) INDIAN SELF-DETERMINATION ACT AGREEMENT.—No sooner than two years after the date of enactment of this subsection, the Secretary may, upon a satisfactory showing of management competence and pursuant to the Indian Self-Determination Act (23 U.S.C. 450 et seq.), enter into a binding Indian self-determination agreement (agreement) with the Coquille Indian Tribe. Such agreement may provide for the Tribe to carry out all or a portion of the forest management for the Coquille Forest.

(A) Prior to entering such an agreement, and as a condition of maintaining such an agreement, the Secretary must find that the Coquille Tribe has entered into a binding memorandum of agreement (MOA) with the State of Oregon, as required under paragraph 7.

(B) The authority of the Secretary to rescind the Indian self-determination agreement shall not be encumbered.

(i) The Secretary shall rescind the agreement upon a demonstration that the Tribe and the State of Oregon are no longer engaged in a memorandum of agreement as required under paragraph 7.

(ii) The Secretary may rescind the agreement on a showing that the Tribe has managed the Coquille Forest in a manner inconsistent with this subsection, or the Tribe is no longer managing, or capable of managing, the Coquille Forest in a manner consistent with this subsection.

(7) MEMORANDUM OF AGREEMENT.—The Coquille Tribe shall enter into a memorandum of agreement (MOA) with the State of Oregon relating to the establishment and management of the Coquille Forest. The MOA shall include, but not be limited to, the terms and conditions for managing the Coquille Forest in a manner consistent with paragraph (5) of this subsection, preserving public access, advancing jointly-held resource management goals, achieving Tribal restoration objectives and establishing a coordinated management framework. Further, provisions set forth in the MOA shall be consistent with federal trust responsibility requirements applicable to Indian trust lands and paragraph (5) of this subsection.

(8) PUBLIC ACCESS.—The Coquille Forest shall remain open to public access for purposes of hunting, fishing, recreation and transportation, except when closure is required by state or federal law, or when the Coquille Indian Tribe and the State of Oregon agree in writing that restrictions on access are necessary or appropriate to prevent harm to natural resources, cultural resources or environmental quality; Provided That, the State of Oregon's agreement shall not be required when immediate action is necessary to protect archaeological resources.

(9) JURISDICTION.—

(A) The U.S. District Court for the District of Oregon shall have jurisdiction over actions against the Secretary arising out of claims that this subsection has been violated. Any affected citizen may bring suit against the Secretary for violations of this subsection, except that suit may not be brought against the Secretary for claims that the MOA has been violated. The Court has the authority to hold unlawful and set aside actions pursuant to this subsection that are arbitrary and capricious, an abuse of discretion, or otherwise an abuse of law.

(B) The U.S. District Court for the District of Oregon shall have jurisdiction over actions between the State of Oregon and the Tribe arising out of claims of breach of the MOA.

(C) Unless otherwise provided for by law, remedies available under this subsection shall be limited to equitable relief and shall not include damages.

(10) STATE REGULATORY AND CIVIL JURISDICTION.—In addition to the jurisdiction described in paragraph 7 of this subsection, the State of Oregon may exercise exclusive regulatory civil jurisdiction, including but not limited to adoption and enforcement of administrative rules and orders, over the following subjects:

(A) management, allocation and administration of fish and wildlife resources, including but not limited to establishment and enforcement of hunting and fishing seasons, bag limits, limits on equipment and methods, issuance of permits and licenses, and approval or disapproval of hatcheries, game farms, and other breeding facilities: *Provided* That, nothing herein shall be construed to permit the State of Oregon to manage fish or wildlife habitat on Coquille Forest lands;

(B) allocation and administration of water rights, appropriation of water and use of water;

(C) regulation of boating activities, including equipment and registration requirements, and protection of the public's right to use the waterways for purposes of boating or other navigation;

(D) fills and removals from waters of the State, as defined in Oregon law;

(E) protection and management of the State's proprietary interests in the beds and banks of navigable waterways;

(F) regulation of mining, mine reclamation activities, and exploration and drilling for oil and gas deposits;

(G) regulation of water quality, air quality (including smoke management), solid and hazardous waste, and remediation of releases of hazardous substances;

(H) regulation of the use of herbicides and pesticides; and

(I) enforcement of public health and safety standards, including standards for the protection of workers, well construction and codes governing the construction of bridges, buildings, and other structures.

(11) SAVINGS CLAUSE, STATE AUTHORITY.—

(A) Nothing in this subsection shall be construed to grant Tribal authority over private or State-owned lands.

(B) To the extent that the State of Oregon is regulating the foregoing areas pursuant to a delegated Federal authority or a Federal program, nothing in this subsection shall be construed to enlarge or diminish the State's authority under such law.

(C) Where both the State of Oregon and the United States are regulating, nothing herein shall be construed to alter their respective authorities.

(D) To the extent that federal law authorizes the Coquille Indian Tribe to assume regulatory authority over an area, nothing herein shall be construed to enlarge or diminish the Tribe's authority to do so under such law.

(E) Unless and except to the extent that the Tribe has assumed jurisdiction over the Coquille Forest pursuant to Federal law, or otherwise with the consent of the State, the State of Oregon shall have jurisdiction and authority to enforce its laws addressing the subjects listed in subparagraph 10 of this subsection on the Coquille Forest against the Coquille Indian Tribe, its members and all other persons and entities, in the same manner and with the same remedies and protections and appeal rights as otherwise provided by general Oregon law. Where the State of Oregon and Coquille Indian Tribe agree regarding the exercise of tribal civil regulatory jurisdiction over activities on the Coquille Forest lands, the Tribe may exercise such jurisdiction as is agreed upon.''

(12) In the event of a conflict between Federal and State law under this subsection, Federal law shall control.

TITLE VI—BULL RUN WATERSHED PROTECTION

SEC. 601. The first sentence of Section 2(a) of Public Law 95–200 is amended after ''referred to in this subsection (a)'' by striking ''2(b)'' and inserting in lieu thereof ''2(c)''.

SEC. 602. The first sentence of Section 2(b) of PL 95–200 is amended after ''the policy set forth in subsection (a)'' by inserting ''and (b)''.

SEC. 603. Section 2(b) of PL 95–200 is redesignated as ''2(c)''.

SEC. 604. (a) Public Law 95–200 is amended by adding a new subsection 2(b) immediately after subsection 2(a), as follows:

''(b) TIMBER CUTTING.—

''(1) IN GENERAL.—Subject to paragraph (2), the Secretary of Agriculture shall prohibit the cutting of trees in that part of the unit consisting of the hydrographic boundary of the Bull Run River Drainage, including certain lands within the unit and located below the headworks of the city of Portland, Oregon's water storage and delivery project, and as depicted in a map dated July 22, 1996 and entitled ''Bull Run River Drainage''.

''(2) PERMITTED CUTTING.—

''(A) IN GENERAL.—Subject to subparagraph (B), the Secretary of Agriculture shall prohibit the cutting of trees in the area described in paragraph (1).

''(B) PERMITTED CUTTING.—Subject to subparagraph (C), the Secretary may only allow the cutting of trees in the area described in paragraph (1)—

''(i) for the protection or enhancement of water quality in the area described in paragraph (1); or

''(ii) for the protection, enhancement, or maintenance of water quantity available from the area described in paragraph (1); or

''(iii) for the construction, expansion, protection or maintenance of municipal water supply facilities; or

''(iv) for the construction, expansion, protection or maintenance of facilities for the transmission of energy through and over the unit or previously authorized hydroelectric facilities or hydroelectric projects associated with municipal water supply facilities.

''(C) SALVAGE SALES.—The Secretary of Agriculture may not authorize a salvage sale in the area described in paragraph (1).''

(b) Redesignate subsequent subsection of PL 95–200 accordingly.

SEC. 605. REPORT TO CONGRESS.

(a) The Secretary of Agriculture shall, in consultation with the city of Portland and other affected parties, undertake a study of that part of the Little Sandy Watershed that is within the unit (hereinafter referred to as the ''study area''), as depicted on the map described in Section 604 of this title.

(b) The study referred to in (a) shall determine—

(1) the impact of management activities within the study area on the quality of drinking water provided to the Portland Metropolitan area;

(2) the identity and location of certain ecological features within the study area, including late successional forest characteristics, aquatic and terrestrial wildlife habitat, significant hydrological values, or other outstanding natural features; and

(3) the location and extent of any significant cultural or other values within the study area.

(c) The study referred to in subsection (a) shall include both legislative and regulatory recommendations to Congress on the future management of the study area. In formulating such recommendations, the Secretary shall consult with the city of Portland and other affected parties.

(d) To the greatest extent possible, the Secretary shall use existing data and processes to carry out this study and report.

(e) The study referred to in subsection (a) shall be submitted to the Senate Committees on Energy and Natural Resources and Agriculture and the House Committees on Resources and Agriculture not later than one year from the date of enactment of this section.

(f) The Secretary is prohibited from advertising, offering or awarding any timber sale within the study area for a period of two years after the date of enactment of this section.

(g) Nothing in this section shall in any way affect any State or Federal law governing appropriation, use of or Federal right to water on or flowing through National Forest System lands. Nothing in this section is intended to influence the relative strength of competing claims to the waters of the Little Sandy River. Nothing in this section shall be construed to expand or diminish Federal, State, or local jurisdiction, responsibility, interests, or rights in water resources development or control, including rights in and current uses of water resources in the unit.

SEC. 606. Lands within the Bull Run Management Unit, as defined in PL 95–200, but not contained within the Bull Run River Drainage, as defined by this title and as depicted on the map dated July 1996 described in Section 604 of this title, shall continue to be managed in accordance with PL 95–200.

TITLE VII—OREGON ISLANDS WILDERNESS, ADDITIONS

SEC. 701. OREGON ISLANDS WILDERNESS, ADDITIONS.

(a) In furtherance of the purposes of the Wilderness Act of 1964, certain lands within the boundaries of the Oregon Islands National Wildlife Refuge, Oregon, comprising approximately ninety-five acres and as generally depicted on a map entitled ''Oregon Island Wilderness Additions—Proposed'' dated August 1996, are hereby designated as wilderness. The map shall be on file and available for public inspection in the offices of the Fish and Wildlife Service, Department of Interior.

(b) All other Federally-owned named, unnamed, surveyed and unsurveyed rocks, reefs, islets and islands lying within three geographic miles off the coast of Oregon and

above mean high tide, not currently designated as wilderness and also within the Oregon Islands National Wildlife Refuge boundaries under the administration of the U.S. Fish and Wildlife Service, Department of Interior, as designated by Executive Order 7035, Proclamation 2416, Public Land Orders 4395, 4475 and 6287, and Public Laws 91–504 and 95–450, are hereby designated as wilderness.

(c) All Federally-owned named, unnamed, surveyed and unsurveyed rocks, reefs, islets and islands lying within three geographic miles off the coast of Oregon and above mean high tide, and presently under the jurisdiction of the Bureau of Land Management, are hereby designated as wilderness, shall become part of the Oregon Islands National Wildlife Refuge and the Oregon Islands Wilderness and shall be under the jurisdiction of the U.S. Fish and Wildlife Service, Department of the Interior.

(d) As soon as practicable after this title takes effect, a map of the wilderness area and a description of its boundaries shall be filed with the Senate Committee on Energy and Natural Resources and the House Committee on Resources, and such map shall have the same force and effect as if included in this title; *provided, however*, that correcting clerical and typographical errors in the map and land descriptions may be made.

(e) Public Land Order 6287 of June 16, 1982, which withdrew certain rocks, reefs, islets and islands lying within three geographical miles off the coast of Oregon and above mean high tide, including the ninety-five acres described in subsection (a), as an addition to the Oregon Islands National Wildlife Refuge is hereby made permanent.

TITLE VIII—UMPQUA RIVER LAND EXCHANGE STUDY

SEC. 801. UMPQUA RIVER LAND EXCHANGE STUDY: POLICY AND DIRECTION.

(a) IN GENERAL.—The Secretaries of the Interior and Agriculture (Secretaries) are hereby authorized and directed to consult, coordinate and cooperate with the Umpqua Land Exchange Project (ULEP), affected units and agencies of State and local government, and, as appropriate, the World Forestry Center and National Fish and Wildlife Foundation, to assist ULEP's ongoing efforts in studying and analyzing land exchange opportunities in the Umpqua River basin and to provide scientific, technical, research, mapping and other assistance and information to such entities. Such consultation, coordination and cooperation shall at a minimum include, but not be limited to:

(1) working with ULEP to develop or assemble comprehensive scientific and other information (including comprehensive and integrated mapping) concerning the Umpqua River basin's resources of forest, plants, wildlife, fisheries (anadromous and other), recreational opportunities, wetlands, riparian habitat and other physical or natural resources;

(2) working with ULEP to identify general or specific areas within the basin where land exchanges could promote consolidation of timberland ownership for long-term, sustained timber production; protection and improvement of habitat for plants, fish and wildlife (including any Federally listed threatened or endangered species); protection of drinking water supplies; recovery of threatened and endangered species; protection and improvement of wetlands, riparian lands and other environmentally sensitive areas; consolidation of land ownership for improved public access and a broad array of recreational uses; and consolidation of land ownership to achieve management efficiency and reduced costs of administration; and

(3) developing a joint report for submission to the Congress which discusses land exchange opportunities in the basin and outlines either a specific land exchange proposal or proposals which may merit consideration by the Secretaries or the Congress, or ideas and recommendations for new authorizations, direction, or changes in existing law or policy to expedite and facilitate the consummation of beneficial land exchanges in the basin via administrative means.

(b) MATTERS FOR SPECIFIC STUDY.—In analyzing land exchange opportunities with ULEP, the Secretaries shall give priority to assisting ULEP's ongoing efforts in—

(1) studying, identifying and mapping areas where the consolidation of land ownership via land exchanges could promote the goals of long term species protection, including the goals of the Endangered Species Act of 1973 more effectively than current land ownership patterns and whether any changes in law or policy applicable to such lands after consummation of an exchange would be advisable or necessary to achieve such goals;

(2) studying, identifying and mapping areas where land exchanges might be utilized to better satisfy the goals of sustainable timber harvest, including studying whether changes in existing law or policy applicable to such lands after consummation of an exchange would be advisable or necessary to achieve such goals;

(3) identifying issues and studying options and alternatives, including possible changes in existing law or policy, to insure that combined post-exchange revenues to units of local government from state and local property, severance and other taxes or levies and shared Federal land receipts will approximate pre-exchange revenues;

(4) identifying issues and studying whether possible changes in law, special appraisal instruction, or changes in certain Federal appraisal procedures might be advisable or necessary to facilitate the appraisal of potential exchange lands which may have special characteristics or restrictions affecting land values;

(5) identifying issues and studying options and alternatives, including changes in existing laws or policy, for achieving land exchanges without reducing the net supply of timber available to small businesses;

(6) identifying, mapping, and recommending potential changes in land use plans, land classifications, or other actions which might be advisable or necessary to expedite, facilitate or consummate land exchanges in certain areas; and,

(7) analyzing potential sources for new or enhanced Federal, state or other funding to promote improved resource protection, species recovery, and management in the basin.

SEC. 802. REPORT TO CONGRESS.

(a) No later than February 1, 1998, ULEP and the Secretaries shall submit a joint report to the Committee on Resources of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate concerning their studies, findings, recommendations, mapping and other activities conducted pursuant to this title.

SEC. 803. AUTHORIZATION OF APPROPRIATIONS.

(a) In furtherance of the purposes of this title, there is hereby authorized to be appropriated the sum of $2 million, to remain available until expended.

THE BANKRUPTCY TECHNICAL CORRECTIONS ACT OF 1996

HEFLIN AMENDMENT NO. 5151

Mr. STEVENS (for Mr. HEFLIN) proposed an amendment to the bill (S. 1559) to make technical corrections to title 11, United States Code, and for other purposes; as follows:

On page 9 of the Committee amendment, strike lines 11 through 17 and insert the following:

(1) in subsection (f)(1)(A)—

(A) in the matter preceding clause (i), by striking ''; or'' at the end; and

(B) in clause (ii), by striking the period at the end and inserting ''; or''; and

(2) in subsection (g)(2), by striking ''subsection (f)(2)'' and inserting ''subsection (f)(1)(B)''.

COVERDELL AMENDMENT NO. 5152

Mr. STEVENS (for Mr. COVERDELL) proposed an amendment to the bill, S. 1559, supra; as follows:

At the appropriate place in the Committee amendment, insert the following new section:

SEC. . ENFORCEMENT OF CHILD SUPPORT.

Section 362(b)(1) of title 11, United States Code is amended by inserting before the semicolon the following: ''(including the criminal enforcement of a judicial order requiring the payment of child support)''.

KOHL AMENDMENT NO. 5153

Mr. STEVENS (for Mr. KOHL) proposed an amendment to the bill, S. 1559, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . LIMITATION.

Section 522 of title 11, United States Code, as amended by section 9, is further amended—

(1) in subsection (b)(2)(A), by inserting ''subject to subsection (n),'' before ''any property''; and

(2) by adding at the end the following new subsection:

''(n) As a result of electing under subsection (b)(2)(A) to exempt property under State or local law, a debtor may not exempt an aggregate interest of more than $500,000 in value in—

''(1) real or personal property that the debtor or a dependent of the debtor uses as a residence;

''(2) a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence; or

''(3) a burial plot for the debtor or a dependent of the debtor.''.

GRASSLEY (AND LOTT) AMENDMENT NO. 5154

Mr. STEVENS (for Mr. GRASSLEY, for himself and Mr. LOTT) proposed an amendment to the bill, S. 1559, supra; as follows:

SECTION 1.

''Section 27'', on page 15, line 3, is redesignated ''Section 28''.

SEC. 2.

On page 15, line 3 insert the following:

''SEC. 27. STANDING TRUSTEES.''

(a) Section 330 of Title 11 of the United States Code is amended by adding to the end thereof the following:

''(e) Upon the request of a trustee appointed under Section 586(b) of Title 28, and after all available administrative remedies have been exhausted, the district court in the district in which the trustee resides shall have the exclusive authority, notwithstanding Section 326(b) of this title, to review the determination of the actual, necessary expenses of the standing trustee. In reviewing

the determination, the district court shall accord substantial deference to the determination made by the Attorney General, and may reverse the determination only if the Attorney General has abused his or her discretion.''

(b) Section 324 of Title 11, United States Code, is amended by adding to the end thereof the following:

''(c)(1) Notwithstanding any provision of Section 586 of Title 28, in the event the United States Trustee ceases assigning cases to a trustee appointed under Section 586(b) of Title 28, the trustee, after exhausting all available administrative remedies, may seek judicial review of the decision in the district court in the district in which the trustee resides. The district court shall accord substantial deference to the determination made by the United States Trustee, and may reverse the determination only if the United States Trustee has abused his or her discretion.

''(2) Notwithstanding any other provision of law, the district court may order interim relief under this paragraph only if the court concludes, viewing all facts most favorably to the United States Trustee, that there was no basis for the United States Trustee's decision to cease assigning cases to the trustee. The denial of a request for interim relief shall be final and shall not be subject to further review.''.

THE IMPACT AID TECHNICAL AMENDMENTS OF 1996

KASSEBAUM (AND OTHERS) AMENDMENT NO. 5155

Mr. STEVENS (for Mrs. KASSEBAUM, for herself, Mr. PRESSLER, Mr. D'AMATO, Mr. KERREY, Mr. MOYNIHAN, Mr. SIMPSON, and Mrs. FRAHM) proposed an amendment to the bill (H.R. 3269) to amend the Impact Aid program to provide for a hold-harmless with respect to amounts for payments relating to the Federal acquisition of real property and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. HOLD-HARMLESS AMOUNTS FOR PAYMENTS RELATING TO FEDERAL ACQUISITION OF REAL PROPERTY.

Section 8002 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702) is amended by adding at the end the following new subsections:

''(g) FORMER DISTRICTS.—

''(1) IN GENERAL.—Where the school district of any local educational agency described in paragraph (2) is formed at any time after 1938 by the consolidation of two or more former school districts, such agency may elect (at any time such agency files an application under section 8005) for any fiscal year after fiscal year 1994 to have (A) the eligibility of such local educational agency, and (B) the amount which such agency shall be eligible to receive, determined under this section only with respect to such of the former school districts comprising such consolidated school districts as such agency shall designate in such election.

''(2) ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—A local educational agency referred to in paragraph (1) is any local educational agency that, for fiscal year 1994 or any preceding fiscal year, applied for and was determined eligible under section 2(c) of the Act of September 30, 1950 (Public Law 874, 81st Congress) as such section was in effect for such fiscal year.

''(h) HOLD-HARMLESS AMOUNTS.—

''(1) IN GENERAL.—Except as provided in paragraph (2)(A), the total amount that the Secretary shall pay under subsection (b) to a local educational agency that is otherwise eligible for a payment under this section—

''(A) for fiscal year 1995 shall not be less than 85 percent of the amount such agency received for fiscal year 1994 under section 2 of the Act of September 30, 1950 (Public Law 874, 81st Congress) as such section was in effect on September 30, 1994; or

''(B) for fiscal year 1996 shall not be less than 85 percent of the amount such agency received for fiscal year 1995 under subsection (b).

''(2) RATABLE REDUCTIONS.—(A)(i) If necessary in order to make payments to local educational agencies in accordance with paragraph (1) for any fiscal year, the Secretary first shall ratably reduce payments under subsection (b) for such year to local educational agencies that do not receive a payment under this subsection for such year.

''(ii) If additional funds become available for making payments under subsection (b) for such year, then payments that were reduced under clause (i) shall be increased on the same basis as such payments were reduced.

''(B)(i) If the sums made available under this title for any fiscal year are insufficient to pay the full amounts that all local educational agencies in all States are eligible to receive under paragraph (1) after the application of subparagraph (A) for such year, then the Secretary shall ratably reduce payments under paragraph (1) to all such agencies for such year.

''(ii) If additional funds become available for making payments under paragraph (1) for such fiscal year, then payments that were reduced under clause (i) shall be increased on the same basis as such payments were reduced.''.

SEC. 2. APPLICATIONS FOR INCREASED PAYMENTS.

(a) PAYMENTS.—Notwithstanding any other provision of law—

(1) the Bonesteel-Fairfax School District Number 26–5, South Dakota, and the Wagner Community School District Number 11–4, South Dakota, shall be eligible to apply for payment for fiscal year 1994 under section 3(d)(2)(B) of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such section was in effect on September 30, 1994); and

(2) the Secretary of Education shall use a subgroup of 10 or more generally comparable local educational agencies for the purpose of calculating a payment described in paragraph (1) for a local educational agency described in such paragraph.

(b) APPLICATION.—In order to be eligible to receive a payment described in subsection (a), a school district described in such subsection shall apply for such payment within 30 days after the date of enactment of this Act.

(c) CONSTRUCTION.—Nothing in this section shall be construed to require a local educational agency that received a payment under section 3(d)(2)(B) of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such section was in effect on September 30, 1994) for fiscal year 1994 to return such payment or a portion of such payment to the Federal Government.

SEC. 3. PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN RESIDING ON MILITARY INSTALLATION HOUSING UNDERGOING RENOVATION.

(a) IN GENERAL.—Section 8003(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)) is amended by adding at the end the following new paragraph:

''(4) MILITARY INSTALLATION HOUSING UNDERGOING RENOVATION.—For purposes of computing the amount of a payment for a local educational agency for children described in paragraph (1)(D)(i), the Secretary shall consider such children to be children described in paragraph (1)(B) if the Secretary determines, on the basis of a certification provided to the Secretary by a designated representative of the Secretary of Defense, that such children would have resided in housing on Federal property in accordance with paragraph (1)(B) except that such housing was undergoing renovation on the date for which the Secretary determines the number of children under paragraph (1).''.

(b) EFFECTIVE DATE.—Paragraph (4) of section 8003(a) of the Elementary and Secondary Education Act of 1965, as added by subsection (a), shall apply with respect to fiscal years after fiscal year 1995.

SEC. 4. COMPUTATION OF PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN IN STATES WITH ONLY ONE LOCAL EDUCATIONAL AGENCY.

(a) IN GENERAL.—Section 8003(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(b)) is amended by adding at the end the following new paragraph:

''(3) STATES WITH ONLY ONE LOCAL EDUCATIONAL AGENCY.—

''(A) IN GENERAL.—In any of the 50 States of the United States in which there is only one local educational agency, the Secretary shall, for purposes of paragraphs (1)(B), (1)(C), and (2) of this subsection, and subsection (e), consider each administrative school district in the State to be a separate local educational agency.

''(B) COMPUTATION OF MAXIMUM AMOUNT OF BASIC SUPPORT PAYMENT AND THRESHOLD PAYMENT.—In computing the maximum payment amount under paragraph (1)(C) and the learning opportunity threshold payment under paragraph (2)(B) for an administrative school district described in subparagraph (A)—

''(i) the Secretary shall first determine the maximum payment amount and the total current expenditures for the State as a whole; and

''(ii) the Secretary shall then—

''(I) proportionately allocate such maximum payment amount among the administrative school districts on the basis of the respective weighted student units of such districts; and

''(II) proportionately allocate such total current expenditures among the administrative school districts on the basis of the respective number of students in average daily attendance at such districts.''.

(b) EFFECTIVE DATE.—Paragraph (3) of section 8003(b) of the Elementary and Secondary Education Act of 1965, as added by subsection (a), shall apply with respect to fiscal years after fiscal year 1994.

SEC. 5. DATA AND DETERMINATION OF AVAILABLE FUNDS.

(a) DATA.—Paragraph (4) of section 8003(f) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(f)) is amended—

(1) in the heading, by striking ''CURRENT YEAR'';

(2) by amending subparagraph (A) to read as follows:

''(A) shall use student, revenue, and tax data from the second fiscal year preceding the fiscal year for which the local educational agency is applying for assistance under this subsection;''; and

(3) in subparagraph (B), by striking ''such year'' and inserting ''the fiscal year for which the local educational agency is applying for assistance under this subsection''.

(b) DETERMINATION OF AVAILABLE FUNDS.—Paragraph (3) of section 8003(f) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(f)) is amended—

(1) in the matter preceding subclause (I) of subparagraph (A)(iii), by inserting '', except

as provided in subparagraph (C),'' after ''but''; and

(2) by adding at the end the following new subparagraph:

''(C) DETERMINATION OF AVAILABLE FUNDS.—When determining the amount of funds available to the local educational agency for current expenditures for purposes of subparagraph (A)(iii) for a fiscal year, the Secretary shall include, with respect to the local educational agency's opening cash balance for such fiscal year, the portion of such balance that is the greater of—

''(i) the amount that exceeds the maximum amount of funds for current expenditures that the local educational agency was allowed by State law to carry over from the prior fiscal year, if State restrictions on such amounts were applied uniformly to all local educational agencies in the State; or

''(ii) the amount that exceeds 30 percent of the local educational agency's operating costs for the prior fiscal year.''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to fiscal years after fiscal year 1996.

SEC. 6. PAYMENTS RELATING TO FEDERAL PROPERTY.

Section 8002 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702) (as amended by section 1) is further amended by adding at the end thereof the following new subsection:

''(i) PRIORITY PAYMENTS.—Notwithstanding subsection (b)(1)(B), and for any fiscal year beginning with fiscal year 1997 for which the amount appropriated to carry out this section exceeds the amount so appropriated for fiscal year 1996, the Secretary shall first use such excess amount to increase the payment that would otherwise be made under this section to not more than 50 percent of the maximum amount determined under subsection (b) for any local educational agency that—

''(1) received a payment under this section for fiscal year 1996;

''(2) serves a school district that contains all or a portion of a United States military academy;

''(3) serves a school district in which the local tax assessor has certified that at least 60 percent of the real property is federally owned; and

''(4) demonstrates to the satisfaction of the Secretary that such agency's per-pupil revenue derived from local sources for current expenditures is not less than that revenue for the preceding fiscal year.''.

SEC. 7. TREATMENT OF IMPACT AID PAYMENTS.

(a) IN GENERAL.—The Secretary of Education shall treat any State as having met the requirements of section 5(d)(2)(A) of the Act of September 30, 1950 (Public Law 874, 81st Congress) for fiscal year 1991 (as such section was in effect for such fiscal year), and as not having met those requirements for each of the fiscal years 1992, 1993, and 1994 (as such section was in effect for fiscal year 1992, 1993, and 1994, respectively), if—

(1) the State's program of State aid was not certified by the Secretary under section 5(d)(2)(C)(i) of the Act of September 30, 1950 (Public Law 874, 81st Congress) for any fiscal year prior to fiscal year 1991;

(2) the State submitted timely notice under that section of the State's intention to seek that certification for fiscal year 1991;

(3) the Secretary determined that the State did not meet the requirements of section 5(d)(2)(A) of such Act for fiscal year 1991; and

(4) the State made a payment to each local educational agency in the State (other than a local educational agency that received a payment under section 3(d)(2)(B) of such Act for fiscal year 1991) in an amount equal to the difference between the amount such agency received under such Act for fiscal year 1991 and the amount such agency would have received under such Act for fiscal year 1991 if payments under such Act had not been taken into consideration in awarding State aid to such agencies for fiscal year 1991.

(b) REPAYMENT NOT REQUIRED.—Notwithstanding any other provision of law, any local educational agency in a State that meets the requirements of paragraphs (1) through (4) of subsection (a) and that received funds under section 3(d)(2)(B) of the Act of September 30, 1950 (Public Law 874, 81st Congress) for fiscal year 1991 (as such section was in effect for such fiscal year) shall not, by virtue of subsection (a), be required to repay those funds to the Secretary of Education.

SEC. 8. SPECIAL RULE RELATING TO AVAILABILITY OF FUNDS FOR THE LOCAL EDUCATIONAL AGENCY SERVING THE NORTH HANOVER TOWNSHIP PUBLIC SCHOOLS, NEW JERSEY, UNDER PUBLIC LAW 874, 81ST CONGRESS.

The Secretary of Education shall not consider any funds that the Secretary of Education determines the local educational agency serving the North Hanover Township Public Schools, New Jersey, has designated for a future liability under an early retirement incentive program as funds available to such local educational agency for purposes of determining the eligibility of such local educational agency for a payment for fiscal year 1994, or the amount of any such payment, under section 3(d)(2)(B) of the Act of September 30, 1950 (Public Law 874, 81st Congress), as such section was in effect for such fiscal year.

SEC. 9. CORRECTED LOCAL CONTRIBUTION RATE.

(a) COMPUTATION.—The Secretary of Education shall compute a payment for a local educational agency under the Act of September 30, 1950 (Public Law 874, 81st Congress) for each of the fiscal years 1991 through 1994 (as such Act was in effect for each of those fiscal years, as the case may be) using a corrected local contribution rate based on generally comparable school districts, if—

(1) an incorrect local contribution rate was submitted to the Secretary of Education by the State in which such agency is located, and the incorrect local contribution rate was verified as correct by the Secretary of Education; and

(2) the corrected local contribution rate is subject to review by the Secretary of Education.

(b) PAYMENT.—Using funds appropriated under the Act of September 30, 1950 (Public Law 874, 81st Congress) for fiscal years 1991 through 1994 that remain available for obligation (if any), the Secretary of Education shall make payments based on the computations described in subsection (a) to the local educational agency for such fiscal years.

SEC. 10. STATE EQUALIZATION PLANS.

Subparagraph (A) of section 8009(b)(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7709(b)(2)) is amended by striking ''more than'' and all that follows through the period and inserting ''more than 25 percent.''.

THE U.S. TOURISM ORGANIZATION ACT

PRESSLER AMENDMENT NO. 5156

Mr. STEVENS (for Mr. PRESSLER) proposed an amendment to the bill (S. 1735) to establish the U.S. Tourism Organization as a nongovernmental entity for the purpose of promoting tourism in the United States; as follows:

On page 7, line 8, strike ''46'' and insert ''48''.

On page 9, beginning in line 3, strike ''Retail Travel Agents Association;'' and insert ''Association of Retail Travel Agents;''.

On page 9, between lines 6 and 7, insert the following:

(L) 1 member elected by the National Trust for Historic Preservation.

(M) 1 member elected by the American Association of Museums.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that a full committee hearing has been scheduled before the Energy and Natural Resources Committee to receive testimony on S. 1852, the Department of Energy Class Action Lawsuit Act.

The hearing will take place on Thursday, September 5 at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please contact Kelly Johnson or Jo Meuse at (202) 224–6730.

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. CRAIG. Mr. President, I would like to announce for the public that at the hearing scheduled before the Subcommittee on Forests and Public Land Management of the Committee on Energy and Natural Resources, to receive testimony regarding S. 931, S. 1564, S. 1565, S. 1649, S. 1719, S. 1921, measures relating to the Bureau of Reclamation, the subcommittee will also receive testimony regarding S. 1986, the Umatilla River Basin Project Completion Act, and S. 2015, To convey certain real property located within the Carlsbad Project in New Mexico to the Carlsbad irrigation district. The hearing will take place on September 5, 1996, at 2 p.m., in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

For further information, please call James Beirne, senior counsel at (202) 224–2564 or Betty Nevitt, staff assistant at (202) 224–0765 of the subcommittee staff.

SUBCOMMITTEE ON PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. CAMPBELL. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, September 12, 1996 at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to review S. 150, a bill to authorize an entrance fee surcharge at the Grand Canyon National Park; S. 340, a bill to direct the Secretary of the Interior to conduct a study concerning equity regarding entrance, tourism, and recreational fees for the use of Federal lands and facilities; and S. 1695, a bill to authorize the Secretary of the Interior to assess up to $2 per person visiting the Grand Canyon or other national park to secure bonds for capital improvements to the park.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on Parks, Historic Preservation, and Recreation, Committee on Energy and Natural Resources, United States Senate, 364 Dirksen Senate Office Building, Washington, DC. 20510–6150.

For further information, please contact Jim O'Toole of the subcommittee staff at (202) 224–5161.

SUBCOMMITTEE ON PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. CAMPBELL. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, September 19, 1996, at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to review S. 1539, a bill to establish the Los Caminos del Rio National Heritage area along the Lower Rio Grande Texas-Mexico border; S. 1583, a bill to establish the Lower Eastern Shore American Heritage area; S. 1785, a bill to establish in the Department of the Interior the Essex National Heritage Commission; and S. 1808, a bill to amend the act of October 15, 1966 (80 Stat. 915), as amended, establishing a program for the preservation of additional historic property throughout the Nation.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on Parks, Historic Preservation, and Recreation, Committee on Energy and Natural Resources, U.S. Senate, 364 Dirksen Senate Office Building, Washington, DC 20510–6150.

For further information, please contact Jim O'Toole of the subcommittee staff at (202) 224–5161.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. DEWINE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Friday, August 2, 1996, at 10 a.m. to hold a hearing on White House access to FBI background summaries.

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

SUBCOMMITTEE ON SOCIAL SECURITY AND FAMILY POLICY

Mr. DEWINE. Mr. President, the Finance Committee requests unanimous consent for the Subcommittee on Social Security and Family Policy to conduct a hearing on Friday, August 2, 1996, beginning at 10 a.m. in room SD–215.

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

ADDITIONAL STATEMENTS

LEGISLATION TO AMEND THE COMMODITY EXCHANGE ACT

• Mr. LUGAR. Mr. President, today Senator LEAHY and I announced that we will propose legislation to amend the Commodity Exchange Act, which establishes the ground rules for commodity futures trading in the United States. Our decision to proceed with legislation follows a public hearing on June 5 and extensive discussions with industry and federal regulators.

I commend Senator LEAHY for his bipartisan cooperation in this as in so many other matters. In order that our colleagues and the general public may understand the legislation we plan to introduce, I ask that a statement issued earlier today by the two of us be printed in the RECORD. I further ask that a letter signed by the two of us and addressed to Acting CFTC Commissioner Tull also be printed in the RECORD.

The material follows:

REFORMING AND UPDATING THE COMMODITY EXCHANGE ACT: OUTLINE OF PLANNED LEGISLATION

The Commodity Exchange Act has benefited the American economy. It has helped encourage a dynamic, world-class futures trading industry that allows farmers, ranchers and other business operators to manage risk, provides investment opportunities and offers protection to consumers of its services. From time to time, Congress has re-examined the Act to bring it up to date with changing markets. Such an update is now opportune.

On June 5, the Committee on Agriculture, Nutrition, and Forestry heard testimony on the need to update the Commodity Exchange Act. Since then, committee staff have consulted extensively with federal agencies and private industry, seeking to explore the implications of legislative proposals by various groups.

As a result of this thorough process, we have decided to introduce legislation to amend the Commodity Exchange Act. Because it is late in the legislative session, it is unlikely the bill we introduce will become law this year. We intend it to spark discussion, with the aim of completing work on revisions to the Act in 1997.

In considering possible legislation, we have been ably advised by CFTC staff. While the CFTC is unconvinced that new legislation is needed, commission officials have cooperated with our staff whenever they have been asked. We want to thank them publicly for this assistance.

In addition, commission staff have been receptive to addressing some issues through administrative action. Although some reforms we propose are beyond the scope of the commission's current statutory authorities, others could be resolved without legislation. We encourage the CFTC to work toward this end.

There is a public interest in a strong, competitive U.S. futures industry because of its critical role in price discovery and business risk management. This public interest implies, and requires, a degree of regulation. In recent years, U.S. futures exchanges have also faced increasing competition from foreign exchanges and from over-the-counter derivative products.

U.S. exchanges face some regulatory costs that are not borne by their competitors. The Act, and the Commodity Futures Trading Commission's actions to implement its requirements, must strike an appropriate balance between prudent regulation and the need for a cost-competitive industry.

We will introduce legislation in September. The reason for delaying introduction is a provision of the Act called the ''Treasury amendment.'' The amendment excludes certain transactions from the CFTC's jurisdiction and has been the subject of varying interpretations since it was first enacted. Many firms and associations have requested that Congress clarify the Treasury amendment, and we agree that clarification is in order.

The CFTC and the Treasury Department have been working to arrive at a common interpretation of the Treasury amendment. We believe it is wise to give them, and other relevant agencies, a chance to complete these discussions before making a legislative proposal. Therefore, we are writing to Secretary Rubin and Acting Chairman Tull to encourage their agencies to complete their discussions and advise us of their progress. If these conclusions suggest a need to modify the Treasury amendment, we will strongly consider incorporating those modifications into the bill we introduce.

In order for our colleagues to have an opportunity to examine the legislation before this session of Congress ends, we will need to introduce the bill in the first week Congress returns from the August recess, that is the week ending September 6. Therefore, we would like to receive the Administration's counsel before the Labor Day holiday.

It is premature to propose a specific change to the Treasury amendment. However, we can say that we do not intend for the CFTC to become involved in markets where it does not now have any significant role. An example is the ''when-issued'' market in Treasury securities.

We invite public comment during August on the legislative proposals we will outline in this statement. The bill we introduce in September will be a discussion document. It might subsequently be scaled back, but it also might be expanded to make additional changes to the Act. It will be neither an opening gambit nor a least common denominator. It will represent our best judgment of how the Act should prudently be changed, but our minds remain open to other approaches.

The committee's work on the Commodity Exchange Act has been bipartisan and collegial. Like the 1996 farm bill, the landmark food safety legislation now on the President's desk, and other important laws originated by the committee, this legislative effort is one on which we will work together.

A summary of planned legislative provisions follows.

Considerations required in regulatory actions.—For each significant regulation it imposes (not including enforcement, emergency and similar actions), the CFTC will be directed to take into account both the anticipated costs and the anticipated benefits of the action it contemplates, and to explain publicly its evaluation of the various costs and benefits. In weighing costs and benefits, CFTC will consider whether the proposed action, taken as a whole, will promote customer protection, market integrity and efficiency, fair competition and sound risk management. The provision will apply to actions commenced after the date of enactment, and will require an evaluation, not a cost-benefit analysis in the strict, quantitative sense.

Audit trail.—The bill will clarify the intent of Congress that the audit trail statute does not mandate the development or adoption of any particular technology, but establishes a performance standard. This clarification will be consistent with 1995 Senate testimony by then-Chairman Mary Schapiro.

Contract designation.—The legislation will end the requirement that proposed futures contracts be pre-approved by the CFTC before trading can commence. Instead, the bill will provide that exchanges must submit information about contracts they intend to trade to the CFTC, which will have a reasonable but limited period to examine the proposed contract terms. The CFTC will analyze the information with a presumption in favor of allowing the contract to trade. However, within the examination period, the CFTC may require additional information, or delay the start of trading for a limited time, if it finds reason to believe the contract is susceptible to manipulation, violates the Act or is contrary to the public interest. Ultimately, the CFTC would have the ability to prevent a contract from trading, but only after instituting proceedings to disallow the exchange from commencing trading. Comments are invited on the appropriate length for the periods specified above.

Similar procedures would apply to other proposed exchange rules. Committee report language will direct the CFTC to report, on an ongoing basis, its evaluation of how well exchange governing bodies meet the statutory requirement for meaningful representation of a diversity of interests.

Disciplinary actions and penalties.—The bill will state the sense of Congress that, in deploying enforcement resources, the CFTC should avoid unnecessary duplication of effort in areas where self-regulatory organizations also have enforcement duties, while ensuring a CFTC presence and role sufficient to safeguard market integrity and customer interests. The CFTC will be directed to report to Congress on its enforcement program. The report is to include an analysis of the CFTC's performance in preventing, deterring and disciplining violations of the CEA that involve fraud against individual investors through ''bucket shops'' and similar abuses. The report will be due a year after enactment, and may follow one or more commission round tables on the subject.

Exemptive authority.—The bill will direct the CFTC to re-evaluate its Part 36 Rules (which allow exchanges to set up less-regulated professionals-only markets in certain limited circumstances) in light of the need to provide equitable competitive conditions among various participants in derivative product markets. Any revisions to the rules would remain within the CFTC's discretion. The bill will also state the sense of Congress that any revisions should ensure the financial integrity of markets and customer protection. The CFTC will be encouraged to convene a round table meeting or meetings to receive public input on possible improvements in Part 36 Rules.

Swaps exemption.—The statute will be amended to enhance the legal certainty of contracts involving swaps and similar products. Products meeting the requirements of the CFTC's 1993 swaps exemption will be exempt from the Act's provisions to the same extent as at present. The provision will not diminish the CFTC's authority to grant additional exemptions. In addition, the bill will end the current prohibition on granting an exemption from CEA regulation to any transactions subject to the Shad-Johnson accord (which establishes CFTC and SEC jurisdiction on such products as stock index futures). Instead, the bill will allow the CFTC to exempt such products, but only with the concurrence of the Securities and Exchange Commission. Comments are invited on additional or alternative means of enhancing the legal certainty of contracts while assuring market integrity.

Definition of a hedge.—The statute will be amended to clarify that a hedge may be established to reduce risks other than price risks. The bill will make clear that the change does not affect the ability of exchanges and the CFTC to establish speculative limits, require reporting of large trader positions and otherwise discharge their responsibilities.

Delivery by Federally licensed warehouses.—The bill will repeal an outdated provision that allows any federally licensed warehouse to deliver grain against a futures contract, even if it is not a designated delivery point. The current statute could allow market manipulation in some circumstances.

Delivery points for foreign futures contracts.—The CFTC will be directed to commence negotiations with appropriate foreign agencies which regulate exchanges that have established delivery points in the U.S., with the goal of securing adequate assurance (through improvements in the foreign regulatory scheme or other means) that the presence of U.S. delivery points for foreign exchange contracts does not create the potential for market manipulation or other disruptions of U.S. markets. The CFTC will also be granted additional powers, if necessary, to obtain needed information on such delivery points. Comments are invited on the appropriate scope of additional authorities, if any, required by the CFTC to ensure that U.S. markets are not subject to manipulation.

Delegation of authority.—The bill will state the sense of Congress that the CFTC should review its authorities with a view to delegating additional duties to the National Futures Association or other self-regulatory bodies, requiring a report one year after enactment on the results of the review. Report language will state that among the duties the CFTC may consider delegating are the review of disclosure documents and reparations procedures. The statute will further state the sense of Congress that in making any additional delegations, the CFTC should establish a procedure of spot checks, random audits or other means of ensuring adequate performance, and may also make the delegation on a pilot basis.

Treasury amendment.—The bill's provisions to modify the Treasury amendment (an exemption from CEA regulation for the interbank currency markets and some other markets) will be drafted following review of suggestions received by the Administration.

Technical changes.—The bill may also include technical changes to the Act such as those suggested by the National Futures Association in its June 5 testimony.

U.S. SENATE, COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,
Washington, DC, August 1, 1996.

Hon. JOHN TULL,
Acting Chairman, Commodity Futures Trading Commission, Washington, DC.

DEAR MR. CHAIRMAN: We were heartened to learn that the Commodity Futures Trading Commission and the Treasury Department have been discussing the so-called ''Treasury amendment'' to the Commodity Exchange Act, with a view toward arriving at a common interpretation of the provision. At a hearing our committee held June 5, the Treasury amendment was cited by several witnesses as a provision of the Act that needed review and clarification.

We intend to introduce legislation that will make a number of changes to the Act, and believe it is appropriate to address the Treasury amendment in that bill. It would be highly desirable to have the benefit of the Treasury and the CFTC's joint advice in this regard.

In order for our colleagues to have adequate opportunity to review the bill this fall, we intend to introduce it in the first week Congress returns from its August recess, that is the week ending September 6, 1996. We would appreciate hearing from relevant federal agencies their views on the Treasury amendment before the Labor Day holiday, if possible. However, we are confident you share our strong hope that agencies will resolve any differences by that time and arrive at a common understanding, so that the statute's provisions and scope can be made clear.

Thank you for your assistance in this matter. A similar letter has been sent to Secretary Rubin.

Sincerely yours,

PATRICK J. LEAHY,
Ranking Democratic Member.
RICHARD G. LUGAR,
Chairman.●

CONNECTICUT SUPREME COURT JUSTICE T. CLARK HULL

● Mr. DODD. Mr. President, I rise today to pay tribute to one of Connecticut's most colorful and witty politicians, Connecticut State Supreme Court Justice T. Clark Hull. Known for his penetrating intelligence and passion for justice—and perhaps better known for his warmth and good spirit—T. Clark Hull, had the rare distinction of serving at the top levels of all three branches of state government—executive, legislative and judicial.

Born in Danbury, CT in 1921, T. Clark Hull attended many prestigious academic institutions including Philips Exeter Academy, Yale University and Harvard Law School, and yet he always retained the perspective of a common man.

His political career spanned some 33 years, beginning with his election to the Connecticut State Senate in 1962. He was known as a liberal Republican who charmed many conservatives, and his Irish humor and zest for public service eventually earned him the

nomination for Lieutenant Governor in 1970. He went on to win the election as the running mate of THOMAS J. Meskill and served until his appointment to the Connecticut Superior Court. After serving for 10 years, he was nominated by Governor William A. O'Neill to the Appellate Court and served for 4 years before becoming a justice on the highest court in Connecticut on September 25, 1987.

Justice Hull's political career earned him the reputation for being a gifted writer and captivating speaker and a colleague once said his decisions would ''forever enrich the literature of the law.'' Justice Hull had great aspirations for the people of Connecticut and was one of the few politicians who managed to be well-liked on both sides of the aisle. Throughout his illustrious career, he maintained an optimistic activism that continually propelled the interests of Connecticut and its people forward. Justice Hull was a dedicated public servant who ''had an enthusiasm for public office that was contagious.''

Justice Hull was a champion of the people and was one of the few to truly believe that government and politics should be ''positive, energizing celebrations of life.'' Although he was small in stature, T. Clark Hull's charming personality and exuberance for serving the public made him a giant in the eyes of others. Upon retiring from the State Supreme Court in 1991, when he reached the mandatory retirement age of 70, Justice Hull continued to serve the public as a State referee and as co-chairman of a commission to study government efficiency. The commission made many recommendations to streamline government, and under the chairmanship of Justice Hull, Connecticut underwent the biggest reorganization in state government in nearly two decades.

T. Clark Hull has doubtless had a distinguished career. While he gained prominence as a life-long Connecticut politician, Justice Hull gained the respect of his colleagues and the general public for his good humor, exuberance for life, and his love of public service. The people of Connecticut are truly blessed to be able to call T. Clark Hull one of their own.

My thoughts and prayers go out to his wife Betty Jane, and his three sons Steven, Josh, and Treat.●

U.S.S. ''LANDING CRAFT INFANTRY''(G) 450

● Mr. BROWN. Mr. President, I rise today to recognize the members of the U.S.S. *Landing Craft Infantry* (G) 450. This ship was commissioned August 26, 1943 and participated in three major campaigns in the South Pacific during World War II. The U.S.S. *Landing Craft Infantry* (G) 450 was originally designed to carry troops, run up the beach, disembark the assault troops, and then release itself from the beach. This troop carrier was later converted to a gunboat, indicated by the symbol (G) in its name. As a gunboat, its primary mission was to approach the beach and engage the enemy with rockets and deck guns in support of its landing forces. Of the three major campaigns that the 450 was a part of, the ship was damaged only once. For their actions during the Marshall and Marianas campaign, the crew was awarded the Navy Unit Citation. The crew also received the Presidential Unit Citation for their outstanding performance at Iwo Jima. Five crewmembers received the Bronze Star, and its captain received the Navy Cross. Mr. President, these men are brave soldiers, and true Americans, who deserve to be remembered and honored for their actions in defense of this great country.●

THE 50TH ANNIVERSARY OF THE VERMONT AIR NATIONAL GUARD

● Mr. LEAHY. Mr. President, on July 1, 1946, 27 World War II veterans formed the nucleus of a new military unit, and the Vermont Air National Guard was born. Today, when the 158th Fighter Wing pilots strap into the technological marvel that is the F–16, the Revolutionary War soldier painted on the tail stands as a stark reminder to us all: There is a direct lineage between the militia tradition that our Nation was founded on and which is very much alive today here in Vermont.

The original Green Mountain Boys were mostly farmers who left their homes in the 1700's to defend against encroaching New Yorkers and then fought enthusiastically against the British in the Revolutionary War. The Vermonters wore homespun civilian clothes, often with only a sprig of evergreen in their caps to identify each other in the field.

But the Green Mountain Boys were citizen soldiers, and throughout most of our history the American people have relied on the militia to defend them. It has only been in the recent past that we have created a large peacetime standing army. Now with the former Soviet Union gone, we are seeing a renewed emphasis on National Guard and Reserve forces as the Nation's premier insurance against worldwide aggression.

When I go to Vermont in the coming weeks, I will be giving the Vermont Air National Guard a token of my appreciation for the tremendous service that they have shown over the last 50 years. The list of aircraft that have been flown by the Vermont Air Guard reads like a who's who of American air power—the P–47 Thunderbolt, the P–51 Mustang, the F–94 Starfighter, F–89 Scorpion, the F–102 Delta Dagger, the EB–57, the F–4 Phantom, and now the F–16 Falcon. Those who have served in Vermont have different memories depending on the aircraft and people of the time, but the sense of duty has remained constant over the years.

Having said that, Randy Green, one of America's most renowned aviation artists, has painted a very special picture that perfectly captures the spirit of the Vermont Air Guard. Entitled, ''Vermont Thunder'' it is a depiction of a Vermont F–16 flying into a stormy sunset. To me it represents the great contrasts of flying military aircraft; the beauty of flight is tempered by the responsibility and danger of military service. It is my sincere hope that this painting will serve as a small reminder to future Air Guard members of our State's proud past.

As the ultimate reminder of that past, it is fitting that we remember here on the floor of the U.S. Senate the memories of those who paid the ultimate sacrifice for their service. The following is a list of Vermont Air National Guardsmen who have died in the line of duty since 1946:

Lieutenant Thomas A. Mundy, Major Carroll A. Phylblo, Lieutenant John Williamson, Lieutenant Francis W. Escott, Colonel Robert P. Goyette, Lieutenant Jeffrey B. Pollock, Major John J. Ulrich, Captain John A. Harrell, Captain Bertrand R. White, Jr., Captain Charles W. Diggle III, Captain Robert W. Noble, Lieutenant Stephen L.C. Taylor.●

WELFARE REFORM

● Mr. BROWN. Mr. President, I rise today to speak on behalf of the welfare reform bill that passed this body yesterday.

Much has been said on the House and Senate floor and in the media about the impact of this bill on children and the working poor. Those who have spoken out against the bill have called it, draconian, and legislative child abuse. Well, I disagree.

For the past 61 years we have allowed a program originally designed to help families through a difficult time to become a welfare program that discourages able-bodied citizens from working. The current welfare system takes away the dignity and self respect that comes from earning an honest living and has replaced it with generation after generation of families dependant on public assistance.

In the past 61 years instead of teaching our children about work ethics, responsibility, hard work and determination, we have taught them how easy it can be to live off public assistance. Now, ladies and gentlemen, that is abuse.

Everyday men and women get up in the morning, dress their children and get them ready for the day. After the morning routine, these same men and women get into their cars and negotiate traffic on their way to work. Everyday these people work long hours to provide for their families, pay the bills and if they are lucky put a little money away in a college or retirement fund. All this bill asks is that those who are able to work try to perform a service for their benefits.

The working men and women of America have been doing their part for

61 long years. Now we have the golden opportunity to respond to the working men and women who believed us when we said we would reform the welfare program and to the States that have proven that they can handle the task of administering their own welfare programs. By returning some of the power to the States we make it possible to help people out of poverty.

Colorado is initiating a Personal Responsibility and Employment Program. There are innovative and insightful people in my State as there are in others. These State leaders have shown that there are alternatives to Federal control and that they can meet the needs of the residents of the State. The States have the best chance of moving people to work and restoring their self respect.

This bill included an amendment concerning the State Appropriation of Block Grant Funds. It ensures States expend block grant funds in the same way in which a State expends its own funds. Consequently, both the legislative and executive branch in the State share control of block grant funds through the appropriations process.

In addition, the bill included an amendment that places a 15 percent cap on administrative costs. Funds for welfare programs should go to individuals who need help, not to bureaucratic administrators.

When the 104th Congress convened in January 1995, we made a promise to the American people. We promised to reform the welfare program and rein in runaway entitlement spending. I must commend the work of my colleagues for enabling us to keep our word and follow through on our commitment to reform welfare.●

CAPT. JOHN WILLIAM KENNEDY

● Mr. ROBB. Mr. President, today, at Arlington National Cemetery, the remains of Capt. John William Kennedy, U.S. Air Force, will be laid to rest with full military honors. Captain Kennedy's mother, brother, relatives and friends will join a grateful Nation in paying final tribute to a courageous American who gave his life for his country.

This day and this ceremony are long overdue, Mr. President, because Captain Kennedy lost his life over the Quangtin Province of the Republic of Vietnam. Though his family was told he was missing in action on August 16, 1971, he was not confirmed killed in action until May 1996.

Mr. President, this brings back sad memories for me, because during my own time in Vietnam, families of many of the young men who served under my command received word that their loved ones would not be coming home. But as difficult as this notification was, it was even more difficult for the families who could not learn with certainty the fate of their loved ones. The most painful ordeal was ultimately the seemingly endless uncertainty of MIA families.

With mixed emotions, I note that the terrible ordeal of the Kennedy family of Arlington, VA, is at last resolved. A sorrowful peace has finally been found.

So I rise today, Mr. President, to honor the service rendered to our country by Capt. John William Kennedy.

Captain Kennedy was serving as a forward air controller with the 20th Tactical Air Support Squadron based in Chu Lai. On August 16, 1971, Captain Kennedy failed to check in during normal radio checks while flying a visual reconnaissance mission over the Quangtin Province. He was listed as missing in action until July 1978, when his status was changed to presumed killed in action. Finally, in May of this year, after using new DNA identification techniques, Captain Kennedy's family was notified that his remains have been recovered for burial.

Captain Kennedy graduated from the Virginia Military Institute in 1969 and then joined the U.S. Air Force. He graduated from pilot training in October 1970, where he was first in his class and was awarded the Undergraduate Pilot Training Office Training Award. He then reported to O–2A pilot training, and from there was assigned to the 20th Tactical Air Support Squadron in South Vietnam. He was serving there when his plane disappeared.

Captain Kennedy's awards include the Distinguished Flying Cross, the Purple Heart, the Air Medal with two Oak Leaf Clusters, the National Defense Service Medal, the Vietnam Service Medal, and the Republic of Vietnam Campaign Medal.

Mr. President, Captain Kennedy's distinguished service to his country clearly represents the very best of America. I believe I can speak for my colleagues in the U.S. Senate when I pay tribute to his service today—and when I convey our gratitude to his family for sharing their exceptional son with us.●

THE ARREST OF TWO TAIWAN STUDENTS IN ATLANTA

● Mr. CRAIG. Mr. President, I had the pleasure of meeting for the first time yesterday with the new representative from the Taipei Economic and Cultural Representative Office in the United States, Dr. Jason Chih-chiang Hu. While it was a good opportunity to discuss areas of mutual interest, I was concerned to learn about an incident that occurred recently at the Olympic Games in Atlanta.

On July 31, two Taiwan students—one currently studying at Georgia Tech, the other a recent graduate of a university in Dallas—were arrested during the gold medal table tennis match between the People's Republic of China and Taiwan. It is my understanding that the incident was sparked when one of the students waived the national flag of the Republic of China during the hotly contested championship match. The other individual was arrested when trying to assist his fellow student in resisting police arrest.

Mr. President, what began as an innocent, outward show of pride in his country ended with what would appear to be an excessive response. It is my hope that officials in Atlanta will carefully consider this situation and work toward a fair and equitable remedy that will not unduly punish these students.

Nationalism and love of flag and country are something we as Americans can appreciate. As we look around the various venues at the Olympics, I think we all feel a source of pride to see the stars and stripes waiving in the stands and being carried by our athletes. What we may not understand is some of the history behind the conditions under which the Republic of China on Taiwan is able to participate in the Olympics.

Athletes from Taiwan were banned from participating in the International Olympic Games in the 1970's due to controversies over the name, flag, and national anthem of their team. Later in that decade the International Olympic Committee amended its charter by striking out all references to national flags and national anthems. Instead, committee flag and committee song of the National Olympic Committee of each individual nation are used to describe the flag and anthem each nation's team uses. While almost all National Olympic committees use their national flag and anthem, the Republic of China, referred to in the Olympics as ''Chinese Taipei,'' are not allowed to use their flag and song.

Mr. President, this prohibition applies to the Chinese Taipei Olympic team—not its fans. It is my understanding that the charter does not contain references to restrictions on individuals participating as spectators in the audience.

Mr. President, while I do not have all the final details of this situation, I felt it was worthy of our notice. One purpose of the Olympic Games is for the world of nations to gather together in an event that allows us to rise above our differences. While that purpose is not always achieved, it is certainly a worthy goal. Therefore, it is my hope that we will see a swift and equitable resolution to this unfortunate situation.●

UKRAINIAN INDEPENDENCE DAY

● Mr. LEVIN. Mr. President, this year has been an historic one for the nation of Ukraine. Ukraine has adopted a new constitution, has taken part in its first Olympic games, and will celebrate the fifth anniversary of its independence from the former Soviet Union.

Ukrainian Independence Day, August 24, is a time to remember Ukraine's past and to look to its future. Since Ukrainian independence in 1991, the country has made great strides in many important areas.

On June 28, the Verkhovna Rada of Ukraine adopted a new Ukrainian constitution. The new Constitution establishes Ukraine as an independent,

democratic nation. The constitution also clearly divides power between the executive and legislative branches.

Ukraine has exhibited much economic potential. Working with the International Monetary Fund, Ukraine is making significant gains in halting hyperinflation and securing an efficient and cost-effective source of energy for the country. A partnership has been established with the European Union which will give Ukraine most-favored-nation status and other trade advantages, and opens the possibility of a free trade agreement after 1998. Ukraine's natural resources, its heavy industry, and its innovative and hard-working people promise to transform the country into a successful economic partner in the world marketplace.

Ukraine has now become a nuclear-free state. Ukraine has faithfully followed guidelines for the elimination of nuclear weapons under the START I Treaty and it has ratified the Non-Proliferation Treaty. And, in joining the Partnership for Peace Program for NATO membership, Ukraine has positioned itself to become a member of the strongest military alliance in the world.

Ukraine's transition to a democratically-governed, free-market economy has not been without its problems. But these strains are natural. The recent assassination attempt on Prime Minister Pavlo Lazarenko is troubling. However, we expect that the government of Ukraine will take the necessary steps to see that the rule of law is upheld. Ukraine has shown strong leadership in the face of such turmoil by pledging itself to adhere to the principles of the Helsinki Final Act. This should help ensure that whatever problems Ukraine may encounter in the future, it will continue to be an example of respect for civil and human rights in the region.

This year, Ukraine joined the world athletic community by fielding its first Olympic team. It was heartening to see the joy on the faces of Ukraine's athletes as they represented their country in this year's centennial Olympic games. Ukraine's fine athletes graciously represented the Ukrainian people.

The people of Ukraine deserve our admiration and support for the fine work they have done during the past 5 years. I know that the Ukrainian-American community in Michigan is in the front ranks of such support. United States-Ukraine relations are, and will continue to be, an important part of our national interests.

This is an historic time for Ukraine, one in which it is possible to witness its citizens decide for themselves what kind of government and what kind of future they want for their country. I know my Senate colleagues join me in honoring Ukraine on the fifth anniversary of its independence.●

ROGER TORY PETERSON

● Mr. DODD. Mr. President, I rise today to pay tribute to the life of one of Connecticut's pioneers. Roger Tory Peterson devoted his life to the study of birds. Peterson's ''A Field Guide to the Birds,'' published in 1934, revolutionized the concept of field guides by intricately depicting distinguishable characteristics of thousands of birds. Often referred to as the ''birder's bible,'' this handbook brought the once eccentric hobby of bird watching to the mainstream.

Born 122 years after John James Audubon, Roger Tory Peterson was the definitive expert on birds in this century. Many people believe he began the environmental movement by bringing tens of millions of bird watchers outdoors to study birds. Any avid bird watcher looking for the illusive bird would not dare go out without one of Peterson's guides in their pocket.

A master of detail, Roger photographed, painted, and identified thousands of birds throughout his 60-year career. His descriptions, both in words and drawings, were done with such clarity and precision that the birds came to life on paper. Even today, I continue to marvel at his prints, several of which hang in my home in Connecticut.

A world renown artist, naturalist, and environmentalist, Peterson believed that any serious study of natural history would lead people to care about and protect the environment. This philosophy is the backbone of the legacy he leaves behind. The Roger Tory Peterson Institute of Natural History in Jamestown, NY, is dedicated to educating the public and teaching young and old alike about natural history. This center and the guidebooks used by millions of hikers everyday will continue to promote environmental awareness for years to come.

The people of Connecticut were proud to have Dr. Peterson reside in Old Lyme for over 40 years. My parents were honored to know him as a neighbor and friend. We will all miss his work and remember him fondly.●

COACH DON CASEY

● Mr. KERRY. Mr. President, I rise today concerning one of the most beloved sports figures in Boston, Mr. Don Casey, assistant coach of the Boston Celtics. Coach, as he is known to the thousands whose lives he has touched, is leaving the Celtics to take on new challenges with the New Jersey Nets.

Since arriving in Boston, Coach has had an inspiring influence on the fans of the Boston Celtics. Through various charitable endeavors, Coach has affected the lives of thousands of people across the Nation. Most recently, Coach was selected to the Committee of Friends of the Secret Service, an organization dedicated to raising funds for the surviving family members of those Federal agents killed in the tragic Oklahoma City bombing. Even the White House has recognized Coach Casey's contributions to the world of sports by selecting him to serve on the President's Council on Physical Fitness and Sports.

Coach Casey has a long and storied career shaping the minds of basketball players of all ages and talent levels. At the age of 20, Coach landed his first coaching post at Bishop Eustace High in Pennsauken, NJ. He led his team to two State championships and was selected South Jersey Coach of the Year at age 24. Many of the players he coached at Bishop Eustace went on to successful college careers. Soon after achieving remarkable success at the high school level, Coach started his own impressive college career by being appointed to the head coach slot at Temple University. He led the Owls to several postseason tournament berths, including an NIT Championship over Boston College in 1966. Coach participated in the first NCAA college basketball game played outside of the United States when his Owls traveled to Tokyo, Japan, to take on the UCLA Bruins.

Coach broke into the National Basketball Association in 1982 as an assistant coach with the Chicago Bulls. The next year, he move to the Los Angeles Clippers in the same post. In 1984, Coach became head coach for an Italian league team. He returned to the NBA and the Los Angeles Clippers as an assistant coach, and in 1989 he was promoted to the head coach slot. He soon traveled to Boston where he has been the assistant coach for six seasons.

As Coach prepares to leave the city of Boston, his friends prepare for everyday life without him. Many joggers will be left to find new running mates, the Boston Celtics' employees will be listening for, but not hearing, the familiar vibrant, bellowing voice that shakes the hallways every morning with warm greetings, and the wait staff at his favorite restaurant, Ciao Bella on Newbury Street, will miss the energetic presence that so often electrified the ambience there.

Coach Casey is leaving our beloved Boston Celtics to start a new chapter in his basketball story. The players, the fans, and the staff of the New Jersey Nets are lucky to get him. I wish him the best of luck and the greatest success with his new team, unless, of course, the Nets ever meet the Celtics in the playoffs.●

MOVEMENT TO BAN JUNK GUNS GAINS STRENGTH

● Mrs. BOXER. Mr. President, earlier this year I introduced legislation with Senators JOHN CHAFEE and BILL BRADLEY to prohibit the manufacture and sale of junk guns—or as they have also been called, saturday night specials. These cheap, poorly constructed, easily concealable firearms pose such a great threat to public safety that their sale and manufacture should be prohibited.

Nearly 20 years ago, Congress prohibited the importation of junk guns, but allowed their domestic manufacture to soar virtually unchecked. Today, 8 of the 10 firearms most frequently traced at crime scenes are junk guns that cannot legally be imported. My view is that if a gun represents such a threat to public safety that it should not be imported, its domestic manufacture should also be restricted. A firearm's point of origin should be irrelevant.

Since the introduction of my legislation, a strong grassroots movement has developed to help get these weapons off the streets. Thousands of volunteers have worked to educate local, State, and Federal elected officials about the issues. The emerging coalition against junk guns includes law enforcement officials, physicians, children's advocates, and religious organizations. More than two dozen California police chiefs, including those from California's largest cities, have endorsed my legislation.

The movement to get these junk guns off the streets is clearly gaining steam. Many of California's largest cities, such as San Francisco, Oakland, and San Jose, have enacted local ordinances prohibiting the sale of junk guns. Two weeks ago, the mayors of more than a dozen cities from California's East Bay pledged to push for local junk gun prohibitions in each of their jurisdictions, creating the one of the largest junk-gun-free zones in the country.

I am dedicated to working hard on this issue in the 104th Congress and beyond. We will get these killer guns off our streets. When Senators return to their States over the August recess, I encourage them to discuss this issue with their constituents. I believe they will find that citizens do not support the current junk gun double standard, allowing poor quality weapons to be produced domestically, but not imported.●

JAPAN CONSTRUCTION PRACTICES

● Mr. MURKOWSKI. Mr. President, I rise to speak about an item that is not in the news right now. But that could have significance for United States construction companies and for United States-Japan trade relations. It has come to my attention that the Japanese Government is building a new airport near Nagoya, Japan called the Chubu International Airport. This multibillion-dollar project will be that country's largest public works effort for the next decade. The first flights are planned for the year 2005.

As many of my colleagues are already aware, American construction companies must be included in any list of our most competitive international industries. These companies have particular expertise in building large airports, having constructed the international airports in Hong Kong and Seoul, Korea, among others. Curiously, only in Japan have they been unsuccessful.

This is not for lack of trying. American construction, architecture, and design engineering firms have been trying to participate in the Japanese market for over a decade, with limited success. I have taken to the Senate floor many times to complain about how United States companies were blocked from participating in any meaningful way in the construction of the Kansai International Airport, despite numerous promises from the Japanese Government to allow their participation.

But Mr. President, my purpose here is not to recount the sorry tale of closed construction markets in Japan. I will just note that we have gone through years of negotiations to try to open Japan's construction market and break their corrupt dango system. In 1994, in the face of United States sanctions under title VII, Japan agreed to adopt an action plan to eliminate the numerous barriers to foreign participation in their public works market.

And I must say, Mr. President, that the first two reviews of the action plan have been very disappointing. In fiscal year 1995, foreign firms won only one construction project, out of a total of 613 let out for bid, and one design project, out of 20. The dedicated commerce officials monitoring Japan's performance indicate that United States companies still face unsatisfactory restrictions on the size and scope of joint-venture consortia that can bid on major procurement projects and still face discriminatory prequalification criteria.

But you don't get anywhere crying over lost opportunities, so today I instead want to use my remarks to point out to the Japanese Government that the Chubu project presents an opportunity for the Government to demonstrate its openness to foreign participation. And, it gives Japan the opportunity to enjoy a world class international airport.

In order to make this happen, the procurement agency for Chubu should immediately move to adopt open and competitive bidding procedures as called for under the United States-Japan bilateral understandings.

Mr. President, I will be watching very closely and I fully expect United States firms to be given equal opportunity to participate, commensurate with their ability.

I understand that our Commerce Department officials will travel to Japan again in September for further consultations, and I hope that they will receive positive news on the Chubu project.●

BOSNIA POLICY

Mr. FEINGOLD. Mr. President, the deployment to Bosnia of the International Force [IFOR] has passed its midway mark and I would like to review with my colleagues what I believe has been accomplished to date, the many questions yet unanswered by the Administration, as well as the dangerous pitfalls I see on the road ahead.

Mr. President, I was one of those who voted against the deployment of U.S. troops to Bosnia, to take part in the NATO-led effort to enforce the military provisions of the Dayton Accord. I was skeptical then, and remain so today, of Administration assertions that U.S. strategic interests in Central Europe or in the ''future of NATO'' justified this costly investment of troops and resources abroad. I took with a grain of salt Administration promises that U.S. troops would be out of Bosnia in a year's time and Administration assurances that it would work to level the military playing field between Serbs and Muslims.

I maintained then—I reiterate today—that it is the Congress—the Congress—which had to authorize the deployment, after thorough consultation with the Administration. From all reports coming out of Bosnia, we are now paying the piper for moving without the careful deliberation and consideration of pros and cons that a real policy debate would have engendered. If the Administration had truly consulted with the Congress—and not simply presented us with a fait accompli—we might have been able to anticipate many of the problems now facing IFOR and its parallel civilian institutions. I recognize that the issues and problems are complex and I do not mean to suggest that I or the Senate would have all or even some of the answers.

But I did pose a number of questions to the Administration during last year's all-too-brief hearings on the deployment and in the subsequent cursory debate on the Senate floor, in an attempt to focus priorities and anticipate problems. But as you know, the decision had already been made to move forward and the Congress sidelined, a sad fact I blamed as much on our timidity as the Administration's circumvention of constitutional process.

I recognize, Mr. President, that the Dayton Accord and the IFOR deployment to enforce its provision has not been without some real benefit. We can all be grateful that people are no longer dying en masse in Bosnia; U.S. and other IFOR troops are to be applauded for having largely succeeded in enforcing the military aspects of the agreement.

The head of the Defense Intelligence Agency [DIA], Lt.Gen. Patrick Hughes, testified earlier this year that he expected that the parties would continue generally to comply with the military aspects of the Dayton Accord and with IFOR directives. Hughes ''did not expect'' U.S. or allied forces to face organized military resistance; any ''modest'' threat remained limited to mines and sporadic low-level violence, such as terrorism. NATO commander Joulwan recently confirmed that many of the peacekeeping tasks delegated to IFOR have been completed, including overseeing the transfer of territory, the demobilization of troops and the storage of heavy weapons.

But there are disturbing signs, Mr. President, that the progress is transitory and perhaps even an illusion.

Compliance is begrudging; ''the spirit of Dayton'' encouraged at the point of NATO arms.

In an October 19, 1995 letter to Secretary Perry, I asked just how durable an IFOR-enforced peace would be. Specifically, I asked for some assurance that the Serbs had abandoned their quest for a ''Greater Serbia'' and that the territorial integrity of Bosnia would be protected.

The facts on the ground provide the disturbing answer. General Hughes, for one, was troubled by the ''fundamentally'' unchanged strategic political goals of the former warring factions; that is, eventual permanent partition. Upon IFOR's withdrawal, Hughes foresaw: Bosnian Serbs seeking political confederation with Yugoslavia; Bosnian Croats with Zagreb; resistance by Serbs and Croats to efforts of the Muslim-led government to assert its authority; collapse of the ''Federation'' of Croats and Muslims, intended as a counterweight to the Serbian entity created by Dayton, under the mutual hostility of Muslim and Croat; and delay or stymie of civil affairs, such as elections.

In short, Mr. President, there is the real possibility that after a nearly $2.8 billion investment just for the deployment of our troops to Bosnia, we will be back at square one: hostile, ethnically-divided factions facing off at tenuous borders under unstable military, economic and social conditions.

In my letter to Secretary Perry and during floor debate, I also raised the question of cost, especially in light of how this expensive deployment would undermine efforts to balance the budget. In December, the Congress was told the cost would be roughly $2.0 billion. I predicted then that the bill would be a lot more. Now, because of unexpected costs and delay associated with a winter deployment, intelligence gathering and engineering efforts, the most recent DoD estimate of which I am aware is for $2.8 billion. Just how reliable is this estimate, or will there be more unexpected costs? I suspect it is hardly prophetic if I venture that the tab presented to the American taxpayer—just for the military side of this adventure—will top $3 billion, if not more.

I asked the Administration back in October if the U.S. would withdraw regardless of whether the mission was a success. I asked because I had my doubts that the stated goal—ending the fighting and raising an infrastructure capable of supporting a durable peace—was doable in twelve months time. I foresaw a danger that conditions would remain so unsettled that it would then be argued that it would be folly—and waste—to withdraw on schedule.

It should be no surprise then, Mr. President, that European diplomats are questioning whether IFOR should exit on schedule—claiming success—if the ''fundamental'' nation-building task of elections has not been completed. We know from press reports that the Europeans are pressuring the U.S. to stay on as well, in an undefined role and for an uncertain period of time.

While I welcomed Vice President GORE's declaration that our troops would be withdrawn on schedule, I also note that only yesterday Secretary of State Christopher testified before the SFRC that ''final decisions'' on withdrawal would have to await the results of the September elections and then qualified that by stating the military mission would be completed ''roughly'' by the 1-year deadline. In short, the very spectre I envisioned 7 months ago may be coming to haunt us.

Speculation that IFOR (and U.S. troops) will extend beyond one year is worrisome, given the assurances we heard last December that this deployment was limited in time. Even the weak resolution passed by the Senate accepting the deployment did not envision an open-ended affair. I urge the Administration to heed the sage observation of Joint Chiefs of Staff Chairman General Shalikashvili, who has reiterated that U.S. troops will be out of Bosnia by December. He said that if the factions wanted peace, then a one year IFOR deployment was enough; an extended mission would not alter the intentions of the parties.

In any event, the Pentagon has also apparently modified the President's promise that our troops would be home by December 20. Now, I understand, exit will begin on or around that date, ensuring that some of our men and women will be in Bosnia well into 1997. Another option I have heard mentioned is having a reduced IFOR force—principally British and French troops—remain in Bosnia after December, under U.S. air cover.

Let me say now, Mr. President, that I am opposed to the continued deployment of U.S. ground forces in Bosnia after December 1996. I do not think they should be there now and I expect the Pentagon to brief us on its plans for a timely exit.

That said, I am not necessarily opposed to a limited U.S. support role. I remain deeply concerned that Dayton produced a Muslim geographic entity essentially DOA. If ethnic partition is inevitable, the Muslim rump state likely to emerge will have no coastline, be an economic basketcase for the foreseeable future, and remain surrounded by hostile neighbors.

Our political, moral, financial and strategic investment in Dayton and in IFOR requires that we not allow the Muslim entity to wither on the vine. The dividends—stability in Europe, enhanced credibility in the Muslim world, undermining Iranian inroads, economic opportunities for U.S. business—outweigh the costs.

Which brings me, Mr. President, to the next question I raised in October: what provision had the Administration made for the arming and training of Bosnia's Muslims? I have argued almost from the moment I first entered the Senate that we should arm and train the Muslims, permitting them to adequately defend themselves. If we had done so three years ago, we would likely not have found ourselves in a position of enforcing a peace that the factions may not want.

I am pleased to note President Clinton's July announcement that the military assistance program for the Bosnian-Muslim federation is finally scheduled to begin. A contingent of Bosnian soldiers—all Muslims—reportedly arrived in Turkey in June for training and $98.4 million in U.S. arms are scheduled to be shipped to the Bosnian army, including M60 tanks, armored personnel carriers and antitank weapons in the next several weeks. Turkey has reportedly matched the U.S. pledge and U.S private contractors will assist the Turks in improving command-and-control and other military procedures. I hope that this marks the genesis of a Muslim force capable of defending itself against the better-armed Serbs, should the peace collapse, a not unforeseeable possibility.

But I wonder, Mr. President, where are our European allies? Even with the U.S. and Turkish pledges, there remains a $600 million shortfall on the amount needed to adequately equip and train the Muslims. The Europeans—especially the French and British—have contributed nothing and their support for Dayton Accord provisions calling for adequate arming and training of the Muslims, are lukewarm, at best. Yet while they continue to view sending Western arms to Bosnia as destabilizing, they do not seem to object to having Iran—an otherwise hostile state with which they wish to trade—arm the Muslims.

I had thought that we had received assurances from the Europeans that they would support the arm and train provisions of Dayton. Have we been bamboozled? What is the Administration doing to press the issue?

Yet another question I asked of Secretary Perry last year regarded U.S. treatment of indicted war criminals, such as General Mladic and Mr. Karadzjic. The issue of dealing with persons today government officials responsible for effecting Dayton's provisions, but who yesterday were mass murderers, is not an easy one. All the factions in Bosnia harbor such men and each of the ethnic communities—especially the Muslims—suffered grievously at their hands.

Some argue that the process of reconciliation would be better served by putting the past behind us. I disagree wholeheartedly. The international community has made a judgment that those involved in genocide must be brought before a court of justice. Certainly in investigating these cases and prosecuting these men we risk exacerbating old wounds. But I believe the healing process is better served by bringing these crimes out into the light of day and punishing those responsible. Otherwise, the victims families will allow the resentments to fester and the cycle of violence inevitably erupt anew.

I understand the view of the IFOR military commanders, who are reluctant to involve themselves and their troops in this sort of distasteful civilian task and in the dangers of ''mission creep.'' In a cauldron such as Bosnia, the last thing the peace enforcers want is to be perceived as taking sides.

But I believe that the higher moral and practical obligation involved requires that IFOR troops vigorously protect those seeking to uncover evidence of these crimes. The presence of a protective cordon of IFOR troops at Srebrenica, where the first solid evidence of mass murder and atrocities on an appaling scale is now being exhumed, is a welcome development. I note, however, that the two most prominent war criminals, Karadzic and Mladic, continue to flout their disdain for such pronouncements. Karadzic, for example, dismissed the moderate Serbian prime minister, Rajko Kasagic, in mid-May.

That act seems to me to be an act of real political power and certainly not in keeping with State Department assessments that the man is being ''sidelined.'' Karadzic's June 30 transfer of power to a political flunky was merely another transparent attempt to avoid punishing economic sanctions. And despite Ambassador Holbrooke's efforts last month to strip Karadzic of political influence, I think we all understand that Karadzic continues to call the shots, which are aimed at the underpinnings of Dayton.

There are other problems, of course. Carl Bildt, the High Representative for implementation of Dayton has noted that while the formal structures of civilian implementation are in place, the political will to make Dayton work is clearly missing. Conditions are nowhere near settled enough to conduct ''free and fair'' elections; absent are freedom of movement, freedom of association, a balanced media, and the right to vote in secret near one's home.

Ambassador Frowick, the Organization of Security and Cooperation in Europe (OSCE) mission head in Bosnia, even went so far as to admit July 29 that, at best, the elections could be expected to be ''reasonably democratic,'' adding that ''free and fair is a stretch.'' Frankly, I'm puzzled as to how elections neither free nor fair can ever be reasonably democratic.

Yet, the OSCE certified June 25 that such elections can be held by September 14. The chief of staff of the OSCE, William Steubner, resigned in June, reportedly over a disagreement as to whether Bosnia is anywhere near being ready for an election. The continued influence of thugs such as Karadzic, the reports that Serbian goons are preventing Serbs from voting in the their former home districts—one Serb official reportedly dismissed objections by stating: ''Who cares where they want to vote; they'll vote where we say.'' It was only in June that another 100 Muslims were forced out of their homes in Bosnian Serb territory. In the suburbs of Sarajevo and in countless villages across the former Yugoslavia the triumph of ethnic cleansing is apparent. All prisoners of war have not been released, as required by Dayton. Foreign forces remain in Bosnia long after the deadline for their departure; indeed, despite the Administration's certification that these people have left, the Washington Post reported July 8 that some Islamic fighters are burrowing in, creating mischief and posing a potential threat to IFOR troops. If true, how will this affect the Administration's pledge that the arm and train program will not come up to speed until those forces are gone?

These political problems—which certainly threaten the long term health of Dayton—are compounded by economic difficulties. A question I did not ask in October, but which looms now over the process, is that of paying for the reconstruction of Bosnia? How realistic is the expectation that the international community will pony up the estimated $5.1 billion necessary over three years to put Bosnia back on the road to recovery? In April, in Brussels, World Bank and EU officials requested $1.8 billion in reconstruction aid for 1996. Donors have pledged barely one-third of that amount and the World Bank has received only one-half (or $300 million) of that in actual commitments. Is it any wonder that the Sarejevo government may look again to Tehran, which recently offered $50 million in assistance?

Which leads me Mr. President, in a roundabout way back to the first and most important question I put to Secretary Perry back in October, and which I discussed at length during the December floor debate: why would the Administration not seek Congressional approval and support for the deployment to Bosnia? As I said then, it is through the authorization process—a procedure mandated by the Constitution—that a deployment is explained and refined; that questions are answered; fears alleviated; and the American people given an opportunity to air their views on what the mission is worth to them.

This first and last question, Mr. President, has never been answered. The result has been uncertainty and more questions. To date, we have been fortunate that the results have not been more tragic, the sad circumstances surrounding Secretary Brown's mission notwithstanding.

I remain unconvinced that the IFOR-imposed ceasefire masks anything more than an inevitable slide towards permanent partition; if that is the case—and I hope I am wrong—then I and the American people want to know how this costly deployment furthered the national interest. Mr. President, I hope we will have public hearings soon on the status of the deployment and that the Administration will answer the questions I put forward in October and repeated here today. I acknowledge again the Congress' own culpability in not forcing the issue and asserting its constitutional authority and responsibility on the deployment. I hope that the lessons learned here will lead to more backbone in the future.●

CENTERS FOR DISEASE CONTROL AND PREVENTION: 50th ANNIVERSARY

● Mrs. KASSEBAUM. Mr. President, this summer, the eyes of the world are turned toward Atlanta, the host of the centennial Olympic games. But a careful look reveals another anniversary taking place in Atlanta—an anniversary that we should herald as well. On July 1, 1996, the Centers for Disease Control and Prevention [CDC] reached a milestone: The agency turned 50 years old. What began during World War II as a program to stop the spread of malaria among U.S. military personnel has become a world-renowned scientific agency the mission of which is to prevent and control disease, disability, and injury. With time-tested expertise in communicable disease control, the agency has led efforts in developing a strategy to address the newly emerging infectious diseases of today. The Senate Committee on Labor and Human Resources, which I am honored to chair, has held hearings on this major global public health issue and the role which the United States plays in fighting the spread of communicable diseases, and I am personally committed to this battle. Recently, President Clinton, recognizing the threat that infectious diseases present, issued a Presidential Decision Directive on Emerging Infectious Diseases. In recognition of CDC's golden anniversary, I would like to summarize the problem, along with the prevention strategy that CDC has developed.

ADDRESSING EMERGING INFECTIOUS DISEASE THREATS: A PREVENTION STRATEGY FOR THE UNITED STATES

Two to three decades ago, many scientists believed that infectious diseases could and would be eliminated as a public health problem in their lifetimes. Today, those very same diseases remain the leading cause of death worldwide, and a major cause of illness, death, and escalating medical costs in the United States.

More and more Americans recognize the threat that emerging and re-emerging infectious diseases pose to domestic and global health. Accordingly, they understand the need to improve surveillance and response capacity inside and outside our borders—infectious microbes know no borders and disregard immigration laws.

Several dramatic changes in our behavior and environment have contributed to the resurgence of infectious diseases. Across the globe, explosive population growth has led to unprecedented migration of people across borders. These population shifts are aggravated by rapidly changing technology and increasing international travel.

The widespread misuse of anti-microbial drugs has accelerated the emergence of new drug-resistant microorganisms. In addition, scientists are identifying, with remarkable frequency, a growing number of new infectious diseases along with microorganisms that cause previously unexplained chronic diseases.

In response to the threat of emerging infectious diseases, CDC developed a plan designed to safeguard our Nation's health. Entitled ''Addressing Emerging Infectious Disease Threats: A Prevention Strategy for the United States'', 1994, the plan was developed in cooperation with local and State public health officials, various Federal agencies, medical and public health professional associations, infectious disease experts from academia and clinical practice, and international and public service organization. The plan lays down CDC's domestic and international strategy for addressing emerging and reemerging infectious disease threats. The plan has four goals:

First, surveillance and response. The first goal is to improve the detection, investigation, and monitoring of emerging pathogens, the diseases they cause, and the factors influencing their emergence. Essential to this goal is an adequate laboratory capacity that assures accurate diagnosis of infectious diseases.

Second, research. The second goal is to integrate laboratory science with surveillance to optimize public health practice. CDC, in partnership with pubic agencies, universities, and private industry, will support research programs to address a number of pressing issues. They include: development and application of modern and rapid laboratory techniques for identification of new pathogens and drug-resistant organisms; determination of how behavioral factors influence emerging infections; and evaluation of the economic benefit of prevention and control strategies.

Third, prevention and control. The third goal is to enhance communication of public health information about emerging diseases. This would ensure prompt implementation of prevention strategies.

Fourth, infrastructure. The fourth goal is to strengthen infrastructure at local, State, and Federal public health levels. This includes plans for addressing the diminished capacity of health agencies to respond to infectious diseases. Critical losses in personnel over the past years have resulted in dangerous limitations in laboratory expertise. To respond to these losses, CDC has placed a top priority on building and maintaining expertise in rare or unusual diseases through the establishment of appropriate training programs for young health professionals.

CDC's initial efforts have focused resources on improving the capacity of the United States to address emerging infectious diseases through collaborations among State and local health departments and academic institutions. Thus far, CDC has provided funds through cooperative agreements to 14 States and two large local health departments to enhance their ability to monitor and respond to infectious diseases, including foodborne disease, drug-resistant infections, and a variety of other infectious disease public health programs. Health departments have used these funds to improve State health laboratories, build epidemiologic capacity to investigate outbreaks, and develop electronic technology for disease reporting and tracking.

CDC has also begun developing a national network of emerging infections programs. This network will conduct special surveillance projects and develop and improve surveillance methods. Emerging infections programs [EIP] address a variety of infectious disease problems, including food- and water-borne disease caused by E. coli and cyptosporidium, tickborne diseases such as Lyme disease, and the newly recognized ehrlichiosis, and antibiotic resistance.

Through cooperative agreements with State health departments and their collaborators in local health departments and academic institutions, CDC has provided funds to establish the first four such programs in health departments in California, Connecticut, Minnesota, and Oregon; a fifth EIP will be initiated this year. As resources permit, CDC will institute three additional EIPs in fiscal year 1997 in other State health departments.

With new microbe threats confronting us daily, CDC had developed a public health microbiology fellowship program in partnership with the Association of State and Territorial Pubic Health Laboratory Directors. CDC has also reinstituted an extramural research program that is focusing initially on tickborne disease and antibiotic resistance.

Although extensive work to address emerging infections has begun, substantial further effort is needed to strengthen defenses against potential disasters caused by infectious microorganisms. Long-term cooperation and partnerships are needed with clinicians, microbiologists, public agencies, universities, private industry, and communities. It is indeed critical that we all work together to ensure rapid, comprehensive responses to the microbial risks challenging the health of the world's population. I commend CDC on their 50th anniversary and on their outstanding effort to control and eliminate emerging infectious diseases.

DOMESTIC VIOLENCE/GUNS BILL

● Mr. LAUTENBERG. Mr. President, this morning we had a discussion on the floor about legislation I am sponsoring to prohibit people convicted of domestic violence from owning guns.

My bill stands for the simple proposition that wife beaters and child abusers should not have guns. It says: Beat your wife, lose your gun. Abuse your child, lose your gun. It's that simple. And it's really little more than common sense.

Mr. President, for many months, I had tried to include my proposal as part of the stalking bill. And, finally, on July 25, after agreeing to several changes at the request of my Republican colleagues, my legislation passed the Senate by voice vote.

Mr. President, the compromise we worked out was supported by the most ardent progun Members of this body. And we had an understanding that the leadership on both sides of the aisle would work to get the legislation passed promptly in the House.

Now we have just learned that the stalking bill has been inserted into the conference report on the DOD authorization bill—but without my amendment to keep guns away from wife beaters.

Mr. President, given the understanding that we had with the leadership, this news came as something as a shock to me.

Earlier this morning, there was a suggestion that somehow I was not respecting an agreement we had on this matter. And now this.

Mr. President, this is not how we should be doing business in this body.

Mr. President, I continue to be amazed at just how far the NRA and their supporters are willing to go to let wife beaters and child abusers get guns.

And I think the American people would share my outrage at this. Every year, thousands of women and children die at the hands of family members. And 65 percent of the time, these murderers use a gun.

There is no reason why wife beaters and child abusers should have guns. Only the most progun extremists could possible disagree with that. Unfortunately, these same extremists have incredible power here in the Congress.

Mr. President, I want to make clear to my colleagues that I am not going to let this issue die. The lives of thousands of women and children are at stake. And I'm going to continue this battle for as long as it takes.

Members of Congress on both sides of Capitol Hill need to be held accountable on this. The public has got to know what's going on here.

Mr. President, I'm convinced that the overwhelming majority of Americans would agree.

Wife beaters should not have guns. Child abusers should not have guns.●

SALUTE TO THE WORLD'S GREATEST ATHLETE

● Mr. KEMPTHORNE. Mr. President, I rise to pay tribute today to an Idahoan who has overcome adversity to become an Olympic champion.

Dan O'Brien of Moscow last night won the Olympic decathlon gold medal and set an Olympic record with a score of 8,824 points, the sixth best mark

ever. Success is not new to Dan, but neither is bitter disappointment. He has been very successful on the national and even the world level, but his dream, an Olympic gold medal, has eluded him.

By now most sports fans around the world have heard the story of how, 4 years ago, Dan was one of the favorites for the Barcelona games and how he failed to qualify by not clearing any height in the pole vault at the Olympic trials in New Orleans.

Since that crushing result, Dan has shown the determination, hard work and drive that embodies the American spirit. He trained like he had never trained before. He won the world championships three times since the 1992 trials and set the world decathlon record with a score of 8,891 points just weeks after the Barcelona games.

At the Olympics in Atlanta, Dan seized his opportunity. He started out well, and claimed the lead after the first day of the 10-event competition. The eighth event was his old nemesis, the pole vault. Learning the lessons of 4 years ago, Dan cleared a cautious 14 feet, 9 inches. Gaining in confidence, he vaulted past the height he missed at the 1992 trials, and then wound up clearing 16 feet, 4¾ inches to score 910 points in the event.

The ninth event pretty much clinched the gold medal. In his final javelin throw, O'Brien recorded his only personal best of the competition, with a toss of 219 feet, 6 inches. That gave Dan a 209-point lead heading into the final event, the 1,500 meters.

Dan has never liked this race, and although he didn't need to run a particularly fast race, he did pick up around the final turn and sprint to the finish line. He could then claim redemption for 1992's performance.

Immediately after finishing, Dan broke down in tears. I am sure they were tears of joy and triumph. He had finally answered all his critics and those who doubted him. He had proven to himself and the world that his determination and commitment to be the best would prevail.

Mr. President, to this fine young man, who I am proud to say graduated from the University of Idaho and lives and trains in Moscow, I extend my heartfelt congratulations. I know the people of Idaho join me in saying ''Well done, Dan'' to the Olympic gold medal champion in the decathlon, the world's greatest athlete, Dan O'Brien.●

RETIREMENT OF MR. ROBERT DAVID YOUNG, OF SAGINAW, MI

● Mr. LEVIN. Mr. President, I am pleased to have the opportunity to salute Robert David Young on his retirement from the Great Lakes Sugar Beet Growers Association.

I have appreciated Bob's long service as the Executive Vice-President for the Great Lakes Sugar Beet Growers. He has been an excellent source of information regarding agriculture policy, and particularly the sugar program. In his capacity with the association, he has effectively represented not only growers but all the communities of the Thumb and Bay areas of Michigan. And, in fact, he did that officially as a formidable State Senator of the 35th District for many years. Because of his skill and experience, Bob's counsel and expertise have helped me and the people he has served.

We have worked together for many years, through flood and drought, and through several Farm Bills and sometimes excessive USDA red tape. Our different party affiliations have not intruded on a joint desire to produce good, pragmatic agriculture policy that would benefit Michigan.

I will be sad to see Bob retire. However, I salute his accomplishments and recognize that he has earned some time off. The people of Michigan owe him a debt of gratitude.●

THE SENATE'S WORLD WIDE WEB SITE ON THE INTERNET

● Mr. WARNER. Mr. President, earlier this week a Washington Post editorial entitled ''Wiring Congress'' implied that the Senate has not embraced the idea of providing legislative information in electronic format. I am here today to set the record straight.

This past fall, in one of my first initiatives as chairman of the Senate Committee on Rules and Administration, Senator FORD and I announced the availability of the Senate's World Wide Web site on the Internet. This site, which is continuously updated with information about the Senate, is also the public's gateway to legislative information. Today, using the Senate Web site and linking through the Government Printing Office, the American public have electronic access to bills, resolutions, filed committee reports, and the CONGRESSIONAL RECORD.

In addition, we are working hard to develop a centralized system that will allow committee chairmen to also post committee hearings and prints on the Government Printing Office access system.

The Rules Committee has also been holding a series of hearings to address the issues concerning public access to Government information in the 21st century. I am well aware of how important it is that in our quest to provide information in electronic format, we do not lose sight of our responsibility to maintain a public record and to assure access to Government information for those who do not have access to the information highway.

The Rules Committee is taking an aggressive approach toward ensuring the Senate—and the American public—have timely and complete access to all legislative information.●

MODIFICATION OF PENSION NONDISCRIMINATION RULES

● Mr. CONRAD. Mr. President, I rise today as an original cosponsor of legislation to modify the application of pension nondiscrimination rules to governmental pension plans. This legislation will provide relief to State and local governments from unnecessary and overly burdensome Federal regulations.

Pension nondiscrimination laws enacted by the Federal Government ensure that workers at all levels of employment are given access to the benefits of tax-exempt pension plans. As employers, State and local governments employ a wide range of workers, from judges to firefighters to teachers. Each occupation requires that its unique circumstances be considered when determining pension benefits. Laws that were created by the Federal Government do not adequately address the needs of the diverse work force of State and local governments.

Public pension plans are negotiated by popularly elected governments and subject to public scrutiny. They do not require a high degree of Federal review. The process of enacting these plans promotes fair benefits for governmental employees. Public pension plans have been given temporary exemption from nondiscrimination laws for almost 20 years, and the result is that full-time public employees enjoy almost twice the pension coverage rate of their counterparts in the private sector. It is time to make this temporary exemption permanent.

This bill enjoys a wide range of support from State and local governments, as well as public employee representatives. I urge my colleagues to join Senator HATCH and myself, along with a bipartisan group of Senators, to ease the burden of Federal regulation on State and local governments. I look forward to this bill's consideration in committee and on the Senate floor.●

TRIBUTE TO CAMP NATARSWI, BAXTER STATE PARK, ME

● Ms. SNOWE. Mr. President, I would like to recognize the 60th anniversary of Camp Natarswi in Baxter State Park, ME.

In August, Girl Scouts from Maine and across the United States will reunite to mark this occasion, exemplifying the strong bond of friendship that young women gain through their Girl Scout experiences. Such relationships are vital for young women and foster an appreciation for helping others whether it be in the community, at school, or at home. It is clear that these women have cherished the spirit of the Girl Scout tradition as they now gather 60 years later to renew their friendships.

Before this land in Baxter State Park became Camp Natarswi in 1936, it was used to house Civilian Conservation Corps workers who were building a road from Togue Pond to Roaring Brook. The property was leased from Great Northern Paper until 1975 when the paper company designated ownership to the Girl Scouts. Conducive to

camping and scenic views, the young girl scouts found themselves inspired by this natural habitat while learning lessons on the environment and work ethics that would accompany them on their future endeavors.

For the alumnae from 12 States as far away as California, Camp Natarswi will forever be a place where friendships flourished and lessons were learned about life and the importance of our natural resources. Most of all, these women were instilled with the Girl Scout tradition, something they have passed down to their children and grandchildren. I am pleased to recognize the 60th anniversary of this very special place for so many of my fellow Mainers.●

PEACETREES VIETNAM

● Mrs. MURRAY. Mr. President, I rise today to describe a project being undertaken by a remarkable organization in my home State of Washington. PeaceTrees Vietnam, the 20th international PeaceTrees Program sponsored by the Earthstewards Network, represents the dedicated work of individuals working to promote peace on a local and global scale.

For over a decade, Earthstewards has worked around the world to foster dialog between peoples of various countries, and to contribute to communities around the world. Earthstewards has organized PeaceTrees Programs in many communities, including Capetown, South Africa; Auroville, South India; Bluefields, Nicaragua; and Tacoma, WA. Now, this organization is embarking on a project in Vietnam.

Every week in Vietnam, a child is killed or maimed by the explosion of an antipersonnel landmine. At this time, there are over 58,000 leftover landmines and unexploded ordnance in the Quang Tri Province of Vietnam, the DMZ during the Vietnam war. PeaceTrees Vietnam seeks to eliminate the threat of these devices by removing landmines, planting trees, raising community awareness, and reducing the dangers of landmines in Vietnam and across the globe.

This important program has several phases. First, beginning this summer, landmines will be removed near the old Khe May military base in the town of Dong Ha in Quang Tri Province. American and Canadian retired military experts as well as Vietnamese local militia will extract these destructive weapons of war. Then, in November, a Friendship Forest will be planted in this area. Not only will this serve as a cooperative effort of the Westerners and Vietnamese who plant these trees, it will help set up a buffer to stop the dry, hot winds from Laos and restore life to deforested terrain.

Next, construction of a Landmine Awareness Education Center will begin. Educational displays will be created, so children and adults may understand how to identify potentially unsafe areas, and what to do if a landmine is encountered. Mine clearance will continue through 1997 in the thousands of hectares of the surrounding farm and forest land. This will allow citizens to productively and effectively utilize the land again, and will help reforest the area.

As a member of the PeaceTrees Vietnam International Advisory Board, I am pleased to have the opportunity to assist efforts to make this landmine-ridden area safe again, and to raise awareness of the global problem of landmines. I applaud the work of all those who have helped organize and implement PeaceTrees Vietnam. Efforts such as theirs truly make a difference in the lives of countless individuals around the world.●

CELEBRATE HOSIERY WEEK—AUGUST 5–11, 1996

● Mr. HELMS. Mr. President, next week, August 5–11, marks the 23d annual observance of Celebrate Hosiery Week. It always gives me great pride to join in recognizing an industry which has contributed so much to the free enterprise system of our country and so much to the economy of North Carolina.

Mr. President, National Hosiery Week is of special importance to me because North Carolina is the leading hosiery State in the Nation. North Carolina is proud of the leadership of the hosiery industry and the fine quality of life that it has provided for so many people.

In fact, the hosiery industry plays a substantial role in the economy of more than half of the States of the Union. There are 343 companies in the hosiery business, operating 456 plants employing 62,300 people in 28 States. The statistics are staggering: these 62,300 people produce and distribute 22 million dozens pairs of hosiery a year. They contributed a record $7.2 billion to the U.S. economy in 1995.

The hosiery industry has made great strides in improving productivity and the quality of its product. These efforts to make the hosiery industry more competitive have resulted in significant technological and design improvements in the manufacture of hosiery.

As a result, the hosiery industry has likewise made enormous gains in the area of foreign trade. Exports in 1995 grew by 9 percent over 1994 levels to 22 million dozen pairs—and that, Mr. President, is a lot of hosiery exports.

Mr. President, my hat's off to the hosiery industry because it is making a real difference in many small communities where the hosiery plant is often the main employer, providing good, stable jobs for its employees.

I extend my sincere thanks and congratulations to the hosiery industry and to its many thousands of employees for their outstanding contribution to our State and Nation.●

HIGH RUSSIAN HONOR TO IOWAN JOHN CHRYSTAL

● Mr. HARKIN. Mr. President, John Chrystal, an outstanding Iowan, is one of only two Americans to be awarded the Order of Friendship, the highest honor that the Government of Russia can bestow on a noncitizen. This award, which was given at the behest of Russian President Boris Yeltsin, was presented at a ceremony in Des Moines, IA, by the Russian Ambassador to the United States, Yuli M. Vorontsov. It has been my privilege to have John as a close personal friend for many years, and I am extremely proud of his achievement in receiving this high and well-deserved honor.

Under Russian law, the Order of Friendship, which was established in 1994 by President Yeltsin, ''is awarded to persons for significant contribution to strengthening friendship and cooperation between nations and nationalities, for helping the development of the Russian economy, for especially fruitful activities in scientific development, for bringing together and mutually enriching the cultures of nations and nationalities, and for strengthening peace and friendship between nations.'' John was honored for all of these reasons and in recognition of his 70th birthday, which was December 11 of last year.

John has had a long and distinguished career as a farmer and banker, and is recognized as a leading expert on agricultural, trade and economic matters involving the former Soviet Union. He has long worked to improve trade relations between our nation and the countries of the former Soviet Union and to help those countries modernize and restructure their agriculture and food systems. As a farmer himself, John has real credibility when he talks with farmers in Russia, Ukraine or one of the other countries of the NIS.

John has traveled to Russia, Ukraine, Georgia, and other nations of the former Soviet Union some 50 to 60 times since 1959, representing our State of Iowa and our Nation as a private-citizen ambassador of good will and understanding. In addition, he has been remarkably generous in hosting many exchanges and delegations from those countries to our Nation and our State of Iowa. John has known personally all of the recent leaders of the Soviet Union and Russia and is well known among farmers and policy makers in the countries of the former Soviet Union.

We Iowans are tremendously proud of all the good work that John Chrystal has done over the years to help improve food and agriculture systems in the former Soviet Union and to foster stronger ties and a deeper level of understanding among our peoples.

Mr. President, I ask that a number of articles pertaining to the awarding of the Order of Friendship to John Chrystal be printed in the RECORD.

The article follows:

[From the Carroll, IA, Daily Times Herald, June 24, 1996]

CHRYSTAL EARNS HIGH RUSSIAN HONOR

(By Butch Heman)

John Chrystal jokes that dozens of times he's gone to Russia, ''one of the few major nations in the world that we've never had a war with,'' and apparently hasn't angered anybody there yet.

Russia honored the rural Coon Rapids man today with its highest honor bestowed on a foreigner: the Order of Friendship.

Russia's ambassador to the United States, Yuli Vorontsov, presented the award during a ceremony at The Des Moines Club in Des Moines.

President Boris Yelstin established the Order of Friendship in 1994. It is warded to persons for significant contributions toward ''strengthening friendship and cooperation between nations and nationalities, for helping the development of the Russian economy, for especially fruitful activities in scientific development, for bringing together and mutually enriching the cultures of nations and nationalities, and for strengthening the peace and friendship between nations.''

The Russian Embassy in Washington, D.C., said Chrystal was being honored for activities in all those areas, according to a press release.

The other American to receive it was astronaut Norman Thagard, the first U.S. citizen to live aboard the Russian space station Mir.

Chrystal, who has been visiting Russia, the Ukraine, Georgia and other parts of the former Soviet Union for 36 years, was chosen for the award at the urging of Yeltsin.

Since 1959 he has been helping those countries modernize farming and agriculture infrastructure.

Chrystal has known all Russian leaders—from Nikita Khrushchev through Yeltsin—and most of their agricultural ministers.

''I've traveled from the Baltic States to Vladivostok, from the permafrost to palm trees. I'm more widely traveled in Russia than I am in the U.S.,'' he said with a chuckle.

He observed the evolution from collective state-owned farms to ''a modern attempt at democracy that has not yet been achieved.''

Chrystal teasingly says he's done more criticizing of Russian agriculture than assisting.

''I've always been anxious to better our relations with Russia because I think it can become an economic partner with the U.S.,'' he said.

Russia is not a third world nation by any means. Chrystal said, describing it as a place with vast natural resources and a very well-educated populace that survived 1,000 years of autocracy under the czars and communism.

The country has some grave faults, mainly no management of culture by competitive ideas and no cash, he said.

''And they are having a social, political and economic revolution simultaneously and without blood, which is certainly one of the first times in the history of the world,'' Chrystal said.

A big problem for Russia is that change has to happen quickly, he said.

''When I was growing up on the farm we had a two-row planter, and when the neighbor had a four-row planter, boy that was a big deal and we had to have one too,'' Chrystal said.

''Imagine these 44-row planters we have today and a satellite that tells you when to increase fertilizer. It's the beginning of a new era, and the Russians are going to have to run faster if they want to be in the same place. It's a really difficult but exciting time for them.''

''I suppose it will be another decade or generation before they achieve the goals that I hold dear, but I have no doubt they'll achieve them.''

Chrystal said that despite the fall of communism, less stability exists in the region. Communism, although a government by edict, maintained control, he said.

''That's not to say this isn't a much better situation,'' he said, noting that while the Soviet Union might be dead but economic relationships among its former members exist.

America has an opportunity to form friendly relations with the newly independent countries, and Iowa, because of its agriculture, has a special chance, Chrystal said.

His goals are to have the federal government encourage American business to form joint ventures with Russian firms. Chrystal already services on the Overseas Private Investment Corp., a government agency that helps developing nations.

''I think our foreign aid ought to be practical rather than theoretical,'' he said. ''Countries that are hard-up think less about democracy than they do about tomorrow.''

Chrystal recently spoke about agribusiness at a seminar in Moscow.

''I detect already a substantial change in attitude,'' he said. ''. . . The tone of the participants was something new. They were talking about competition, efficiencies, cropping and ventures that were either new or in cooperation with various aspects of the economy.''

Even through he's visited exotic locales and rubbed elbows with international dignitaries, Chrystal says he gets the most happiness out of what he sees right here in Carroll County.

''I think the most successful thing I've done is seeing farmers in Carroll County entertain Soviets, Russians and Ukrainians. The hosts have fallen in love with these people and even traveled to their homes. That's really thrilling to see Americans develop great relationships with them,'' He said.

The 70-year-old Chrystal is a native of Coon Rapids. Chairman of Iowa Savings Bank of Coon Rapids and Carroll and a director at several rural Iowa banks as well as Bankers Trust Co. of Des Moines. Chrystal was president of Bankers Trust from 1984–86.

For many years he was a grain and cattle farmer and is still a partner in his family's farm operation.

Chrystal is a former state banking superintendent, former member of the Iowa Board of Regents and former president of the Iowa Bankers Association and the Iowa Civil Liberties Union. He is also a trustee of Grinnel College and a director of F.M. Hubbell and Sons Co.

''I really don't know how I was chosen for this award, but I'm very honored and I certainly haven't expected it,'' her remarked.

''I was always afraid I'd make the Russians mad, but obviously I haven't,'' he added with a laugh. ''And who would've though a fella from Coon Rapids would get to know all these Russian leaders?''

Among the other recipients of the Russian Order of Friendship is South Africa President Nelson Mandela.

Chrystal said some of the Russian officials attending today's ceremony would be staying in Iowa for several days and he hopes to bring some to a Carroll Chamber of Commerce reception Friday night at Iowa Savings Bank in Carroll.

[From the Des Moines Register, June 25, 1996]

RUSSIAN FRIENDSHIP HONOR TO CHRYSTAL

(By Jerry Perkins)

John Chrystal, Iowa banker and longtime agricultural adviser to the Soviet Union and Russia, received on Monday the Order of Friendship, the highest honor Russia can bestow on a foreigner.

Chrystal, 70, of Coon Rapids is one of two Americans to receive the award, which also has been given to heads of state such as South African president Nelson Mandela.

Yuli Vorontsov, Russian ambassador to the United States, praised Chrystal for his many years of advising first the Soviet Union and now Russia.

''This is the highest Russian civilian award,'' Vorontsov said, ''It is for leaders of nations and leading citizens. It is highly regarded in Russia. We appreciate him very much in Russia.''

Chrystal has made frequent visits to the former Soviet Union and Russia for 36 years.

In an interview at The Des Moines Register, Vorontsov predicted that Russian President Boris Yeltsin will win re-election easily on July 3 when Russians vote in a runoff election.

On June 16, Yeltsin narrowly defeated Communist Gennady Zyuganov, 35 percent to 32 percent, in the first round of voting but didn't garner enough votes to prevent a runoff.

Yeltsin has been endorsed by the third-place finisher, Alexander Lebed, who has joined Yeltsin's government, and the fourth-place finisher, Grigory Yavlinsky, an economic reformer.

Those two endorsements should deliver enough votes to give Yeltsin a comfortable 55 percent to 45 percent victory over Zyuganov, Vorontsov said.

After the July 3 runoff, Yeltsin will reshuffle his government, go to work on the social problems confronting Russia and work to make it possible for Russian citizens to own land, Vorontsov said.

A decree issued by Yeltsin to make it possible for Russians to own land has been stopped in the Russian parliament, he said.

Yeltsin hopes to be able to push the measure through the parliament after his re-election.

If he wins, Yeltsin will serve his second four-year term. Russian law prevents a president from serving more than two terms.

''Economic reform in Russia will continue, but we will not be in a rush,'' Vorontsov said. ''We will analyze before making changes and bad things should be thrown away.''

It is unrealistic to expect change to come swiftly, he said.

Five to seven years will be needed to turn around the industrial economy and 10 years will be needed before agriculture is put on track.

Chrystal said Russian agriculture reforms have been hurt by a lack of infrastructure, including credit, roads and machinery.

Vorontsov agreed.

''We've made very meager progress'' in agriculture, he said. ''It's not as we should have done and that's where we should concentrate now.''

Developing a market-oriented economy has been slower than the Russian government has wanted, Vorontsov said, but changes have been made.

''Some seeds of a new market economy have been sown,'' he said.

Vorontsov said corruption is not being punished in Russia and it will be very hard to stamp out because of the well-entrenched Russian bureaucracy.

''Corruption is unpunishable now,'' he said. ''Corrupt people should be sent to jail, but it will be very difficult. The bureaucracy is still there.''

However, Vorontsov said foreign investment is needed in the Russian economy.

''Participate with us'' in the Russian economy, he said.

[From the Des Moines Register, June 26, 1996]

A MARK OF FRIENDSHIP

There are corn and hogs, but a lesser known state hallmark is Iowa's long-term relationship with the former Soviet Union that has continued with present-day Russia.

The essential ingredient: people—Russians and Iowans who have moved to a productive common ground where international bridges are built from a shared interest in agriculture and progress.

Among the Iowans is John Chrystal, a 70-year-old Coon Rapids resident, Iowa banker and agricultural adviser to the Soviet Union and now Russia.

Chrystal is a charming and insightful fountain of memories about meetings with Mikhail Gorbachev, observations of Soviet communism and of Russians coming up to him just to touch the fabric of his—at the time—all-polyester wardrobe.

On Monday, Chrystal was given the highest award that Russians bestow on foreigners: the Order of Friendship.

Praised by the Russian ambassador to the United States, Yuli Vorontsov, Chrystal joins a noted group of Order of Friendship honorees that includes South African President Nelson Mandela.

It's proud recognition for Chrystal, but also for Iowa and its contribution to the futures of two great nations.

[From the Nebraska World-Herald, July 7, 1996]

RUSSIA FOUND A GOOD FRIEND IN OUTSPOKEN IOWAN

(By Rainbow Rowell)

COON RAPIDS, IOWA.—A statue of Lenin that once sat in Russian President Mikhail Gorbachev's office now sits in John Chrystal's Coon Rapids farmhouse.

It's as much of a surprise to see it there as it is to meet an agricultural adviser and friend of the Russian people in this small Iowa town.

Chrystal has spent 36 years cultivating a relationship with the former Soviet Union. Last month, Russia awarded him the Order of Friendship, the highest honor it bestows on foreigners.

Chrystal has become an expert on the affairs of the Soviet Union. He said he's an accidental expert. He never had any particular interest in the nation, never was especially interested in foreign affairs.

And he certainly didn't expect the Russians to ask for his help. Yet that's almost exactly what happened.

Chrystal folded his 6-foot-2-inch frame into a living room chair last week and started talking about the history of his unique friendship.

A Soviet delegation came to Iowa in 1956, looking for trade. They found Chrystal's uncle, Roswell ''Bob'' Garst, and a whole lot of seed corn. Garst visited the Soviet Union a few times but didn't feel like going when he was invited in 1960.

So Garst sent Chrystal, who never had been east of South Bend, Ind., in his place.

Chrystal thought that first visit would be his last, he said. Communist officials took him on a tour of the country's key agricultural areas and he was critical of their farming methods.

Surely, Chrystal recalled, the Soviets wouldn't ask him to return. But they did, again and again.

And after every trip, he wondered if there would be another invitation, never really counting on it.

Chrystal didn't quit his many day jobs to become a diplomat. When he wasn't visiting the Soviet Union—or later, Russia and the other independent states—Chrystal worked as partner on the family farm, a successful banker and a Democratic party leader.

''I've been very fortunate,'' Chrystal said. ''People that I've been associated with let me do other things. Maybe they wanted to get rid of me. That never occurred to me until this second.''

Slim chance. His colleagues described Chrystal as a rare patriot, a man who is at once intelligent and humble, able and energetic. At 70, he is chairman of the Iowa Savings Bank in Coon Rapids and serves on many boards.

Bill Hess, the bank's president, said Chrystal is ''Tops. Mr. Integrity, spelled with capital T's.''

''He's a wonderful human being,'' Valentina Slater Fominykh said. ''Your country must be very proud.''

Ms. Fominykh, who now lives in Des Moines, first met Chrystal in 1989. She was a Soviet foreign-language professor, part of a delegation to Iowa.

She described Chrystal as a fair man who isn't afraid to express his opinions.

People respect that, Dale Dooley said. Dooley of Johnston, Iowa, worked with Chrystal to help form Iowa Transfers System, now Shazam Inc.

The company almost failed, Dooley said, but Chrystal's confidence, contacts and know-how saved it.

''It amazed me,'' he said, ''the depth of that man's knowledge and complexity.''

Chrystal has vision, Ms. Fominykh said, and that vision helped him foresee major changes in the Soviet Union.

''He was a loyal friend when friendships with the Soviet Union were not in vogue yet,'' she said.

Chrystal downplays any risks he may have taken by befriending the communist nation. When he talks about the Cold War, it hardly seems like enough to send Americans scrambling for their bomb shelters.

''I don't think we were ever going to attack Russia,'' Chrystal said. ''I don't think we're an attacking country, and Russia is isolationist.''

He said he never hated communists, never thought they were an evil people. He saw their empire as one on the cusp of great change.

''I never questioned what I was doing,'' Chrystal said. ''I never questioned that they would have to change and would be an enormous market for us.''

His willingness and frankness made him a valued adviser to the rapidly changing Soviet government. Chrystal is widely known and well-respected there, Ms. Fominykh said.

''People listen to what Chrystal has to say,'' she said.

The Soviets respected his opinion because they knew he was independent from the U.S. government, that he was speaking only for himself, Chrystal said.

That respect brought him close to leaders such as former Soviet Premier Nikita Khrushchev and Gorbachev. He speaks easily about the two and their roles in history. He speaks with confidence and with the insight of an eyewitness.

Chrystal never counted his many visits. Some years, he didn't visit at all. Other years, he made three or four trips. He figures he has spent about a year and a half there total.

Yet he never learned to speak Russian. He has picked up some. If the conversation is about agriculture, he probably can follow along.

''I never thought that I would be going back so much,'' Chrystal said, explaining why he never learned. ''I was a farmer and a banker and I would have had to drive to Ames to take lessons. Maybe I was lazy.''

Chrystal said he sees his role as agricultural adviser coming to an end.

''I don't think I have as much to offer anymore,'' he said.

Russia will get along fine without him, he said. The country is becoming more and more stable. Those who predict a return to communism, he said, should consider all the nation has accomplished since the Soviet Union dissolved.

The still-struggling government needs independence, he said.

''I think they'll succeed, and I think they'll succeed on their own. The faster the better for us.''

He already sees that independence growing, he said, giving as an example an agribusiness seminar he attended in Moscow in May.

''For the first time, I met young people who were talking a new kind of economic language,'' who were ambitious and determined.

After an hour of talking and tracing the history of his ties to Russia, Chrystal looked around his living room, at the many gifts and souvenirs from his travels—at the paintings, the carved clock and the colorful rug. He has many Russian friendships that will outlife his official relationship with the government.

''My impression is that there will be a new critic,'' he said, smiling, ''which is fine.''●

SALUTE TO NATIONAL REHABILITATION WEEK

● Mr. FRIST. Mr. President, I rise today to salute the founding and success of National Rehabilitation Week which celebrates the accomplishments of people with disabilities and focuses on continuing efforts to improve the lives of people with disabilities. This year marks the 20th anniversary of National Rehabilitation Week, and as we celebrate this week, it is important that we take time to applaud the individuals who live, work, and succeed with these disabilities everyday. National Rehabilitation Week serves as a reminder that it is our responsibility, as legislators, to insure that those individuals with disabilities are able to enjoy the same freedoms and privileges as all Americans.

While National Rehabilitation Week is normally held in September, it was moved up this year to August 15–25 to coincide with the Paralympic Games being held in Atlanta. Both events bring together Americans who strive to overcome barriers and herald the victories of Americans with disabilities.

The Paralympic Games-which have coincided with the Olympic Games since their inception in 1960-were started by Dr. Ludwig Guttmann, a doctor in Post World War II London who dreamed that sports could be used to improve the quality of life for people with spinal cord injuries. It took him 12 years to achieve his goal of creating a worldwide sports competition like the Olympics for disabled men and women.

Like the Paralympics in which more than 4,000 athletes from over 100 countries will compete this year, National Rehabilitation Week will celebrate the strength of human perseverance over

physical disabilities. As chairman of the Senate Subcommittee on Disability Policy, I have been fortunate to have witnessed that strength firsthand.

The last 20 years have brought many milestones for Americans with disabilities. We have learned the value of rehabilitation for the disabled, and we have seen the glory of a dream coming true with the help of a rehab professional and sheer determination. We have also watched as perceptions of people with disabilities have been shattered by the perseverance of those people with disabilities and rehabilitation professionals who never shied away from a challenge.

Mr. President, please join me in saluting the 49 million Americans with disabilities and the countless rehabilitation professionals who take the time and care to reach for these dreams and shatter the myths. National Rehabilitation Week continues to gain momentum. This year, more than 5,000 organizations are observing this event nationwide, including Health-South Hospitals in my home state of Tennessee. This is a week to applaud the accomplishments of people with disabilities and to recognize what still must be done.●

CRIME PREVENTION

● Mr. KOHL. Mr. President, I rise today to discuss the growing problem of juvenile crime, and the failure of this Congress to adequately address it. As the former chairman of the Senate Subcommittee on Juvenile Justice, I am particularly alarmed by the growth of juvenile violence today, and the fact that we are doing little to slow this trend with investments in our young people.

At a time when crime is generally falling, a growing number of young people are becoming the perpetrators—and victims—of violence in America. Juvenile offenders are now responsible for 14 percent of all violent crime and 25 percent of all property crime. Criminologists report that 14 to 24-year-old-black males, who represent just 1 percent of the population, comprise 17 percent of all homicide victims and 30 percent of all offenders. Arguments that used to be solved with fists in a school yard are now being settled with Uzi's and Tech 9 semi-automatic weapons. Some schools are starting to resemble prisons, with metal detectors, armed guards, and bars on the windows.

This is not the healthy environment that will nurture a new generation. Instead, this is a recipe for disaster—a formula for creating an army of young criminals whose only future is to commit more heinous and vicious crimes with each passing year. And this army is likely to expand: there are now more pre-teenagers in America—39 million under 10 years old—than at any other time in the past generation.

There are many ways that society can combat this juvenile crime trend—and I support all of them. First, we can get tough on the most violent juveniles—trying them as adults and locking them up—so that serious crimes receive serious punishment. Second, we can improve our ability to catch all juvenile offenders through more vigilant law enforcement. Accomplishing these goals requires more prisons and more police, and Congress is providing billions to build penitentiaries and fund 100,000 new police officers through the Crime Act of 1994.

However, a third part of the Crime Act calls for a different approach. Instead of spending all the money on prisons and police, Congress wanted some of it, about 20 percent, to be spent on preventing crime before it happens.

Now, crime prevention used to be a dirty phrase in Washington, something that so-called liberals touted and conservatives criticized as a strategy for coddling criminals. I hope we have moved past those simplistic arguments and are prepared to recognize the value of crime prevention programs. For years we have heard evidence about the value of investing some funds in crime prevention, and the fact that these programs measurably reduce crime. More recently, numerous studies have documented how small investments in a troubled young person's life will not only save that child from a life of crime and misery, but will also save society thousands of dollars in court costs and prison fees. Most important, these investments protect the lives of citizens and prevent tragic crimes before they occur.

There are literally hundreds of examples—I'll note only two here. A few years ago Fort Worth, TX, initiated a program called Code Blue. The program offered year round structured social, education and recreational activities for young people. Kids not only engaged in sports, but received homework assistance and help with college and GED preparation. Five community centers were established to help young people get on the right track and make a difference in the local neighborhoods.

According to the Fort Worth Police Department, crime dropped by 28 percent within a one mile radius of each center. Gang crimes declined by 30 percent city wide in the first 6 months of 1995. This was achieved at a cost of $10 a year per student—that compares with the $40,000 a year it costs to incarcerate a juvenile offender.

The results are the same across the country. A program called Children-At-Risk [CAR] coordinates social service agencies, police, and school officials to target intensive education, counseling, and family services at 11–13 year olds. A National Institute of Justice quasi-experimental study in five cities found that the CAR test group had almost half the number of contacts with police as the non-participant control group, and had less than half the number of contacts with the juvenile court as the control group.

We have seen these kinds of case studies proving the value of crime prevention programs for years. But, Mr. President, we are now seeing comprehensive reports demonstrating the cost-effectiveness of crime prevention. Last month the Rand Corp. released a 2-year study comparing the value of investing in crime prevention versus tougher penalties and incarceration. It compared prevention programs such as graduation incentives, delinquent supervision, and parent training to a ''three-strikes-and-you're-out'' law. The study found that crime prevention was three times more cost-effective than increased punishment.

The study concluded that a State government could prevent between 157 and 258 crimes a year by investing $1 million in crime prevention, compared with preventing 60 crimes by investing the same amount in incarceration.

Law enforcement officers—the troops on the front lines in this battle—are also calling on Congress to fund prevention programs. A recent Northeastern University survey of more than 500 police chiefs and sheriffs found that three-quarters of them believe the best way to reduce crime and violence is to increase investment in prevention programs. This is not surprising: it confirms what we found out last year when we polled Wisconsin police chiefs and sheriffs: almost 90 percent supported the Crime Act's prevention programs. These front line crime fighters know—better than anyone else—that crime prevention works.

Mr. President, let me be clear on this point. I am not advocating that we commit all our resources to crime prevention and no money to punishment and incarceration. Like the police chiefs and sheriffs, I support the Crime Act funding formula which allocates 80 percent for punishment, tougher penalties, and more police, as well as 20 percent for crime prevention.

Unfortunately, in the last 2 years since that legislation was passed, Congress has not lived up to its promise to adequately fund crime prevention programs and is actually moving toward eliminating the few programs that it has funded. Just this week, two bills were reported out of Committee which either defund or eliminate virtually all effective prevention programs. As a member of both relevant committees, I spoke out against these cuts in committee, and will work to reverse them on the Senate floor.

First, the Senate Appropriations Committee voted out the Commerce, State, Justice appropriations funding measure for 1997. Despite mounting evidence of the cost effectiveness of crime prevention, this bill fails to fund more than $500 million in prevention programs authorized under the Crime Act. While I commend the drafters for appropriating $20 million for Boys and Girls Clubs, this is a fraction of the prevention Congress authorized 2 years ago.

During the same week, the Senate Judiciary Committee passed the new 4-year authorization for the Juvenile

Justice and Delinquency Prevention Act. The legislation eliminates all crime prevention grants and uses that money for ''research and evaluation.'' Mr. President, I am a strong advocate of research and evaluation, and have introduced a bill with Senator BILL COHEN of Maine that would require federally funded prevention programs to set aside money for rigorous, independent evaluation. But this proposed reauthorization funds research at the expense of all crime prevention programs. That is unacceptable.

Mr. President, at a time when juvenile crime is on the rise, when law enforcement officials are asking for more prevention funds, and when case studies and statistical evidence are proving that we can prevent crimes, protect citizens, and save money in the long run—how can this Congress cut funding for crime prevention and eliminate these programs?

When I walk the streets with police officers in Wisconsin and I tell them what Congress is considering, they are shocked. These people know what works and they want our help. We should not turn our backs on America's police officers and future generations, and resign ourselves to even more prisons and police. We have other alternatives that we should fund—cost effective measures which can prevent crime before it happens.

Mr. President, I look forward to working with my colleagues in a bipartisan fashion to correct the lack of juvenile crime prevention in the proposed versions of the Justice Department's funding bill and the Juvenile Justice and Delinquency Prevention Act. This is not a partisan issue—members from both parties recognize the common sense of spending at least a small portion of federal funds on prevention. As these bills come to the floor, I hope more colleagues see the tremendous progress we can make if we just move past the simplistic arguments and recognize the value of a small investment in crime prevention programs. •

SALUTE TO BRISTOL TREE CITY USA BOARD

Mr. FRIST. Mr. President, I rise today to commend the Bristol TN, Tree City USA Board, which was founded 6 years ago to enhance the natural beauty of the Bristol area.

Under the leadership of Dr. Donald Ellis, the tree board has embarked on a massive reforestation project in their area. Since the effort began, Tennesseeans have volunteered one by one to plant trees around Bristol with the goal of planting 1 million trees by the Tennessee bicentennial this year. Mr. President, I'm proud to say that these volunteers have not only reached their goal, but they will gather together on September 6 to plant tree number 1 million and one.

This is truly an example of the spirit that has made the Volunteer State great for 200 years, and it's fitting that the 1 million and first tree will be planted this year by a volunteer.

In celebration of the bicentennial, my family and I also planted a tree—in Washington DC. Earlier this summer, Karyn, the boys and I planted a tulip poplar—the Tennessee State tree —on the grounds of the U.S. Capitol Building. This bicentennial tree will serve as the official Tennessee State tree on the Capitol grounds and as a testament to the contagious nature of beautification efforts like Tree City USA.

Mr. President, I commend Tree City USA for its dedication to the community of Bristol. Projects like Tree City USA not only benefit the people of Bristol, but all Americans. I would also like to commend the people of Bristol, TN and thank them for their efforts. Tree City USA could not reach its goal without the hard work of these community-minded citizens.

• Mr. KERREY. Mr. President I would like to express my appreciation to the managers of the FY1997 Agriculture Appropriations bill, the Senior Senator from Mississippi Mr. COCHRAN and the Senior Senator from Arkansas Mr. BUMPERS. Both Senators worked very hard to see that a well balanced bill came out of Conference. I would also like to note my appreciation that the conferees made a very wise decision to fully fund the Food Safety Inspection Service. Full funding for FSIS allows our food safety inspectors to do their job of protecting the nation's meat and poultry. I also rise to engage Mr. BUMPERS in a colloquy regarding the importance of food safety research done by the Agricultural Research Service. Understanding the enormous role that research plays in agriculture, I believe it is important to note that by increasing funding for food safety research the conferees laid the groundwork for a safe food supply well into the next century.

Mr. BUMPERS. Mr. President, I also rise in support of the conferees decision to increase spending on food safety research through the Agricultural Research Service. This research is a very important part of the Federal Government's effort to protect the nation's food supply. The FY1997 Agriculture Appropriation's Conference Report sets spending for ARS Food Safety Research at $5.5 million. By increasing funding for this research the Conferees took an important step toward ensuring that our food supply meets our highest expectations.

Mr. KERREY. Mr. President, I appreciate Senator BUMPERS' support of this important issue. I would like to talk about several particular food safety research initiatives. I strongly support, along with the Conferees, three important components of pre-harvest and post-harvest food safety research proposed by the Agricultural Research Service. The Conferees made the right decision to fund research of methodologies for Hazard Analysis and Critical Control Points (HACCP) validation, host-pathogen relationships and rapid on-farm DNA-based diagnostic testing.

ARS should emphasize research on the genetic basis for host-pathogen relationships. Scientists already know that exposure, infection, and contamination of live animals by certain bacteria and parasites can result in pathogens in our meat-based foods. Further research in this area will enable scientists to develop methods to identify and select animals that are resistant to foodborne pathogens.

Along with studying the host-pathogen relationship, it is important that researchers develop rapid, specific, and sensitive DNA-based diagnostic tests that will allow identification of pathogens in live animals and their production environment. By developing technologies and techniques that make this identification possible, we will be able to prevent meat and poultry contamination problems in the early stages of production.

It is also very important that ARS develop on-line methodologies for HACCP validation. HACCP involves the systematic identification and prevention of safety hazards in food production processes. I applaud the administration's decision to implement this program and once again would like to emphasize the importance of the Conferee's decision to fully fund the Food Safety Inspection Service so that the benefits of HACCP can be recognized. Does the Senator agree that the three research areas I just described are important to the agricultural community and as a result deserve the funding we allocated to that purpose?

Mr. BUMPERS. I thank the Senator from Nebraska for his question. I support the Conferees decision to fund research of host-pathogen relationships, rapid on- farm DNA-based diagnostic testing and improved methodologies for HACCP validation. These three areas have been targeted by the administration as priority research that should be carried out by the Agricultural Research Service, and I support that prioritization.

By supporting research to elucidate the relationship between livestock and pathogens, we will lay the foundation for breeding livestock that are resistant to foodborne pathogens and developing effective on-farm diagnostic tests. In this manner, scientists can improve our food production systems in the earliest stages before the meat ever reaches the processor. Furthermore, effective methodologies for HACCP validation will help federal food safety inspectors to ensure that our meat and poultry is not contaminated. The Conferees sent a strong message that they support food safety research at the Agricultural Research Service and I am pleased that the bill provides increased funding for this purpose.

TRIBUTE TO SERVICE CORPS OF RETIRED EXECUTIVES CHAPTER NO. 38 ON THEIR 30TH ANNIVERSARY

● Mr. SMITH. Mr. President, I rise today to pay tribute to Service Corps of Retired Executives Chapter No. 38. This year, Chapter 38 celebrates 30 years of service to the Laconia area. As a former small business owner myself, I am proud to extend my warmest congratulations to this outstanding business advocacy organization on this momentous occasion.

SCORE is a volunteer program sponsored by the Small Business Administration which helps New Hampshire's small businesses to establish themselves, expand, and create jobs in our communities. It is a nationwide service organization with 13,000 volunteers. There are 383 locally organized and self-administered chapters, all of which work in or near their home communities and offer their services at no charge. SCORE has been helping American small businesses to prosper since 1964.

SCORE matches volunteers with small businesses that need expert advice. They share management skills and technical advice with prospective and present small business owners. Their in-depth counseling and training helps business owners identify management problems and find solutions. Most of SCORE's volunteers are retired executives, but some are still employed full time. New Hampshire Chapter 38's 24 active members have worked tirelessly, handling one of the largest caseloads in the state. One member, Horace Walsh, for example, has been with Chapter 38 for 25 years. This outstanding record of service is the epitome of the Granite State community spirit and entrepreneurship.

SCORE is an excellent example of community service at its finest. It gives people the opportunity to share their expertise with others, that they may find the same measure of success. Such service allows executives to give back to the community that supported them. By helping small businesses grow, they are contributing to the growth of their local economy and providing more opportunities for the community.

New Hampshire is fortunate to have an organization like SCORE helping small businesses. I commend SCORE and each one of their committed and dedicated volunteers for their tremendous community service as they celebrate their 30th anniversary.●

CONGRATULATIONS TO PATRICIA MACK

Mr. WELLSTONE. Mr. President, I rise to pay tribute to my constituent, Patricia Mack, an outstanding Housing and Urban Development [HUD] employee and housing activist. Over the years, she has accomplished a great deal in her work in the area of public housing.

In 1971, Patricia began her first job in the housing field in the Chicago Regional Office of the Department of Housing and Urban Development [HUD]. She worked as an Urban Renewal Representative, advocating for and advancing the cause of civic renewal projects in the Chicago area.

In October 1971, HUD established an office in Patricia's home State of Minnesota. Patricia moved back to the Twin Cities to serve as a Metropolitan Development Representative where she worked closely with metro-area communities to use HUD grant funds for water and sewer projects, neighborhood facilities, parks, and historical preservation initiatives. She played crucial roles in both the Minnesota Valley Restoration Project and the Hennepin County Park Reserve District.

In July 1974, Patricia's career path took her to Alexandria, VA, to serve as assistant to the director of the Alexandria, VA, Planning Department. Working primarily on housing issues, she helped to lay the groundwork for Alexandria's Housing Assistance Program.

In February 1976 she returned to Minnesota to the Minnesota HUD Office as Housing Assistance Specialist. She worked with Minnesota communities on the implementation of the Housing Assistance Program much as she had in Virginia.

In 1985, Patricia was named Special Assistant to the Field Office Manager, a position in which she handled responsibilities ranging from public and congressional affairs to HUD special projects like the affirmative action plan. In this capacity, Patricia played a key role in assuring that adequate minority participation was utilized in the construction of the new Federal building that was being built in downtown Minneapolis.

In the last decade, Patricia has continued to become actively and centrally involved in many programs pertaining to housing and the homeless. Patricia's dedication, leadership, and spirit have been instrumental in countless successes as a volunteer with Habitat for Humanity and in working with the Metropolitan Interfaith Community for Affordable Housing,

In 1995, Patricia was the first Government official to receive a well-deserved award from the Minnesota Coalition for the Homeless.

Today, Patricia continues her work helping to address such serious and complex issues as homelessness and the availability, quality, and affordability of public housing on behalf of Minnesotans and their communities.

It is a privilege for me to recognize and applaud Patricia Mack for her fine work and many contributions over the years. She is an inspiration, and I wish her continued future success.

RECIPIENTS OF EDISON ELECTRIC INSTITUTE'S 1996 COMMON GOALS AWARDS

● Mr. McCAIN. Mr. President, I am proud to announce that two local electric companies in Arizona recently were honored as recipients of the Edison Electric Institute's 1996 Common Goals Awards.

The Arizona Public Service Company received a Special Distinction Award for energy efficiency from Edison Electric Institute for their work on electrical efficiency in architectural design. Specifically, Arizona Public Service Co. was honored for its design of an Environmental Showcase Home that uses 60 percent less electricity and water than standard energy efficient homes built in Arizona today. Increased energy efficiency is of great importance to Arizona and the Nation. I commend Arizona Public Service Co. for its efforts to achieve greater energy efficiency in our homes and encourage other utilities across the country to follow their lead in working toward more energy efficient architectural designs.

I also want to congratulate the Tucson Electric Power Co. for their work on a project entitled ''Driving Drunk Will Put Your Lights Out.'' The Tucson Electric Power Co. received a Community Responsibility-Special Needs Award from the Edison Electric Institute for this successful project to combat drunk driving. Their efforts were recognized for producing dramatic results, including a 60-percent decline in alcohol-related traffic incidents in Pima County after ten months. The national conscience has been raised to the need for community involvement in order to eliminate the preventable deaths associated with drunk driving. Tucson Electric Power Co. is to be commended for working to meet the special needs of their community and getting involved in such a worthwhile cause.

Energy efficiency and meeting the special needs of our communities to prevent the harms caused by drunk driving are important public matters and I am very proud that Arizona companies have been recognized for their leadership in those areas.●

U.S. INTELLIGENCE RESPONSE TO TERRORISM

● Mr. KERREY. Mr. President, when I took to the floor to discuss the bombing at Khobar Towers several weeks ago I stated someone is making war on us. I would like to reiterate that point.

We are in active conflict, Mr. President, and this is not the time for politicians safe behind secure barriers to publicly snipe at the way our Government is fighting this battle. Yet I note the Speaker of the House of Representatives is accusing the administration of having undermined and crippled one of our principal weapons against terrorism, the human intelligence capabilities of the Central Intelligence Agency.

This charge is baseless, Mr. President. In fact, the greatest build-up of our human intelligence capability occurred under the bipartisan leadership

of Senators Boren and COHEN several Congresses ago. They understood that growing stronger in human intelligence is a long-term enterprise. It involves the recruitment and development of people over many years, and it is one of the activities of government which are not much affected by sudden infusions of money.

The Speaker's inference that the Clinton administration has allowed the nation's intelligence capabilities to deteriorate is not supported by the facts. He has clearance, as does every Member, to examine the budget numbers and see that the Clinton administration has requested, and Congress has generally supported, a very robust intelligence capability for the United States.

Mr. President, the Speaker's comments are an effort to draw short-term political advantage out of some of the painful events in a long-term conflict.

I would suggest another approach: To take a long view of why we Americans are vulnerable to attack, why this war is being waged, and to examine whether our adversaries are having much effect.

We are likely terrorist targets for at least four reasons.

First, more than any other country, we are uniquely present in the world. We are the only superpower, our military is by far the most deployed military on earth, and our businesses are also present everywhere. I trust the Speaker is pleased with America's forward presence; I certainly am. It is both a sign of, and an essential component of, our power.

Second, we are a country that takes strong positions in foreign policy matters. Strong positions buy you enemies, and some of those enemies are terrorists. We stand up for Israel, the only democracy in its area. That buys us enemies. We are publicly allied with Turkey, another embattled democracy in a tough neighborhood. That, Mr. President, buys us more enemies. We are leading the global fight against international narcotics trafficking, and some violent people take umbrage at that. We should be proud of these strong policy positions. I am.

Third, we are the most open society in the world, which is a main reason it is such a delight to live in this country. I do not advocate changing our openness—but it does make us more vulnerable to terrorism.

Fourth, we are the world's greatest capitalist nation. We represent the power to make life better by improving your material circumstances, and by enjoying the wealth you produce by your own labor. To many fundamentalists—not all of them Moslem—that makes us the ''great Satan.'' Still, I trust no politician would want to change this element of our character, even though it does buy us enemies.

Mr. President, despite this vulnerability, I submit we Americans are still safer from terrorism than any other people on earth. When it comes to terrorism and political violence, I challenge anyone to name a safer country. As for Americans abroad, I do not constitute that our people overseas are in any greater risk from terrorism than they have ever been in peacetime in our history. Why this anomaly, when we see how uniquely vulnerable we are?

One reason is our superb intelligence. It is present everywhere in the world, working closely with our allies to actively track terrorist organizations and individuals far from atrophying under the Clinton administration, it is a potent instrument to keep Americans safe.

Rather than fear of failure, we should recognize we are living in a period of successful action against terrorism. We should praise the Americans involved in this shadowy struggle and support them, and continue to give them what they need. Saying they are crippled is neither constructive nor accurate, although it may give false comfort to our enemies.●

TRIBUTE TO MARGUERITE'S PLACE OF NASHUA, NEW HAMPSHIRE

● Mr. SMITH. Mr. President, I rise today to pay tribute to Marguerite's Place, a support home for disadvantaged women and children in Nashua, NH. This outstanding service organization, sponsored by the Sisters of Charity, provides a very welcome service in New Hampshire. The Grey Nuns have worked hard to ensure the success of this very special place.

Marguerite's Place is designed to provide a fresh start for women in abusive or other disadvantaged situations. It is unique because it allows women to keep and continue to care for their children, promoting strong family values. It is also a long-term support program that teaches women how to put their lives back together. Sisters Sharon Walsh and Elaine Fahey, who manage Marguerite's Place, previously ran a similar program in inner city Philadelphia that had a very high success rate. Between them they have 20 years experience helping poor women restructure their lives.

Marguerite's Place can accommodate seven women and their children and provides vital support services like day-care. Women may stay in Marguerite's Place for up to 2 years and have access to continuing day-care for 5 years through the aftercare program. While Marguerite's Place does provide some necessary services, the sisters are determined not to do anything for the women that they are capable of doing for themselves. During their stay, the women must pay rent and utilities, buy and prepare their own food, and are responsible for the maintenance of their quarters. The Grey Nuns' philosophy for Marguerite's Place is to empower women to move forward into the future with hope.

The sisters are tough about the rules of Marguerite's Place, but they provide a safe environment for women who need time to heal. For example, no men are allowed in the building at any time and there is a security system. They employ drug testing if necessary and allow the women only one slip or relapse before removing them from the program. A thorough screening finds women who can demonstrate a commitment to the program and improving their lives and the lives of their children.

Marguerite's Place enjoys a tremendous amount of state and community support from the citizens of Nashua. It received funds from the Office of Alcohol and Drug Prevention for the purchase and rehabilitation of the building and from the Department of Housing and Urban Development as a continuum care program. They now receive operational funding from the United Way for their program, and local religious groups have been invaluable. Community youth help Marguerite's Place through events such as the United Way Youth Day of Caring and Rivier College, which sends staff out to discuss health issues with the women.

Marguerite's Place is the type of program that this country needs because it not only provides people with an immediate opportunity but teaches them how to improve their lives. The women are given a chance and the responsibility to make something of it. By giving them this responsibility, they empower these women. Their success rate shows that this type of program, combining aid with responsibility, works. I commend Marguerite's Place for an excellent job meeting community needs. The caring of Sisters Sharon and Elaine has given hope to women in desperate situations and provided a way out of that situation. I am proud to thank them of behalf of the Granite State.●

NEED FOR PRIVACY PROTECTION IN CONNECTION WITH COMPUTERIZATION OF HEALTH CARE INFORMATION

● Mr. LEAHY. Mr. President, for the past several years, I have been engaged in efforts to make sure that Americans' expectations of privacy for their medical records are fulfilled. I do not want advancing technology to lead to a loss of personal privacy and do not want the fear that confidentiality is being compromised to deter people from seeking medical treatment or stifle technological or scientific development.

The former Republican Majority Leader Bob Dole put his finger on this problem when he remarked that a ''compromise of privacy'' that sends information about health and treatment to a national data bank without a person's approval would be something that none of us would accept. Unfortunately, the former Republican majority leader's worst nightmare, and mine, is being facilitated by provisions inserted by the House into this conference report that require the development of a national health information system.

The conference report includes provisions that require a system of health

care information exchanges by computers and through computer clearinghouses and data networks. These are provisions that were not included in the Senate bill and have not been separately considered by the Senate.

The Senate sponsors of a similar bill, which is pending without action before the Senate Finance Committee, acknowledged the need to establish standards not just for accomplishing electronic transactions but also for the privacy of medical information. Unfortunately such standards are not included in this bill.

I worked during Senate consideration of the Kennedy-Kassebaum bill in April to include such protections. Indeed, along with Senators KASSEBAUM, KENNEDY, BOND and BENNETT, we were able to reach agreement on an amendment that would have combined administrative simplification provisions with critical privacy protection provisions. Our proposal was, unfortunately, not included in the Senate bill due to an objection from the staff of the Senate Finance Committee. This was especially troubling since similar provisions had been included in the Finance Committee bill reported in the last Congress and in Republican Leader Dole's bill—as well as in the Labor Committee bill and Democratic Leader Mitchell's bill and in the bill produced by the mainstream group.

Now we are confronted with a conference report that calls for nationwide data networks to be established within 18 months but contemplates delay of the promulgation of any privacy protection for 42 months. That is not the way to proceed. When the American people become aware of what this law requires and allows by way of computer transmission of individually identifiable health information without effective privacy protection, they should demand, as I do, prompt enactment of privacy protection.

I have long felt that health care computerization will only be supported by the American people if they are assured that the personal privacy of their health care information is protected. Indeed, without confidence that one's personal privacy will be protected, many will be discouraged from seeking help from our health care system or taking advantage of the accessibility that we are working so hard to protect. These are among the serious problems being created by the conference report provisions that do not enact or require promulgation of effective privacy protection.

The American public cares deeply about protecting their privacy. Louis Harris polling indicated that almost 80 percent of the American people expressed particular concern about computerized medical records held in databases used without the individual's consent. The American people know that confidentiality of medical records is extremely important.

The Commerce Department released a report earlier this year on Privacy and the NII. In addition to financial and other information discussed in that report, there is nothing more personal than our health care information. We must act to apply the principles of notice and consent to this sensitive, personal information. It is time to accept the challenge and legislate so that the American people can have some assurance that their medical histories will not be the subject of public curiosity, commercial advantage or harmful disclosure. There can be no doubt that the increased computerization of medical information has raised the stakes in privacy protection. The nationwide, comprehensive computerization represented by the administrative simplification provisions of this conference report makes the enactment health care privacy legislation essential.

Three years ago, I began a series of hearings before the Technology and the Law Subcommittee of the Judiciary Committee. We explored the emerging smart card technology and opportunities being presented to deliver better and more efficient health care services, especially in rural areas. Technology can expedite care in medical emergencies and eliminate paperwork burdens. But it will only be accepted if it is used in a secure system protecting confidentiality of sensitive medical conditions and personal privacy. Fortunately, improved technology and encryption offer the promise of security and confidentiality and can allow levels of access limited to information necessary to the function of the person in the health care treatment and payment system. Unfortunately, the conference report fails to include technological or legal protections for patients' privacy.

In January 1994, we continued our hearings before that Judiciary Subcommittee and heard testimony from the Clinton Administration, health care providers and privacy advocates about the need to improve upon privacy protections for medical records and personal health care information.

As I focussed on privacy needs, I was shocked to learn how catch-as-catch-can is the patchwork of State laws protecting privacy of personally identifiable medical records. A few years ago we passed legislation protecting records of our videotape rentals, but we have yet to provide even that level of privacy protection for our personal and sensitive health care data.

As policymakers, we must remember that the right to privacy is one of our most cherished freedoms—it is the right to be left alone and to choose what we will reveal of ourselves and what we will keep from others. Privacy is not a partisan issue and should not be made a political issue. It is too important.

I am encouraged by the fact that the Clinton administration has understood that ''health security'' must include assurances that personal health information will be kept private, confidential and secure from unauthorized disclosure. Early on the administration's health care reform proposals provided that privacy and security guidelines would be required for computerized medical records. The administrations's Privacy Working Group of its NII Task Force has been concerned with the formulation of principles to protect our privacy. In these regards, the President is to be commended.

The difficulty I had with the initial provisions of the President's Health Security Act I now have with this conference report. We cannot delay enactment of laws to protect our health care privacy for several more years. This bill will require that personal health care information be available for electronic transmission without proper protection and without any effective way for a patient to object or withhold consent from such insecure transmission. The two-track system for establishing national computer networks of health care information within 18 months and getting to the fundamental issue of privacy protection some 2 or 3 years later is unacceptable and wrongheaded.

Having introduced health care privacy legislation in the last Congress, I joined with Senator BENNETT and others in introducing the Medical Records Confidentiality Act, S. 1360, in this Congress. Our bill establishes in law the principle that a person's health information is to be protected and to be kept confidential. It creates both criminal and civil remedies for invasions of privacy for a person's health care information and medical records and administrative remedies, such as debarment for health care providers who abuse others' privacy.

This legislation would provide patients with a comprehensive set of rights of inspection and an opportunity to add corrections to their own records, as well as information accounting for disclosures of those records.

The bill creates a set of rules and norms to govern the disclosure of personal health information and narrows the sharing of personal details within the health care system to the minimum necessary to provide care, allow for payment and to facilitate effective oversight. Special attention is paid to emergency medical situations and public health requirements.

We have sought to accommodate legitimate oversight concerns so that we do not create unnecessary impediments to health care fraud investigations. Effective health care oversight is essential if our health care system is to function and fulfill its intended goals. Otherwise, we risk establishing a publicly-sanctioned playground for the unscrupulous. Health care is too important a public investment to be the subject of undetected fraud or abuse.

Those who have been working with us on the issue of health information privacy include the Vermont Health Information Consortium, the Center for Democracy and Technology, the American Health Information Management

Association, the American Association of Retired Persons, the AIDS Action Council, the Bazelon Center for Mental Health Law, the Center for Medical Consumers, the New York Public Interest Group, the National Association of Retail Druggists, the Legal Action Center, IBM Corp., and the Blue Cross and Blue Shield Association. They have worked tirelessly to achieve a significant consensus on this important matter.

The Labor Committee conducted hearings last year on this legislation that showed significant support for the measure. Senators KASSEBAUM and KENNEDY have worked hard on this matter and helped us to revise and improve the provisions of the bill. The working version of the bill now includes several important changes from the language originally introduced. We have tried to make it more patient centered and sensitive. We have eliminated the section on and references to a health information service. We would require informed consent for use of individually identifiable health information for research.

It is with this in mind that I am troubled by indications in the conference report discussion that research is viewed by some as an area where privacy rights should be sacrificed and consent not required for use of individually identifiable health information. I feel strongly to the contrary and believe that research should include consent consistent with current, recognized professional standards and codes of conduct for clinical research. We need not and should not weaken those standards and protections through poorly conceived Federal mandates.

It is unfortunately that criticism of S. 1360 from some quarters tended to obscure its purpose and impede its progress. Some critics were unwilling to work with us to improve the bill. Their recalcitrance helped create the threat we face in this conference report of federally mandated computer networks of sensitive health information without simultaneous enactment of privacy protection.

I know that these are important matters about which many of us feel very strongly. It is never easy to legislate about privacy. Those of us who care about protecting privacy have no acceptable alternative and must pull together to achieve that which has always been our goal—prompt enactment of effective privacy protection for health care information.

When I testified before the Labor Committee earlier this year I suggested that our critics look at the bill against the backdrop of the lack of protection that now exists in so many places and in so many ways and the computerization of medical information. Indeed, in 1995 the House had buried within its budget reconciliation bill provisions that would have required the development and use of protocols ''to make medical information available to be exchanged electronically.'' I was the only Member of Congress to protest the inclusion of those provisions without any attention to privacy protection last year. Fortunately, others are now beginning to recognize the need for action.

During the last few days we have been able to improve the conference report, but only slightly to the point that it is now. Initially, it would have expressly preempted all States' laws that provide privacy protection for health information and records and made it virtually impossible later to add privacy protection measures. Now, there is at least an exception to the Federal preemption language for State laws relating to the privacy of individually identifiable health information. This is only a start because, as I have noted, the State laws are not sufficiently protective or comprehensive in the protections they seek to provide.

Senator BENNETT and I have been trying to respond to suggestions for improvements to our bill as originally introduced. We have been working closely with the Chair and Ranking Democrat of the Labor Committee, Senators KASSEBAUM and KENNEDY, and with all interested parties.

I deeply regret that we have not been able to develop a complete consensus to enable privacy provisions to be included in this measure at this time. When supporters of measures to standardize and require the electronic exchange of health care information insisted that administrative simplification mandates be included in this conference report without any significant privacy protection, we could only obtain a limited opportunity to include privacy protection somewhere down the road. While the conference report provides express protection for business trade secrets and confidentiality for commercial information, it all but ignores personal privacy and provides no current protection for individually identifiable health information.

I will continue to work on this important issue. We are still engaged in discussions with some who have come forward with concerns very recently and have yet to offer suggestions for improvements or alternative language. Our fervent desire to make the Medical RECORDs Confidentiality Act the best bill it can be should not be doubted. I come forward today to declare that further delay by critics cannot and will not be tolerated. If they have suggestions for improvements to the bill, they need to make them without delay. Our window of opportunity is closing.

The conference report allows the Secretary 12 months to make recommendations. She has been engaged in this process from the outset so we need and expect her recommendations immediately. Congress must get about the job of enacting tough, effective privacy protection before mandated computer transfers of medical information become effective. We cannot risk the loss of privacy in the interim. Moreover, it will be near impossible to include appropriate privacy protection in the future. We must rededicate ourselves to act at the earliest moment. I hope we can do so before adjourning this year. Privacy was left off the table at this House-Senate conference. It must be given a central place and highest priority if this scheme for technological development is to proceed.

I would ask all to join with us in a constructive manner to create the best set of protections possible at the earliest possible time. With continuing help from the Administration, health care providers and privacy advocates we can enact provisions to protect the privacy of the medical records of the American people and make this part of health care security a reality for all. ●

TRIBUTE TO NEW HAMPSHIRE BOY SCOUTS OF AMERICA TROOP NO. 135 AS THEY CELEBRATE THEIR 50TH ANNIVERSARY

Mr. SMITH. Mr. President, I rise today to pay tribute to New Hampshire Boy Scouts of America Troop No. 135 as they celebrate their 50th anniversary. I am proud to congratulate such an outstanding organization as they observe this impressive milestone. Troop 135 has a long history of achievement and service to their community.

Boy Scout Troop 135 was founded in 1946 by seven men with Leo Leclerc as their Scoutmaster. Among the founding members was Albert Bellemore, whose son Raymond is the current Scoutmaster for the troop. Raymond, who has served for 34 years is the holder of the Catholic Diocese St. George Award of Merit, the Boy Scout Silver Beaver Award from the National Council of Boy Scouts of America, and was the first in the state to receive the National Eagle Scout Association Scoutmaster's Award.

Troop 135's 50 year history is marked by distinction and achievement like Raymond's. More than 968 Boy Scouts have been members of Troop 135 over the years and 81 of them have attained the rank of Eagle Scout. To become an Eagle Scout, a young man must earn badges for citizenship in the community, citizenship in the nation, and citizenship in the world. This is an important recognition for a young man.

Troop 135 has been involved in numerous Scout activities and won many prestigious awards over the years. They have participated in many High Adventure trips and every National Boy Scouts Jamboree since the troops founding. Troop 135 has won the Klondike Derby district and statewide trophy almost every year for the past 20 years. Many of Troop 135's 968 members have been very decorated Scouts. Many alumni of Troop 135 are returning for the anniversary celebration festivities on the weekend of August 16–18. They will hold a reunion, an open house, and a formal court of honor for Scoutmasters and Eagle Scouts.

The Boy Scouts of America promotes good citizenship, character-building,

and community service among the boys of this country. Troop 135 of Sacred Heart Parish has built a reputation for providing the youth of the community with the leadership skills needed to be successful in today's society. Boy Scouts of America provides good, solid role models for the youth of our Nation and teaches them to be community minded. In this organization, they learn valuable skills that will serve them for a lifetime. I am proud to have such an outstanding Boy Scout troop here in the Granite State. Congratulations on reaching this tremendous milestone.

THE QUALITY OF MERCY

Mr. LAUTENBERG. Mr. President, I ask that an excellent article about welfare, ''The Quality of Mercy'', by James McQueeny, be printed in the RECORD.

Mr. President, I had the good fortunate of benefiting from Jim McQueeny's competence and compassion when he served as my press secretary several years ago. These same qualities are evident in his article, which is an eloquent statement about what it means to be on welfare, and what the welfare reform bill will mean for real people.

I urge all my colleagues to read the article.

The article follows:

[From the New Jersey Monthly, July 1995]

THE QUALITY OF MERCY—MANY NEW JERSEYANS BELIEVE THAT WELFARE IS A WASTE. ONE MAN—NOW A SUCCESSFUL EXECUTIVE—WHO'S LIVED ON IT DISAGREES

(By James McQueeny)

I'm not a member of any obvious minority group (being the son of an Irish immigrant no longer counts), although these days I might qualify as out of the mainstream because I am a Democrat. My views on welfare seem to place me even more squarely in the minority. And I am very concerned about what we as a society are saying and doing about that issue.

We in New Jersey, the second richest state in the nation, are in the best position possible to do something about poverty and welfare reform, yet we're going about it with the worst possible attitude. The very success of New Jersey's post-war suburbanization has fueled what some pollsters call the Drawbridge Mentality—the mindset of people who find their castle and pull up the drawbridge on everybody and everything else. And who in suburbia actually lives near someone in poverty or on welfare? C'mon, I mean really knows them. By face. By name.

I do. I was one of them. So I've always been aware of poverty slights, and they're on the increase. I've cringed at a ''progressive'' suggestion by a prominent New Jersey business leader who told me he wants to help the poor ''get off their asses.'' As if these people wake up every morning looking for ways to make themselves poorer. Or the Democratic politician who was trying to rationalize reforming welfare by not extending benefits to additional children of welfare mothers. As if the child had a choice of mother and neighborhood.

As someone who has lived at the extreme ends of the economic spectrum in New Jersey, I know firsthand the frightening reality of life in poverty. I grew up on welfare, in a well-off town in Bergen County, one of the wealthiest counties in the state. I worked my way up through the ranks of New Jersey's largest newspaper, covering every county and the statehouse in Trenton, and eventually I became the paper's Washington bureau chief. Later, I was a television reporter for New Jersey Network, and I was the spokesman for one of our United States senators. I am now the president and an owner of a multimillion dollar company.

I point this out only to emphasize that I cobbled together a professional life after starting out poor—and on welfare—in New Jersey. And now, a day hardly goes by without a personal incident or a public headline reminding me how we're making it harder in New Jersey for the disadvantaged to follow a similar path of opportunity. And that upsets me.

Several months ago, I was at Menlo Park Mall conducting voter interviews with a camera team for a weekly political commentary I do for NJN. Person after person in these opulent surroundings railed against big government. The phrase ''welfare cheats'' was usually the caboose on their long trains of lament, mostly about the economy.

As I stood before them, I reverted to a habit I've had since poverty. I looked at the shoes of the people I was talking to. Why? Probably because my four brothers and I thought good shoes were the province of ''rich people.'' Our ''school shoes'' were worn only to school and Mass, and they had to last until they literally disintegrated on our feet. I can still recall going into town to a business that had an industrial staple gun, so I could either secure the flapping soles or repatch the holes with wads of oilcloth stapled from the inside so no one would notice.

Instinctively, my gaze fell upon the shoes of the people complaining about things being so bad economically in New Jersey. Without exception, they were wearing designer shoes—those kinds of sneakers that salespeople bring to you so delicately you'd think they were explosives, or those spiffy Rockport walking shoes. I was so amazed by those walking shoes that I was compelled to go into a shoe store and price them. One hundred and twenty dollars! On sale!

With those kinds of shoes on their feet, they're feeling that much anger? I thought. And about the economy? They're not complaining about what they don't have. They're complaining that they don't have enough. Has poverty become so trivialized that the New Downtrodden are those who can't afford Rockports?

Unfortunately, it looks like it. I only wish that some of these people could have learned the lessons of poverty the way I did—through experience. Like the time I couldn't tell my teacher I didn't have $1.50 for a science magazine subscription because I'd be revealing that I was on welfare in a rich town. Instead, I always said I forgot the money. He marked me up as a wise-guy deportment case, which helped drive my grades down.

Some teachers ridiculed my scraggly shoes in front of classmates, unthinkingly viewing them as an issue of cleanliness rather than pennilessness.

On one free field trip (I stayed behind in study hall for the paid ones), I borrowed a camera from a classmate on the bus to take a picture of some mundane highway bridge that crossed the Passaic River, about ten miles from home. They all had a riotous laugh when they found out I'd never been this far from home because we never had a car.

And, yes, we were forced to ''cheat'' on welfare, too. The ''welfare lady'' visited the house at pre-arranged times to make sure we weren't buying things that would indicate alternative incomes of some kind. That would be cheating the taxpayer. I had to hide any evidence of the prosperity I was enjoying form my paper route—even the household essentials we bought with the money I earned. My brothers' bikes, bought second-hand, had to be hidden before the visits.

What got us into this predicament? My father lost his job. Does it become a more acceptable welfare story when I say it was because he contracted terminal lung cancer and took six years to die? As opposed to being a victim of economic cancer?

I won't insult victims of poverty or families on welfare by fully equating my time on welfare, or being poor and white in suburbia in the sixties, with the problems they are facing now. The problems now are worse, meaner. And bleaker.

From my experience, and in discussions with people who lived or live in similar circumstances, there is one profound misunderstanding that policymakers and the public have about poverty: You do not choose it; by and large, it chooses you.

The Democratic party meant to do well when it stitched together the welfare safety net during the Depression. And welfare worked well enough for a while. But as time passed, we didn't have the political common sense to stop sewing when it wasn't working well enough. We do need to come up with something else.

But the latest plan being bandied about, the Contract With America welfare-reform proposal, really boils down to turning the program back to the states with guidelines about cutting off benefits to the needy tomorrow, while declaring victory today. The reason that this reform plan won't work is that you can cut spending all you want, but the same mothers and children will have the same food and sheltering needs at roughly the same cost come the end of the day—no matter how you cook the books or serve the baloney. And, yes, there will always be some lumpen layabouts or drug-fried fools who will rip off the system for dollars at the margins, get all the headlines, and jump-start another sorry cycle of retribution against the truly poor and needy.

Part of the problem is that Congress, and state legislatures, are overstocked with affluent lawyers, professionals, and full-time politicians who are more than able and willing to impart their professional experiences on tort reform, health care, or the next day's news cycle. I know it's not fair, but I've seen what these politicians drive to work and leave in the parking lots outside the Congress and the state capital. Nobody's holding the mufflers of those cars together with hanger wire, I can assure you.

All of this seems so fresh, so important to me, because I know that welfare made it possible for me to go as far as I have. I still have my family's welfare application, signed by both my parents, for my sons to see. I tell them to remember it's nothing to be ashamed about. To the contrary, it was a safety net that scooped up seven people from our family, and the investment in us let us re-invest our lives—and our taxes—in America.

The shame would come from not extending our hands to someone else. But the real shame is that that could become a minority view in a state like New Jersey.●

SALUTE TO MARY MOORMAN RYAN CALDWELL AND ANN HARDIN GRIMES

● Mr. FRIST. Mr. President, the last 2 weeks have been filled with triumphs and struggles for United States athletes competing in the Centennial Olympics in Atlanta. We have all

watched and waited with baited breath for official scores and times to be posted and medals to be awarded. The Olympic spirit—brought to the United States through our athletes and the host city of Atlanta—has spread throughout the Nation.

I rise today to recognize two great American swimmers from another Olympic time, whose Olympic ideals and spirit shone brightly even during the darkest days of modern Olympic history. Mary Moorman Ryan Caldwell and Ann Hardin Grimes qualified for the American Women's Swim Team to participate in the 1940 Olympics in Helsinki, Finland. Scheduled to be held from July 20 through August 4, the Games were canceled because Nazi Germany occupied all of Western Europe and the Soviet Union invaded Finland.

Mary and Ann swam the three-mile, the one-mile and the 880-yard races to qualify for the team and would have represented the United States in the 880-yard and 440-yard swimming freestyle races in Helsinki. They had been swimming together in friendly competition at the same club since 1933, and were coached by the same man, Bud Swain. The two 15 year olds from Louisville, Kentucky never got the chance to go for the Olympic gold. But their spirit never faded.

Still good friends today, Ann and Mary attended the Centennial Olympic Games in Atlanta together to cheer the 1996 United States Olympic swim teams to victory. Mr. President, Mary Moorman Ryan Caldwell and Ann Hardin Grimes are true representatives of the Olympic character in this country. Through the years as friends, swimmers, competitors, and Olympians, they have experienced it all—the hardship, the pain, and the disappointment, but most of all the triumph and the glory. I thank them for their contributions to their sport and to the Olympic spirit.●

CRUISE SHIP REVITALIZATION ACT

● Mrs. BOXER. Mr. President, on this, the last day of Senate action before the long August break, I want to speak about a matter of great importance to a key sector of the California economy—the cruise ship industry.

On the first day of the 104th Congress, I introduced legislation, S. 138, to amend a law passed by the 102d Congress that allowed gambling on U.S.-flag cruise ships and allowed States to permit or prohibit gambling on ships involved in intrastate cruises only. Representatives BILBRAY and HARMON introduced identical language in the House. Our bills, titled the California Cruise Ship Revitalization Act, would lift the ban on gaming on cruise ships traveling between consecutive California ports.

The cruise ship bill is now part of the Coast Guard Authorization Act of 1995, S. 1004, which passed the Senate last November. The House has passed its version of the Coast Guard Act with an identical California cruise ship provision. However, controversy over other provisions attached to the Coast Guard bill in the House delayed the appointment of conferees and now threatens to sink the entire bill.

The Coast Guard Revitalization Act has strong bipartisan support and no opposition. Only the State of California would be affected, and the California State Legislature has approved a joint resolution in favor of this bill.

The bill corrects a problem that occurred when California took advantage of a 1992 amendment to the Johnson Act that permitted States to prohibit gambling on intrastate cruises, the infamous ''cruises to nowhere.'' Unfortunately, California's law was drafted in such a way that it also prohibited ships on international cruises from making multiple ports of call within the state.

My bill simply amends the Johnson Act to exclude State regulation of gaming aboard vessels so long as the ship's itinerary is an international cruise.

This bill is essential to restoring California's cruise ship industry, which has lost hundreds of jobs and more than $300 million in tourist revenue since the 1992 law was enacted. Many cruise ship companies have bypassed second and third ports of call within California. Ships that used to call at Catalina and San Diego after departing Los Angeles en route to Mexico no longer make those interim stops. According to the Port of San Diego, that port alone has lost $90 million in economic impact, hundreds of jobs, and over 400 cruise ship calls—more than two-thirds of the port's cruise ship business.

Neighboring ports have experienced similar losses. In Los Angeles, the estimated loss of port revenue through 1995 was $3 million. Beyond the port, the economic impact to the city amounted to $14 million in tourism and $26 million in retail sales. The total impact estimated by the Port of Los Angeles was an estimated $159 million and 2,400 direct and indirect jobs.

The State's share of the global cruise ship business has dropped from 10 to 7 percent at the same time that growth in the cruise ship business overall has climbed 10 percent a year. Our lost market share has gone not to other States but to foreign countries along the Pacific Coast.

For a State still recovering from an economic recession, defense downsizing, and back-to-back natural disasters, a blow to one of our leading industries—tourism—is unfathomable.

The cruise ship industry books its ports of calls well in advance of the season. Therefore, action on this cruise ship provision this fall is crucial to our State if we are going to prevent another season of lost business—lost jobs—to my State.

Mr. President, I want to assure the supporters of the California Cruise Ship Revitalization Act that I will continue to press for final enactment of this legislation. When the Congress returns next month I will do everything in my power to ensure that we do not lose another year without this correction in law.●

TRIBUTE TO THE BOSTON AIR ROUTE TRAFFIC CONTROL CENTER IN NASHUA FOR WINNING THE NATIONAL EN ROUTE FACILITY OF THE YEAR AWARD

● Mr. SMITH. Mr. President, I rise today to pay tribute to the Boston Air Route Traffic Control Center [ARTCC] in Nashua, NH. The Boston ARTCC won the National En Route Facility of the Year Award, for which I offer my warmest congratulations. This is certainly an accomplishment of which they should be very proud and I salute them for their achievement.

The National En Route Facility of the Year Award is presented annually to an Air Route Traffic Control Center which has made a significant contribution to the National Air Traffic Control System. The Boston ARTCC provides air traffic control service to commercial, military, and private aircraft in all of New England and most of New York State. This facility is 1 of 20 ARTCC facilities throughout the continental U.S., along with 3 in Honolulu, Guam, and San Juan.

The Boston ARTCC is responsible for handling flights from all six New England States, eastern New York State, extreme northeastern Pennsylvania, and coastal waters to 6700 west longitude. This is an enormous area, amounting to an area of 125,000 square miles. Within this impressive area, there are 30 positions of operation and the Boston ARTCC coordinates with 7 other centers from Montreal to Washington. Each year, the Boston ARTCC performs 1,620,000 operations in this region. Their facility operates with 290 active controllers, 12 controller trainees, 62 support staff, and 95 technicians. With extensive radar systems, radio facilities, a high tech computer system and enough telephone equipment to serve a city of 10,000 people, the Boston ARTCC is a model of efficiency.

Centers like the Boston ARTCC are becoming vital to our country's infrastructure with ever increasing air traffic. With a center like this running so efficiently, we can rest easier and know that flights to and from the east coast are safe and on time. Excellence and dedication like theirs deserves to be recognized and applauded. I am proud to commend the Boston ARTCC, the many air travelers in New Hampshire join me in wishing them congratulations and best wishes●

RECYCLING TRANSACTIONS UNDER SUPERFUND

● Mr. AKAKA. Mr. President, I want to express my support for S. 607, a bill to clarify the liability of certain recycling transactions under the Superfund

law. This legislation clarifies the Superfund Act to ensure that the product of scrap recycling is not subject to Superfund liability if certain standards are met.

S. 607 does not exempt from Superfund liability recyclers who operate contaminated facilities. Nor does it exempt from Superfund contamination caused in whole or in part by waste generated during the course of processing recycled materials.

My support for this legislation is not unconditional, however. During a review of this legislation I have identified a serious flaw in S. 607, as introduced. The language that appears in section 127(b)(2)(E) is drafted in a way that would, I believe, achieve exactly the opposite result that the bill's sponsor intends.

After discussing this issue with industry and environmental groups, I have concluded that the best thing to do is support the bill and work to correct the error in the legislation. I have received assurances by the industry supporters of this legislation that they will not allow this error to stand, and will work to have the problem corrected. I will join with them in this effort.●

READY FOR THE WORLD

● Mrs. KASSEBAUM. Mr. President, the Honorable Edward W. Brooke, our distinguished former colleague from Massachusetts, recently delivered an outstanding speech entitled ''Ready for the World'' at the First Alpha Scholarship Forum in New Orleans. His remarks were befitting of the inaugural Charles H. Wesley Memorial Lecture.

Mr. President, I trust that our colleagues will benefit from Senator Brooke's thoughtful remarks as I have, and I ask that the text of his speech be printed in the CONGRESSIONAL RECORD.

The speech follows:

READY FOR THE WORLD

(By Brother Edward W. Brooke)

1. WESLEY'S EXAMPLE AND LEGACY

Dear Brothers and guests, I cannot tell you how privileged, honored and humbled I feel to have been chosen by our General President, Brother Milton C. Davis, to deliver this First Charles H. Wesley National Lecture. When I was initiated into Alpha Phi Alpha nearly six decades ago, Dr. Wesley was our General President. I came to love him and admire him. He was my brother, my leader, my teacher and my friend. I have never stopped trying to follow his example and, God willing, I never shall.

Let me take a few minutes to remind all of you just who Brother Dr. Charles H. Wesley was and why his is a name, and why his was a life, that you should always remember.

Brother Dr. Wesley was born nearly 105 years ago and lived some 95 years. He graduated from Fisk, where he had been a star student, athlete and singer, and entered graduate school at Yale at age 19. He was the fourth African American to earn a Ph.D. at Harvard. He traveled and studied in Europe. He taught history at Howard University and rose through the ranks to become Dean of Liberal Arts and Dean of the Graduate School. As a scholar, he published 12 books and 125 articles. He served as president of Wilberforce College and of Central State University in Ohio. He was an ordained minister in the African Methodist Episcopal Church. He wrote the history of our fraternity and served as its General President for nine critical years between 1931 and 1940. He served as president of the Association for the Study of Afro-American Life and History for 15 years.

But, in his own words, he gave his best to Alpha. And we should be thankful that he did.

There is more to know about Brother Wesley, however.

First, he was a loving and caring husband and father.

Second, despite his considerable talents and accomplishments, there was no arrogance about him. If at times he was first of all, he was, nevertheless, always a servant of all. ''One's attainments,'' he said, ''can serve as object lessons for others. There is no need to draw attention to them.''

Third, he believed, correctly, that notions of racial superiority and inferiority explain very little, if anything, in human history.

Fourth, instead of talking about what America owed black people, he talked about what America owes itself and all of its people, and about what black people owe themselves.

Fifth, his interests and his horizons were never limited by the waters which separate North America from the rest of the world. His concern and his love were for all mankind.

Sixth, he made the nurturing of young people an integral part of his life.

And, to his everlasting credit, he never turned a deaf ear to any call to duty.

So perhaps you can understand why I feel compelled to say today that Brother Dr. Charles H. Wesley—scholar, athlete, teacher, musician, preacher; and Alpha man—was as American as they come. He knew the truth of that, even if most Americans didn't. And instead of giving up on, or giving in to, Americans who would deny his Americanness, he stood up for America and worked as hard as he could to make America own up to what it says it stands for.

With the kindness and courtesy of Dr. Wesley's accomplished daughter, Mrs. Charlotte Wesley Holloman, I have been privileged to read some of Brother Wesley's papers and original drafts of speeches. In the one which he delivered in Charleston, South Carolina, in 1977—the 201st year of American independence and the 71st year of alpha history—I found a message which gives meaningful insight into Charles H. Wesley, the man and philosopher. And I want you the hear his thoughts and his words as he delivered them to Alpha men there assembled. He said:

''It has become very necessary that thinking should be used in all our individual endeavors, for it is one of the powerful forces operating in our lives. America was built by its thinkers both in 1776 and subsequently as a great nation in 1976, and the method of this achievement and our own have been indicated very cogently in his familiar statement:

Back of the hammers beating,
By which the steel is wrought
Back of the workshop's clamor
The seeker may find the thought.

The thought that ever is master
Of iron, of steam and steel
That rises above disaster
And tramples it under its heel.

Back of the motor's humming
Back of the cranes that swing
Back of the hammers drumming
Back of the belts that sing.

There is an eye that scans them
Watching through stress and through strain
There is a mind that plans them
Back of the brawn the brain.

''In the long run,'' Brother Wesley continued, ''whether it is in 1776 of 1976, the world is in the keeping of its idealists. . . . It is in the hands of men and women who with revolutionary impatience walk the lanes of the villages, with their feet on the ground opposing unjust laws with a song on their lips and with their hearts in the stars. . . . Such a one is never defeated until he gives up within. . . .''

This is Brother Wesley's legacy and our inheritance. Our duty today is to pick up where he left off and to stay the course in to the next century and the next millennium.

2. THE MOMENT

There could hardly be a more appropriate moment than this one—with the dusk of the twentieth century descending upon the global village and the dawn of the Third Millennium hovering somewhere just beyond the horizon—to pause and consider the state of this world and our place and our possibilities in it. Regrettably, both the world and our place in it are in many respects in a perilous state.

Our is called a new age. The Cold War is over. The Soviet Union no longer exists. Totalitarianism, Marxism and socialism are in full retreat. Capitalism, democracy and freedom are everywhere the rage.

Feedom is something about which we African Americans know a great deal. We know what it's like to be deprived of it, to hunger and thirst for it, to fight and die for it, even though the Creator never intended for men and women to be either slaves or masters. As the 18th century English poet William Cowper wrote:

They found them slaves: But who that title gave?
The God of Nature never formed a slave!
Though pride or force may acquire a master's name
Nature and justice must remain the same;
Nature imparts upon whate'er we see
That has a heart and life in it—be free!

And so, here in the age of freedom and democracy, we ought—all things being equal—to be dancing in the streets and on the crumbling walls of political, economic and cultural oppression.

But, for many, things seem to have gone terribly awry; everything new seems old again. In so many places and situations, we and many of our brothers and sisters in the human race find ourselves in an all-too-familiar situation: marginalized—excluded from the fun if not the games; victimized by poverty, politics, disease, famine, war, corruption, indifference, malign neglect and outright bigotry.

Major challenges confront us. But, as we know, challenges offer opportunities. And so there are, today, even in our relatively small sector of this world, abundant opportunities for us to demonstrate not just our loyalty and devotion to our country but also, as all Alphas are sworn, our love for all mankind.

So let us not fail to find inspiration in the many beacons of hope in the world and in our country. In South Africa, President Mandela and the African National Congress have not only taken command of the ship of state; they have skillfully guided it toward the open seas where the economic and social possibilities seem limitless.

Even in poor Haiti hope is alive. And here in the United States, a million black men, including many Alpha brothers, marched in support of individual and parental responsibility.

Nor should we fail to recognize our dear sister, the highly motivated Marian Wright

Edelman, who only recently led her own march on Washington on behalf of this nation's children, and who has made it clear that she will never stop fighting for our young people—black, brown, yellow, red or white—who, after all, our most precious natural resource and the link between our past and our future.

3. AMERICA'S MISSIONS

Of course, the United States has its troubles; but is still a special and sometimes wondrous place. Over the centuries many people have believed, and many still believe today, that Almighty God provided for the establishment of the United States—a new nation in a new world—to give man and woman an opportunity nearly unique in history to experience, and on the basis of that experience to cherish, peace, freedom, justice and brotherhood on Earth.

So far, that vision—whether it is God's or man's, whether it is legitimate or not—has not been fully realized. America has not yet lived up to its promise. But if we take the long view of history, we can see that the United States has served for more than two centuries as a shining example to many millions of people around the world, and has grappled successfully with certain enormous challenges both at home and abroad.

In the 19th century, for example, Americans had no choice but to decide once and for all whether human slavery had a legitimate place in the Republic. In 1858, Abraham Lincoln said, ''A house divided against itself cannot endure permanently, half slave and half free * * * I expect it will cease to be divided. It will,'' he said, ''become all one thing, or all the other.'' And after a terribly bloody and destructive civil war, the United States emerged as a country in which slavery had no place—even if, tragically, de jure as well as de facto racism did.

Freed from the albatross of slavery, the United States enjoyed in the last quarter of the 19th century rapid economic growth and political as well as economic expansion into the larger world. And before long it became impossible for America's leaders to continue to heed George Washington's advice to avoid foreign entanglements. Indeed, by 1916, the midpoint of the First World War, it could no longer be argued that American security and freedom were somehow separate from western Europe's. As he dispatched American forces to the war ''over there,'' President Woodrow Wilson spoke of the imperative to make the world, not just the United States, safe from would-be global emperors. At no time since then has this country been able to remain aloof from international politics without exposing itself, not to mention its brothers, cousins and friends, to powerful and sometimes ruthless antagonists who wish them, and us, ill.

This reality became indisputable when, during our isolationist period, would-be emperors of the world came into power in Germany, Italy and Japan and undertook to conquer, subjugate or intimidate those who dared to resist them. Only massive and sustained, if somewhat belated, intervention by the United States prevented those tyrants from achieving most if not all of their aims.

After the Second World War, yet another imperial threat emerged in the form of our former ally against the Axis powers, namely Josef Stalin's Soviet Union. I need not recount here today the details of the half-century-long Cold War fought by American presidents from Truman to Reagan. But I must say that prevailing in that struggle, as well as the Second and First World Wars, was indeed an essential component of America's mission in the 20th century. And to all those—and I am proud to be one of them—whose efforts and sacrifices made it possible for us to live in a world over which no would-be emperor's shadow falls, we should be thankful.

As you recall, there was another tyrant who was overthrown during this century. He went by the name of Jim Crow. And under his authority millions of African Americans, and many white Americans, were deprived of their most basic civil and human rights. But since 1954 segregation has been illegal in America. And to all those whose efforts and sacrifices made it possible for us to live in a land in which no ''whites only'' sign can legally be erected, we should be thankful.

Now, I do not want to give the impression that I believe for a moment that all of the national and international atrocities served up by the 19th and 20th centuries have been completely or even satisfactorily eliminated. I do not, and you should not.

However, some of the most horrendous of them have been, and for that we should be thankful.

We know, of course that the 21st century will serve up horrors of its own; and although we are confident that good and capable men and women will rise up to grapple with them, we can afford to be neither complacent nor mentally unprepared. Quite the contrary; we should, and must, be alert; we must be ready for the world. And that means having principles, if not a plan, to guide us.

I believe we need look no further for ideals upon which to base our actions than the precepts of our fraternity and the examples set by Brother Wesley and so many other distinguished Alpha men over these last ninety years. I refer specifically to manly deeds, scholarship and, especially, love for all mankind, with special emphasis on ''all.'' It was Brother Martin Luther King, Jr.'s dream that one day this nation would rise up and live out the true meaning of its creed—''that all men are created equal''. And, lest we be tempted to reserve our love only for those who are easy to love, let us not forget that Jesus Christ said, ''Inasmuch as ye have done it unto one of the least of these my brethren, ye have done it unto me.''

4. WHAT YOU CAN DO AND WHERE YOU CAN START

Just as we do not have to look any farther than to our beloved and renowned Alpha to find precepts and principles on which to base our actions, neither, unfortunately, do we have to look any farther than down the street or across town to find tragic conditions that cry out for human attention, ingenuity and love. but on top of that, television and the other mass media bring into our homes on a daily basis stories of untold suffering and dehumanization—much of it done to, and even by, people of color. These stories tug at our heartstrings and, too, cry out for human attention, ingenuity and love.

Caught between the local and the global, between what's happening over there and what's happening over here, we may be tempted to focus on one and ignore the other, or simply to pretend to see neither. But I believe, and I pray that you will come to share my belief—if you don't already—that there is only one race, only one place, and only one God who made them both. I pray, too, that if you do come to share my belief, then you will accept, if you have not already accepted, some measure of responsibility, no matter how small, for bringing to bear, on the afflictions which burden humankind and our planetary home, whatever attention, ingenuity and love you can muster.

Now, some of you may be wondering what you can do and where you can start. The best answer is that you should do what you feel you reasonably can, given your talents and resources; and you should start wherever your interests and your concern lead you.

Allow me, if you will, to share with you some of my thoughts about some of the issues that the American people and our government, among others around the world, should be thinking about and acting on.

It seems to me that we face three kinds of problems: Those that are traceable to, and best addressed by, individuals in their personal, family and community lives; Those that are traceable to, and best addressed, by private industry; and Those that are traceable to, and best addressed by, governments.

Concerning problems which I think of as being attributable and amenable mainly to the action or the inaction of individuals in their personal, family and community lives, Ten Deadly Sins, as I have labeled them, come to mine.

First, there is child abuse in all its forms, including neglect and physical, psychological and sexual abuse;

Second, there is the abuse and misuse of alcohol and other drugs, both legal and illegal;

Third, there is domestic violence, which takes place behind the closed doors of too many homes;

Fourth, there is gang violence, often related to the marketing of illegal drugs. Let me say that I include in my definition of gang violence the illegal hazing of young men who are pledges of our fraternity and quite a few others in these United States.

Fifth, there is the epidemic of teen pregnancy or premature parenthood, which obviously involves young men as well as young girls and young women;

Sixth, there is prejudice and discrimination, often accompanied by hate crimes, against our fellow men and women because of their race, creed, color, national origin or sexual orientation. In this regard, we must condemn unequivocally the cowardly and dastardly burning of African American and other churches. We must condemn hate crimes against Jewish people, their places of worship and their cemeteries. we must condemn hate crimes against homosexuals, which include assault, battery and even murder. and we must condemn the tendency of white America to blame either black men or people of Middle Eastern heritage for nearly every criminal or terrorist event in this country.

Seventh, and along the same line, there is the unforgivably unfair and costly tradition of subordinating the welfare of women and girls to that of men and boys. This is unacceptable in all its aspects, though especially so when girls' minds are neglected or their bodies mutilated, and when women are prohibited by government from exercising their right to terminate legally, safely and affordably an unwanted or health- and life-threatening pregnancy;

Eighth, there are the many unhealthy behaviors in which so many of us engage. I refer specifically to smoking, chewing tobacco, the overconsumption of food—especially foods with high fat, salt and calorie content. And perhaps most important in this age of AIDS, the highly irresponsible practice of unsafe sex by adults and teenagers who know, or ought to know, better.

Ninth, there is the regrettable and ominous mixture of apathy, cynicism and disrespect for law, government and politics;

And tenth, there is the stifling isolationism which has overtaken so many individuals, families and communities. I refer to our growing lack of interest in people, places and issues with whom and with which we may not have everyday contact. It is right to be worried about average Americans' lack of interest, and even hostility, toward foreign people and places. But we should be downright alarmed about average Americans' lack of interest in, and interaction with, their neighbors and fellow citizens.

Next, let us consider problems which are traceable mainly to, and best addressed by, the private sector in this country and in others. But before I focus on troubling aspects of contemporary private enterprise, let me make at least two things clear: First, the private sector is not an enemy of whom we should wish to be rid; in fact, because the private sector is the principal source of employment, innovation, growth and progress, we should, and do, want it to grow and prosper Second, many companies, large and small, are models of corporate social responsibility. You don't have to be a Republican or a conservative to acknowledge this fact and give credit where it's due. The President did it a few weeks ago when he invited some of the more praiseworthy companies to send representatives to Washington and tell their stories to the country and the world.

Now, concerning private sector problems to be addressed, I have five in mind.

One—and for me the most important one today—is the problem of the violent images and antisocial ideas disseminated so broadly by the media and the entertainment industry, especially through movies, television shows and certain kinds of music. I don't necessarily advocate more regulation at this time, but the entertainment industry has to show allegiance to some moral principle other than ''give them whatever they want, so long as it sells.''

A second problem, similar to the first, is the lack of corporate social responsibility demonstrated by companies and industries which target advertising for alcohol, tobacco and games of chance at the most vulnerable segments of society, namely children and poor people.

A third important problem is the widely varying performance of companies and industries, especially in the United States, with respect to equal employment and affirmative action for women and underrepresented minorities. It is unacceptable that a person is subject to harassment or denial of a job or promotion because of physical traits or beliefs.

A fourth is the insensitivity of some large corporations to the genuine human needs and just deserts of their employees and communities. It doesn't seem unreasonable that a corporation can be compassionate and commercially viable at the same time. But it does seem unreasonable that a corporation can be in a community but not of it.

And, fifth, is the problems of corporate respect for this planet and for its wondrous ecological systems. One would expect businesspeople to know that there is a relationship between nature and the economy, even if, sadly, their knowledge is based solely on pragmatism. The overfishing of our oceans, for example, isn't just a crime against Mother Earth; it puts thousands of people out of work.

I come now to my third set of concerns, namely problems which are traceable to, or at least best addressed by, governments around the world.

Our federal government, and other national governments, face both inward and outward as they strive, we hope, to promote the general welfare, insure domestic tranquility, provide for the common defense and help secure, for any one who hungers for them, the same blessings of liberty and justice that we ourselves seek and sometimes enjoy.

Even if some Americans don't think so, there still are some things that our federal government, and national governments in developed and developing countries ought to be doing, or doing better, to improve conditions in their own societies. Several things come to mind.

First, government can do a much better job of educating young people. No nation that fails to educate its children will have much of a present or a future.

Second, government can do a much better job of insuring that as many people as possible, especially children, have the best health care that a society can reasonably provide.

Third, government can do a much better job of insuring employment and decent and affordable housing for low and moderate income people.

Fourth, government can do a much better job of making our streets, neighborhoods and commercial districts safe for everyone, not just the wealthy and the politically influential.

Fifth, government can do a much better job of taking responsibility for protecting our natural environment and preserving it for future generations as a cultural and economic resource. Let me elaborate just a bit. When I say environment I don't mean just protecting the ecology from destructive people; I also mean protecting people from environments that are unhealthy because the air is dirty, toxic wastes have been dumped there, or the water is unsafe for human consumption.

Sixth, governments can do a much better job of governing. Too often, governments and the people who run them conduct themselves in ways that a are highly deficient when it comes to honor, morality and integrity. They should be on notice that their people's patience has its limits and that they should either conform, reform or perform, or else expect to be informed that their time in office has expired.

Now, as I said earlier, governments face not only inward but outward, toward other government. And there are some things that outward-looking and forward-looking governments ought to be doing or doing better. I label these Ten Expressions of Love for Humankind.

One is to take effective steps to head off interstate and intrastate armed conflict.

A second is to take effective steps to stop any fighting or killing if prevention should fail.

A third is to prohibit, in law and in fact, ethnic cleansing, or anything that resembles it.

A fourth is to come to the aid of people displaced by conflict or natural disasters.

A fifth is to find ways to make war—if it is inevitable,and I pray that it isn't—less lethal, especially for innocent civilians during and after violent episodes. One of the great tragedies of our time is the killing and maiming of unsuspecting children, mothers an fathers by landmines encountered in their perfectly legitimate and innocent daily life.

A sixth thing that government ought to be doing better is coming to the aid of people and nations who have overthrown, or want to overthrow, tyranny and are likely to choose the path of democracy, freedom and tolerance.

A seventh is to treat the international AIDS epidemic more seriously. No person of any ethnicity should be indifferent to the fact that African American men have been harder hit by the virus than other groups of Americans, or that HIV and AIDS infection rates in Africa, where some 14 million men, women and children have contracted the virus, are the highest in the world and still rising. Nor should anyone fail to be greatly concerned that the AIDS epidemic has become established in the Caribbean and especially in Asia, where its explosive infection rate will soon overtake Africa's.

An eighth is to work harder to insure that the world economy operates fairly and justly for all nations, not just a fortunate few. As we race ahead toward the high-tech information economy of the twenty-first century, let us consider how we might bring up to 20th century living standards the three billion or so of the world's people left behind in 18th and 19th century conditions.

A ninth is to build on the work begun four summers ago at the United Nations Conference on Environment and Development by following though on national and international commitments and agreements to address critical environmental problems.

And the tenth is to work harder to make the United Nations the place where all nations meet not just to talk—which is valuable, of course—but also to resolve conflicts peacefully and work together to elimiante the problems which threaten all, many or some of our fellow human beings.

5. CONCLUSION

Brothers, three years ago, when I spoke to many of you here in New Orleans at the 87th Anniversary General Convention, I said: ''We have, and will always have, a further contribution to make, a place to fill, a work to perform.'' I suspect that the litany of concerns which I have just sumamrized—most of them not only serious but painfully complex as well—will serve to confirm the continuing truth of that statement. And although this reality is in many ways a said commentary on the state of the nation and the world, it should also serve as a reminder of why we as men of Alpha Phi Alpha are needed more and more in the community, in the nation, and in the world.

My Brothers, I call on each of you—as Americans, as Americans of African Heritage, and as children of God, sent by Him to dwell temporarily on this Earth—to do whatever you can to improve the quality of life on this planet.

You don't have to be a politician; you don't have to be a diplomat; you don't have to be a general or an admiral; nor a scholar or a preacher. All you have to be is someone who cares abut his family, his community, his environment and his fellow human beings, wherever they may be, whatever their language, whatever their religion, and whatever the color of their skin.

I think the great 19th Century American philosopher and poet, Ralph Waldo Emerson, put it best:

So near is grandeur to our dust
So near is God to man
When duty whispers low ''thou must''
The Youth replies, ''I can!''

My dear Brothers in Alpha, that is the message I bring to you today. That is the message I thank you for listening to. And that is the message in the spirit of Charles Harris Wesley that I ask you to accept an respond to as men worth of being Alphas.

Good luck and godspeed.●

Mr. KERRY. Mr. President, I rise today to support final passage of H.R. 3060 as amended by S. 1645, the Antarctic Science, Tourism, and Conservation Act of 1996, which I introduced earlier this year. This legislation will enable the United States to implement the Protocol on Environmental Protection to the Antarctic Treaty. The Protocol was negotiated by the parties of the Antarctic Treaty System and signed in October, 1991. The Senate gave its advice and consent to the Protocol on October 7, 1992. In August 1993, I introduced the precursor to this bill and the Senate Commerce Committee reported it to the full Senate in early 1994. Unfortunately, continuing disagreements among scientists, conservation groups, and the Administration about the legislative changes needed for the United States to carry

out its responsibilities under the Protocol prevented further action on that bill. Passage of this bill today brings to a close a long, arduous process in which all of the parties mentioned above have finally reached agreement.

The bill Senator HOLLINGS and I introduced is supported by all the parties engaged in this somewhat lengthy, but ultimately successful, consensus-building process. The Commerce Committee held a hearing on S. 1645 in June and ordered the bill to be favorably reported. During committee consideration of the bill, members agreed to work with Senator STEVENS on a floor amendment addressing polar research and policy. That amendment offered today to S. 1645 requires the National Science Foundation to report to Congress on the use and amounts of funding provided for Federal polar research programs. There is no opposition to this amendment.

Mr. President, S. 1645 builds on the existing U.S. regulatory framework provided in the Antarctic Conservation Act to implement the Protocol and to balance two important goals. The first goal is to conserve and protect the Antarctic environment and resources. The second is to minimize interference with scientific research. S. 1645 amends the Antarctic Conservation Act to make existing provisions governing U.S. research activities consistent with the requirements of the Protocol. As under current law, the Director of the National Scientific Foundation (NSF), would remain the lead agency in managing the Antarctic science program and in issuing regulations and research permits. In addition, the bill calls for comprehensive assessment and monitoring of the effects of both governmental and nongovernmental activities on the fragile Antarctic ecosystem. It also would continue indefinitely a ban on Antarctic mineral resource activities. Finally, S. 1645 amends the Act to Prevent Pollution from Ships to implement provisions of the Protocol relating to protection of marine resources.

As one of the founders of the Antarctic Treaty System, the United States has an obligation to enact strong implementing legislation, and is long overdue in completing ratification of the Protocol.

In closing, Mr. President, I would like to thank Senator HOLLINGS for all of his assistance in getting agreement on this legislation. The House passed similar legislation, H.R. 3060, by a vote of 352–4 in June. I urge my colleagues' support for final passage of the Antarctic Science, Tourism, and Conservation Act of 1996.

HENRY A. WALLACE

• Mr. HARKIN. Mr. President, I would like to take this opportunity to bring to the attention of the Senate a notable speech by one of our colleagues, and one of my fellow Iowans, Senator John C. Culver. The subject of Senator Culver's speech is that of another prominent Iowan, Henry A. Wallace. Both these men embody the wisdom and insight of the residents of the great State of Iowa.

Senator Culver's distinguished speech, given March 14 at the Carnegie Institution of Washington, marked the inaugural of the Henry A. Wallace Annual Lecture. Sponsored by a research center named after Henry A. Wallace, the annual lecture will address agricultural science, technology, and public policy. Senator Culver's speech, entitled ''Seeds and Science: Henry A. Wallace on Agriculture and Human Progress,'' held listeners spellbound as he described the life and times of a pragmatic farmer from Iowa.

As many of you know, Henry A. Wallace served our country in many ways: as a farmer, editor, scientist, Secretary of Agriculture, Secretary of Commerce, and Vice-President. As a farmer, Wallace realized the importance of environmental stewardship. As he once wrote, ''The soil is the mother of man and if we forget her, life eventually weakens.'' While Henry A. Wallace made many contributions to this Nation for which we thank him, it is perhaps Mother Nature who thanks him the most.

I ask that the text of Senator Culver's speech appear in the RECORD.

SEEDS AND SCIENCE: HENRY A. WALLACE ON AGRICULTURE AND HUMAN PROGRESS—GUEST LECTURER: SENATOR JOHN C. CULVER

Sometime in 1933, while he was battling to rescue American agriculture from its greatest crisis, Secretary of Agriculture Henry Agard Wallace was invited to be the featured guest at a swanky party in New York City. It was not the sort of thing Wallace enjoyed. A quiet, cerebral man, Wallace often found such social functions uncomfortable. He wasn't good at flattery or small talk, had no interest in gossip and disdained off-color humor.

Gathered around him that evening was a group of writers, planners, technicians and other members of the New York intelligensia eager to take his measure. Wallace was still something of a mystery to them, as he was to most of the nation. At age 44, he was the youngest member of President Roosevelt's Cabinet. The son and grandson of prominent Iowa Republicans—his father had served in the Harding and Coolidge cabinets—Wallace was still a registered Republican himself. He was, by background, an editor and corn breeder; he had never sought public office and had accepted his current position with considerable reluctance.

Perhaps most intriguing to the people in the room was the depth and breadth of Wallace's intellectual interests. Wallace was not only a geneticist and journalist, he was one of the nation's leading agriculture economists, an authority on statistics and author of the leading text on corn growing. His interests ranged from diet to religion, from weather to monetary policy, from conservation to Native American folklore. Somewhere along the line, he also found time to start the world's first—and still the world's largest and most successful—hybrid seed corn company.

So his small audience had much to ask Wallace about and they peppered him with questions. Finally one of them inquired: ''Mr. Wallace, if you had to pick the one quality which you thought most important for a man to have in plant-breeding work, what would it be?'' The man settled back to enjoy a long scholarly reply but Wallace's response was brief and startling. Without a moment's hesitation he said: ''Sympathy for the plant.''

For Wallace, the failure to understand the nature of plants and animals—their structure and purpose, their needs and cycles—was symptomatic of modern man's inability to understand life itself. ''When you sweat on the land with a purpose in mind you build character,'' he wrote. ''Watching things grow, whether plant or animal, is all important. One of the wisest of the old Anglo-Saxon sayings is, 'The eye of the master fattens the ox.' How, he wondered, could man grasp the essence of life without taking into account the totality of living things: plants and animals and human beings and the spirit that animates their existence? He later acknowledged that he usually liked plants better than animals, but he appreciated the latter because ''they gave [the] manure that nourished the plants.''

Wallace had nothing sentimental in mind when he used the expression ''sympathy for the plant.'' Rather, he viewed ''sympathy'' as an outgrowth of rigorous observation and exacting employment of scientific principles. Throughout his life, beginning at an unusually early age, Wallace placed great store in the value of scientific understanding. By training and temperament, he was an unusually unsentimental man.

About 1904, when Henry Wallace was in his mid-teens, he attended a young farmer's ''corn show'' and watched as ears of corn were judged by their appearance. The ''beauty contest'' winners, based on their uniformity, shape, color and size, were deemed to be the superior breeding stock. Professor P.G. Holden, part crusading scientist and part flamboyant showman, was the great evangelist of corn, and he was undoubtedly the best-known corn show judge in the United States. He was also a personal friend of the Wallace family. Young Henry's grandfather, the beloved preacher-journalist known to thousands of midwestern readers as ''Uncle Henry'' Wallace, had been largely responsible for bringing Holden to his teaching position at Iowa State.

The story of what happened at that corn show was later written by Paul de Kruif, author of a colorful book on the great food scientist called The Hunger Fighters:

Gravely, for the instruction of youth, [Holden] held up a great cylindrical ear that was not so good to his learned eye. ''This ear, boys, shows a marked lack of constitution!'' cried Holden. ''And look at this one for contrast,'' said he. ''Observe its remarkably strong middle!'' And such is the folly of teaching—that every boy, hypnotized, could do none other than see what Holden wanted him to see. Solemnly the professor judged and awarded the medal to the very finest ear of all those hundreds of ears of maize, and pronounced it champion.

A mob of disappointed farm boys straggled out of the room. Henry stayed. The professor unbent. ''Now young man, if you really want proof that I'm right, why don't you take thirty or so of these prize ears? Then next spring plant them! Plant them, one ear to a row of corn. Then harvest them next fall—and measure the yield of them.''

The next spring Henry Wallace took those 33 fine ears, shelled them into separate piles, stuck them under the soil, four kernels to a hill, in 33 rows, one ear to a row, on a little piece of land his father gave him. What he learned from those 33 rows of corn, of course, was that Holden and his corn shows were all wet. The ten ears of corn judged fairest by the good professor were among the poorest yielders in the test, and some of the ugliest

ears produced the highest yields. Conventional wisdom or not, Holden's personal friendship with the Wallace family notwithstanding, the scientific experiment showed the appearance of corn had nothing whatever to do with its yield. As Wallace himself put it succinctly: ''What's looks to a hog?''

Henry Wallace's first lesson in agricultural experimentation came from his mother, May, a woman endowed with strong religious convictions and a great love of plants. May Wallace taught her young son how to crossbreed pansies, to his great delight. ''It happened that in that particular outcome, the flowers were not as pretty as either parent, but I attributed to them unusual value simply because they had been crossed.'' His mother also frequently said, ''Henry, always remember, you are a Wallace and a gentleman.'' Wallace never forgot.

From his father and grandfather he inherited his first and last names, a tradition of progressive thinking and an intense belief in the value of ''a distinctive and satisfying rural civilization'' that offered ''nothing less than the comforts and the cultural elements of the best city life blended with the individualism and the contact with nature that the country gives.'' His father and grandfather had founded the family's influential farm journal, Wallaces' Farmer, and summed up their philosophy in six words that appeared on the cover of every issue: ''Good farming, clear thinking, right living.''

Another important influence on young Henry, as he was called in the family, occurred when he was a very young boy. Wallace had moved with his family to Ames, Iowa, where his father completed his degree at Iowa State and taught for a few years as a professor of dairying. There the shy boy was befriended by one of his father's students, a gangly black man by the name of George Washington Carver, who had been born in slavery. Together this unlikely duo—one who became the nation's greatest secretary of agriculture, and the other who gained international fame as a botanist and chemist—tramped through the woods and fields around Ames exploring nature in intimate detail. Six decades later, it was said, Henry Wallace was still able to impress agrostologists with the minute knowledge of grasses he learned at Carver's feet. His lifelong fondness for grass was later evidenced by a national radio address he made while Secretary of Agriculture entitled ''The Strength and Quietness of Grass.''

It was Carver, Wallace said, who introduced him to the ''mysteries of botany and plant fertilization'' and who demonstrated that ''superior ability is not the exclusive possession of any one group or class. It may arise anywhere,'' Wallace noted, ''provided men are given the right opportunities.'' He also learned from Carver an approach to science: ''Carver's search for new truth,'' Wallace later observed, ''both as botanist and chemist, was a three-pronged approach involving himself, his problem, and his Maker.'' He earnestly believed that God was in every plant and rock and tree and in every human being, and that he was obligated not only to be intensely interested but to call on the God in whom he so deeply believed and felt as a creative force all around him. ''There is, of course, no scientific way of proving Carver . . . right or wrong,'' Wallace noted. ''But we can safely say,'' he added, ''that if a corn breeder has a real love for his plants and stays close to them in the field, his net result, in the long run, may be a scientific triumph, the source of which will never be revealed in any statistical array of tables and cold figures.''

As a boy growing up in Des Moines, there was always available to Wallace a small plot of land on which to experiment and ample encouragement from his family to let his curiosity range free—provided, of course, that he had milked the cows, fed the chickens and completed his other routine chores. As a student at Iowa State he worked on experimental farms operated on the county's ''poor farm'' and learned first hand that progeny from one ear of open-pollinated corn could yield twice as much as progeny from another ear of corn of the same variety.

Having proved that ability to yield is more important than appearance, he was receptive to the concept of hybrid corn. He carefully followed scientific reports and experiments relating to its development while graduating first in the agricultural class of 1910, at Iowa State College.

Throughout the 1920s, Wallace worked intensely on his own breeding projects and to promote the development and use of hybrid corn. In the early years of that decade, he had been influential in founding the Iowa Corn Yield Contest, which he saw not only as a scientifically valid replacement of the ''corn shows,'' but as a means to demonstrate to farmers the superiority of hybrid corn.

Wallace knew even then that a revolution—his word—was coming to the Corn Belt. It was a revolution which he predicted and, more than any other individual, led. In 1933, six years after he started his own little company to develop and market hybrid seed, only one percent of the corn planted in the midwest was grown from hybrid seed. Ten years later, more than three-fourths of corn grown in the Corn Belt came from hybrids. Today, of course, virtually all commercial corn comes from hybrids. Yields grew from less than 25 bushels an acre in 1931 to 110 or more bushels today. The corn revolution stimulated an agricultural revolution throughout the world and transformed American agriculture from an art to an applied science.

Wallace viewed this revolution not in the raw statistics of yields-per-acre, certainly not in bottom-line sales and profits, but in an intimately personal way. ''Every living thing, whether it be plant, animal or human being, has an individuality of its own,'' he wrote at the height of his corn breeding work. ''Some are pleasing, some repulsive, but all are interesting to whosoever tries to understand them. For fifteen years, I have tried to understand corn plants, until now the individuality of corn plants is almost as interesting to me as the personality of animals or human beings.''

It has been said that Henry Wallace was the only genius to have served as Secretary of Agriculture. The period 1933 to 1940 was the golden age in the Department's history and the creation of much of the intellectual dynamism of the New Deal. Agricultural programs and policies were enacted which remain the basic framework today. Under Wallace's creative stimulus, soil conservation, to protect what his grandfather called ''the voiceless land,'' was promoted. The ever-normal granary, to ensure against famine, an idea which Wallace derived from reading Confucius and the Bible, was established. These food reserves later proved of critical value in World War II. In addition, the REA, food stamps, the school lunch program, and ''food for peace'' were all begun.

He was responsible for the Yearbooks of Agriculture in 1936 and 1937, which were the first devoted to agricultural research and plant genetics. He was proud that he had not succumbed during this period to the pressures to have the scientific work of the department reduced. He wrote: ''Science, of course, is not like wheat or cotton or automobiles. It cannot be over-produced. It does not come under the law of diminishing utility, which makes each extra unit in the stock of a commodity of less use than the preceding unit. In fact, the latest knowledge is usually the best. Moreover, knowledge grows or dies. It cannot live in cold storage. It is perishable and must be constantly renewed. Static science would not be science long, but a mere junk heap of rotting fragments. Our investment in science would vanish if we did not freshen it constantly and keep training an alert scientific personnel.''

Secretary Wallace was also directly involved with the expansion of the Beltsville Agricultural Research Facility. He noted in his diary on April 5, 1940, just prior to the fall of France:

''President Roosevelt was very emphatic about moving the Agricultural Department out of the farm at Arlington [where the Pentagon now sits]. He wanted to bring in the rest of an army battalion and a regiment of cavalry. The President has the War of 1812 in mind and doesn't want some foreign nation to come in and burn up Washington. Perhaps his ideas are sound, although responsible people seemed to be inclined to pooh-pooh them. The President wanted Agriculture to get in touch with the Budget Bureau and the War Department and get prepared to move out at once.''

President Roosevelt had developed great respect for Wallace's counsel as a Cabinet member for eight years on a great variety of subjects beyond agricultural policy. He referred to him as ''old man common sense,'' and selected him as his vice presidential candidate in 1940 because, according to Eleanor Roosevelt, he could best carry out Roosevelt's domestic and foreign policy if something should happen to the president.

In December 1940, Wallace, recently elected vice president, was sent to Mexico by President Roosevelt to attend the inauguration of its new president. While there, Wallace, who had learned Spanish a few years before, asked to tour the rural areas and saw the desperate need for better agricultural methods to improve food yields. He was impressed by the prominent role of corn in Mexican agriculture, as well as the reverence the people had for it. Upon his return to the United States, he persuaded the Rockefeller Foundation to establish the first of a series of highly successful international agricultural research centers. The Wallace proposal was timely because the foundation had begun to realize that its global public health programs, while controlling diseases such as hookworm, yellow fever and malaria, might be saving people from disease only to have them experience slow starvation due to inadequate diets. He was also responsible for the establishment of the Institute of Tropical Agriculture in Costa Rica and took an active part in the plans which led to the creation of the Food and Agricultural Organization of the United Nations.

A fellow Iowan, Norman Borlaug, who received the Nobel Prize for his work with the ''Green Revolution,'' once remarked that the award should have gone to Henry Wallace, whose leadership and inspiration was the moving force in these efforts.

Wallace was the first vice president in American history to be given formal executive branch responsibilities as head of the Board of Economic Warfare. This agency was charged with the critical task of obtaining and ensuring the availability of vital raw resources from Latin America and elsewhere after the United States entered World War II.

Wallace, in implementing the procurement contracts with countries from whom materials were obtained, required the commitment that they would in turn provide improved wages and living conditions for the workers. His objective was two-fold: healthy workers would best provide the supplies

needed, and, in Wallace's view, such economic and social developments within the society would help advance democracy, ensure better post-war trading opportunities and good relations with the U.S. This approach was vigorously opposed by conservatives within the administration and the U.S. Congress, and the practice was therefore discontinued.

Wallace typically, like his forebears, was concerned not only with the problems of his generation, but also with those of his grandchildren. Painfully mindful of the errors in U.S. policy, which he felt lost the peace following World War I, Wallace, as early as 1941, predicted with typical vision: ''The wisdom of our actions in the first three years of peace will determine the course of world history for half a century.''

On May 8, 1942, Vice President Wallace delivered his most well known public address entitled ''The Price of Free World Victory,'' but known to millions throughout the world as the ''Century of the Common Man'' speech.

The speech represented Wallace's effort to inform World War II with a moral purpose: ''This is a fight between a slave world and a free world,'' he declared, ''and the free world must prevail.'' His remarks, however, went far beyond a call for the defeat of Germany and Japan. Wallace saw the war as a struggle against oppression everywhere. ''Victory for the allies,'' he said, ''must lift the men and women of all nations from the bonds of military, political and economic tyranny.'' In short, Wallace envisioned a worldwide revolution against the old order.

''Some have spoken of the 'American Century,'' he said, referring to an earlier address by Henry Luce of Time Magazine. ''I say that the century on which we are entering—the century which will come out of this war—can and must be the century of the common man.'' In Wallace's mind the postwar situation should be a world free from want and deprivation in which nations traded freely and where lawful international order superseded national militarism. Wallace wrote:

''When a political system fails to give large numbers of men the freedom it has promised, then they are willing to hand over their destiny to another political system. When the existing machinery of peace fails to give them any hope of national prosperity or national dignity, they are ready to try the hazard of war. When education fails to teach them the true nature of things, they will believe fantastic tales of devils and magic. When their normal life fails to give them anything but monotony and drabness, they are easily led to express themselves in unhealthy or cruel ways, as by mob violence. And when science fails to furnish effective leadership, men will exalt demagogues and science will have to bow down to them or keep silent.''

Wallace preached that Americans must be prepared to support decolonization, international demilitarization and economic cooperation if victory was to have any true meaning. He was, however, frequently frustrated in these objectives. The voice of the common man, he complained in his diary, was not heard by the powerful elitists who ran foreign affairs. ''So long as the foreign affairs of the U.S. are allowed to be controlled as the sacrosanct preserve of one social class only, the weight of this country will continue to be thrown on the side of the 'proper' people in other countries, all lip service to democracy notwithstanding * * *.'' In an earlier speech responding to Hitler's claim of the superiority of the Aryan race, Wallace said that, ''As a result of my study of genetics . . . there is nothing in science to interfere with what might be called a genetic basis for democracy. The seed bed of the great leaders of the future, as of those of the past, is in the rank and file of the people.''

As the cold was developed in March 1946, Wallace said, ''The common people of the world will not tolerate a recrudescence of imperialism even under enlightened Anglo-Saxon atomic bomb auspices. If English-speaking people have a destiny, it is to serve the world, not to dominate it.'' In light of his scientific background, Wallace had been designated by President Roosevelt as his personal liaison to secretly work with the group proposing the development of the atomic bomb. It has been said that the explosion of the atomic bomb ''changed everything but man's thinking.'' Not true with Wallace, for he immediately understood the threat now represented to human survival and rededicated all his efforts from that point forward to the cause of world peace.

On September 21, 1945, in his last Cabinet meeting as Secretary of War, Republican patrician, Henry Stimson, proposed that information about atomic energy (not how to make the bomb) should be shared with other members of the United Nations, including the Soviet Union. Failing that, Stimson argued, the Russians would view atomic energy as another weapon in the Anglo-American arsenal that must—and would—be matched. Wallace sided with Stimson and, in a follow-up letter to President Truman, joined those U.S. atomic scientists who warned that, in attempting to maintain secrecy about these scientific developments, we will be indulging in ''the erroneous hope of being safe behind a scientific Maginot Line.''

Wallace was also acutely aware that another bomb was ticking—the growing global discrepancy between rich and poor—and that dramatic population growth, accompanied by even greater human misery and suffering, would lead to an explosion even more probable than the bomb itself.

For the last 17 years of his life, Wallace was retired on his New York farm, out of public life and politics, continuing the work he loved most—his experiments with gladioli, strawberries, corn and chickens, as well as his efforts to increase agricultural productivity and improve the nutrition of the people in the less developed world with a special emphasis on Central and Latin America.

In 1963, in a commencement address at the Pan American School of Agriculture in Honduras, Wallace told the young graduates that if any people wished long to survive, they should work at least one-third of the time with their hands and preferably in contact with soil. He urged them to invest ''their personal interest wisely,'' and the ''depth of that interest will draw other people to you. Some of them good, some bad. Eventually some of you will come to understand human beings which is the most difficult job of all.'' He went on to say that ''you are scientists who have learned to use your hands in a practical way. In so doing you will be intensely patriotic, serving your country in the most fundamental way. You will not belong to the right or the left or the center, but to the earth and those who work the earth lovingly and effectively so that it may be preserved and improved century after century.''

What, then, are we to make of this shy revolutionary, this complex genius with such an elusive personality, and what can we learn from his attitude towards plants, science, agriculture—and human life and progress?

We might begin by asking ourselves the question he often asked himself: ''What is worthwhile?'' This is the question at the heart of our inner selves, part of the Presbyterian catechism he learned as a young boy from his grandfather. It is a question of faith. The answer given by the catechism is: ''The chief end of man is to glorify God and enjoy Him forever.'' How is one to glorify God? The Wallaces were believers in the ''social gospel;'' that is, one glorified God by serving one's fellow human beings.

In his oral history, Wallace said that if he were:

To draw conclusions from my life so far I would say that the purpose of existence here on earth is to improve the quality and increase the abundance of joyous living. The improved quality and increased abundance of life is a progressive matter and has to do not only with human life but with all plants and animals as well. The highest joy of life is complete dedication to something outside of yourself. I am convinced that God craves and needs humanity's help and that without that help expressed in terms of joyous vitality, God will have failed in this earthly experiment.

This is the core of Henry A. Wallace. If these views strike you as an odd way for a plant geneticist to talk about his work, rest assured you are not alone. Plenty of Wallace's contemporaries were equally perplexed. ''A senator moves easily from corn to hogs,'' the journalist Jonathan Daniels wrote. ''But he can be disturbed by a grinning Iowan who moves casually from genetics to God.''

Dr. Raul C. Manglesdorf, head of the Harvard University Botanical Museum, said, ''It was Wallace's fate to be often regarded as a 'dreamer' when actually he was only seeing in his own pragmatic, realistic way some of the shapes of things to come and more often than not he was right. . . . Wallace's predictions,'' he further noted, ''were based less on inspiration or intuition than upon an objective evaluation of the available facts in the light of historical perspective. As a student of history he was well aware that history often repeats.''

During his lifetime, political opponents often derided Wallace as a ''mystic,'' a term which they intended to conjure up visions of crystal balls and secret ceremonies. Wallace himself accepted the term ''practical mystic.'' ''I've always believed that if you envision something that hasn't been, that can be, and bring it into being, that is a tremendously worthwhile thing to do.'' Wallace once co-authored a wonderful little book with William Brown on the history of corn, titled Corn and Its Early Fathers, at the beginning of which he devoted an entire page to this quotation from Jonathan Swift: ''And he gave it for his opinion, that whoever could make two ears of corn, or two blades of grass, to grow upon a spot of ground where only one grew before, would deserve better of mankind, and do more essential service to his country, than the whole race of politicians put together.''

Wallace, the ''practical mystic,'' saw a way to make the equivalent of two or four ears of corn grow where one grew before. This, in his view, seemed a ''tremendously worthwhile thing to do,'' precisely because it seemed an obvious way of improving the lot of his fellow human beings.

But there was another component to his vision. This was the hope that hybrids would help bring about the ''distinctive rural civilization'' of his family's dreams. He asked: ''Can we go ahead to create a rural civilization that will give us a material foundation solid enough so that life can be enjoyed instead of being wasted in a chase after enough dollars to keep the sheriff and wolf away?'' Perhaps hybrid seed, and science in general, provided an answer.

It may be charged—certainly it was in his own time—that such a vision is utopian. But Wallace was not intimidated by such language. ''Our utopias,'' he wrote, ''are the

blueprints of our future civilization, and as such, airy structures though they are, they really play a bigger part in the progress of man than our more material structures of brick and steel. The habit of building utopias shows to a degree whether our race is made up of dull-spirited bipeds or whether it is made up of men who want to enjoy the full savoring of existence that comes only when they feel themselves working with the forces of nature to remake the world nearer to their heart's desire.''

It is worth reflecting upon this comment, for it encompasses Wallace's answer to both those who would say science must be allowed to work its will regardless of the consequences, and to the critics of science who would rather forego knowledge than cope with change.

To scientists he said this:

''The cause of liberty and the cause of true science must always be one and the same. For science cannot flourish except in an atmosphere of freedom, and freedom cannot survive unless there is an honest facing of facts . . . . Democracy—and that term includes free science—must apply itself to meeting the material need of men for work, for income, for goods, for health, for security, and to meeting their spiritual need for dignity, for knowledge, for self-expression, for adventure and for reverence. And it must succeed.''

In other words, the ends of science must always be mankind. Scientists, no less than the rest of us, must every day ask themselves; What is worthwhile?

To the anti-scientists, Wallace said this in 1933:

''I have no patience with those who claim that the present surplus of farm products means that we should stop our efforts at improved agricultural efficiency. What we need is not less science in farming, but more science in economics . . . . Science has no doubt made the surplus possible, but science is not responsible for our failure to distribute the fruits of labor equitably.''

In other words, the answer to society's problems lies not in blocking progress but in guiding it to serve mankind's ends.

And to everyone he offered this warning:

''The attacks upon science stem from many sources. It is necessary for science to defend itself, first, against such attacks, and second, against the consequences of its own successes. What I mean is this: That science has magnificently enabled mankind to conquer its first great problem—that of producing enough to go around; but that science, having created abundance, has now to help men live with abundance. Having conquered seemingly unconquerable physical obstacles, science has now to help mankind conquer social and economic obstacles. Unless mankind can conquer these new obstacles, the former successes of science will seem worse than futile. The future of civilization, as well as of science, is involved.''

Wallace also once observed ''scientific understanding is our joy. Economic and political understanding is our duty.'' His concept of scientific research was a broad one and included the lifting of the social sciences to the same level as the natural sciences. In turn, he challenged these scientists to have a greater conscience concerning the implications of their work. Applied research would properly involve social planning, which would enable man to have more leisure time and thus better enjoy non-material things, such as ''music, painting, literature, sport for sport's sake, and the idle curiosity of the scientist himself.''

The New Republic, which he served briefly as editor after his retirement from politics, once described his concept of political democracy as ''. . . that of a science which would blend political freedom with the full use of resources, both of manpower and of technologies, for everyone's welfare.''

It is intriguing to speculate about what Wallace might say if he were here today, about the state of agriculture in this country and around the world, about the movement for a sustainable alternative agriculture, about the role of science and the march of human progress. Probably his comments would surprise all of us, as they so often surprised audiences during his lifetime. His was a provocative and remarkably original mind, unfazed by popular opinion and conventional wisdom. The absence of ''corn shows'' testifies to that.

First, on a very contemporary note, we can assume Wallace would be appalled and disgusted by the attack now being made on the nation's conservation programs, especially those related to agriculture. The efforts made to preserve land—to remove marginal land from production and protect the remainder from erosion and abuse—were among his proudest accomplishments. ''People in cities may forget the soil for as long as a hundred years, but mother nature's memory is long and she will not let them forget indefinitely,'' he wrote. ''The soil is the mother of man and if we forget her, life eventually weakens.

Second, Wallace would admonish us to use our abundance more ''virtuously and wisely.'' In the long run, Wallace believed, a healthy democracy could not tolerate the politics of scarcity. In his own time, Wallace saw the devastating consequences of scarcity run amuck; one-third of a nation ill-nourished, ill-clad, and ill-housed. Today, however, we might imagine that Wallace would see too much money, made in unproductive ways, in the hands of too few people, too many people without health insurance or secure and satisfying employment, and far, far too many people leading wasted lives in the poverty and degradation of our major cities. He would deplore the national priorities which call for huge defense budgets while reducing investments in education, environment, and job training. He would be greatly troubled by the lack of concern for the ''general welfare,'' the widespread violence in our country, and the lack of civility and loss of community in our national life. He would urge creative social and economic planning to address these issues.

While he would welcome the liberalization of international trade, he would decry the enormous expenditure of scarce Third World resources on arms. He would advocate a stronger U.N. military force and greater foreign assistance through more efficient and reformed multilateral lending institutions.

Third, we might guess that Wallace would look upon the sustainable agriculture movement with considerable affection. This is speculative because Wallace, like all of us, was a man of his times, and no one would say he was close to being ''certified organic'' in his own practices. He used chemical pesticides and fertilizers liberally, and, some would argue, helped pave the way for a highly mechanized, industrialized agriculture through the introduction of hybrid seed to commercial farming.

Still, Wallace was a man who believed in facts. If the facts argued against chemical pesticides, he would have accepted them totally. What he sought, in his life's work, was not prosperity for corporations, but for the men and women living on farms, doing God's work, preserving their land and seeing ''the fruits of their labor raise the living standards of mankind.'' Prosperity, he often warned farmers, was not an end but the means to an end. He wrote: ''Can we remember that prosperity is worthless except insofar as it gives us more freedom and strength to do good work, to love our fellow men and to take delight in the beauty of a world wonderful enough to give pleasure to the Workman who planned it?''

Finally, we can guess that he would say to farmers and scientists: ''Small is good.'' When Wallace began his corn breeding experiments, he recalled, he ''had only a fraction of an acre within the city limits of Des Moines on which to work. An inbred corn capable of unusually high yield came out of [this] backyard garden, which was but ten by twenty feet. . . .'' He was concerned that breeders might substitute masses of data for real understanding and pointed out that James Logan, an 18th Century experimenter, had learned from four hills of corn, and that the principles of heredity were discovered by Gregor Mendel, growing peas in a monastery garden about 15 feet wide and 30 or 40 feet long, and finally, that George H. Shull, one of the inventors and developers of hybrid corn, used no more than one quarter of an acre each season in conducting his experiments.

He deplored that the modern trend in science is in exactly the opposite direction. ''The present emphasis,'' he wrote, ''is directed toward doing things in a big way, toward large numbers and multidisciplinary research. In many of our educational institutions, scientific progress seems to be measured in terms of the growth of departments and the number and size of financial grants that can be obtained for support of the work. . . . The great scientific weakness of America today.'' he said, ''is that she tends to emphasize quantity at the expense of quality—statistics instead of genuine insight—immediate utilitarian application instead of genuine thought about fundamentals. . . . True science cannot be evolved by mass-production methods.''

At 75 years of age and in outwardly remarkable physical condition, Wallace became afflicted with Amyotrophic Lateral Sclerosis, or Lou Gehrig's disease. This disease affects the nervous system and causes muscular atrophy. There is no cure. An experimenter to the end, he kept a careful record of his symptoms and reactions in a memo entitled, ''Reflections of an ALSer.'' In the final weeks of his illness, in September 1965, Wallace was visited by a friend while a patient at NIH. The visitor noted that the flowers in his room had been sent by President Lyndon Johnson. Wallace, who, given the disease's progression, could no longer speak, wrote on a notepad, ''I hope they think about decentralization as the hope of the future. Big cities will become cesspools.''

Wallace always rose very early on his Farvue farm and, as long as his failing health permitted, continued to type his own correspondence with geneticists, plant breeders and others around the world before going out to the field in a mechanized wheelchair to work with his research plots.

One of his last letters was to a long-time friend and corn breeder:

''Your 3306 [a hybrid seed corn code] has me all excited. So glad you have 2,000 acres of it. . . . I was feeling rather blue when I got up this morning, thinking the end of the road was not far off. But when I got to thinking about 3306, I felt I just had to live to see how [it] would adapt to the tropical program, the Argentine program, and the South Georgia program. Yes, this is the most exciting letter I have ever received from you.''

That was his message. Think big, plant small, work hard, seek the truth, glorify God, and have sympathy for the plant.●

ORDER OF BUSINESS

Mr. INHOFE addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

WAR CRIMES ACT OF 1996

Mr. INHOFE. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 3680 which was received from the House.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3680) to amend title 18, United States Code, to carry out the international obligations of the United States under the Geneva Conventions to provide criminal penalties for certain war crimes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. INHOFE. Mr. President, this particular act is known as the War Crimes Act of 1996. This was called to my attention by a very articulate young Congressman from North Carolina, Walter Jones, Jr., whose father we served with for many, many years over in the House of Representatives.

He was very observant in discovering something, that after 40 years, after the ratification of the Geneva Conventions, that it was not self-enacting, and we actually have never passed the necessary legislation to accept jurisdiction within our Federal courts to prosecute war crimes that we were aware of.

So this legislation will correct that after this long period of time. It is kind of inconceivable to me that we would send out to battle and to various parts of the world our young troops, trying to equip them properly—I would say properly, that if we ever get our authorization passed—and have these people ready to do the work that they are trained to do, and yet if a crime is perpetrated against them, and that criminal happens to be in the United States, we cannot even prosecute them in our Federal courts. That is all going to come to a stop.

I think also this bill might even address another problem that is taking place right now in this country. As you know, I am from Oklahoma. And one of the worst terrorist acts took place just a little over a year ago in Oklahoma City with the bombing of the Murrah Federal Office Building. And with all of the terrorist acts recently, this could act as a deterrent, this War Crimes Act of 1996, for people who may be considering perpetrating some terrorist act that could be defined as a war crime.

So I believe this is something that should have been done some 40 years ago, but was not. So we will correct that tonight. This has been cleared by both sides.

Mr HELMS. Mr. President, this bill will help to close a major gap in our Federal criminal law by permitting American servicemen and nationals, who are victims of war crimes, to see the criminal brought to justice in the United States.

Before addressing the need for this legislation, let me thank and commend the distinguished WALTER JONES, who so ably represents the third district of North Carolina, for his commitment and hard work toward the passage of this bill. I'd also like to thank my distinguished colleague, Senator JAMES INHOFE, for his support of this important bill.

Many have not realized that the U.S. cannot prosecute, in Federal court, the perpetrators of some war crimes against American servicemen and nationals. Currently, if the United States were to find a war criminal within our borders—for example, one who had murdered an American POW—the only options would be to deport or extradite the criminal or to try him or her before an international war crimes tribunal or military commission. Alone, these options are not enough to insure that justice is done.

While the Geneva Convention of 1949 grants the U.S. authority to criminally prosecute these acts, the Congress has never enacted implementing legislation. The War Crimes Act of 1996 corrects this oversight by giving Federal district courts jurisdiction to try individuals charged with committing a grave breach of the Geneva Conventions, whenever the victim or perpetrator is a U.S. serviceman or national.

The bill would also allow an American, who is charged with a war crime, to be tried in an American court and to receive all of the procedural protections afforded by our American justice system.

Mr. President, at a time when American servicemen and women serve our Nation in conflicts around the world, it is important that we give them every protection possible. I urge my colleagues to support this bipartisan bill and reaffirm our commitment to our country's servicemembers.

I ask unanimous consent that an article from the New York Times be printed in the RECORD.

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

[From the New York Times, June 25, 1996]

MS. MALONEY AND MR. WALDHEIM

(By A.M. Rosenthal)

For a full half-century, with determination and skill, and with the help of the law, U.S. intelligence agencies have kept secret the record of how they used Nazis for so many years after World War II, what the agencies got from these services—and what they gave as payback.

Despite the secrecy blockade, we do know how one cooperative former Wehrmacht officer and war crimes suspect was treated. We know the U.S. got him the Secretary Generalship of the U.N. as reward and base.

For more than two years, Congress has had legislation before it to allow the public access to information about U.S.-Nazi intelligence relations—a bill introduced by Representative Carolyn B. Maloney, a Manhattan Democrat, and now winding through the legislative process.

If Congress passes her War Crimes Disclosure Act, H.R. 1281, questions critical to history and the conduct of foreign affairs can be answered and the power of government to withhold them reduced. The case of Kurt Waldheim is the most interesting example—the most interesting we know of at the moment.

Did the U.S. know when it backed him for Secretary General that he had been put on the A list of war-crime suspects, adopted in London in 1948, for his work as a Wehrmacht intelligence officer in the Balkans, when tens of thousands of Yugoslavs, Greeks, Italians, Jew and non-Jew, were being deported to death?

If not, isn't that real strange, since the U.S. representative on the War Crimes Commission voted to list him? A report was sent to the State Department. Didn't State give the C.I.A. a copy—a peek?

And when he was running for Secretary General why did State Department biographies omit any reference to his military service—just as he forgot to mention it in his autobiographies?

If all that information was lost by teams of stupid clerks, once the Waldheim name came up for the job why did not the U.S. do the obvious thing—check with Nazi and war-crime records in London and Berlin to see if his name by any chance was among those dearly wanted?

Didn't the British know? They voted for the listing too. And the Russians—Yugoslavia moved to list him when it was a Soviet satellite. Belgrade never told Moscow?

How did Mr. Waldheim repay the U.S. for its enduring fondness to him? Twice it pushed him successfully for the job. The third time it was among few countries that backed him again but lost. Nobody can say the U.S. was not loyal to the end.

Did he also serve the Russians and British? One at a time? Or was he a big-power groupie, serving all?

One thing is not secret any longer, thanks to Prof. Robert Herzstein of the University of South Carolina history department. He has managed through years of perseverance to pry some information loose. He found that while Mr. Waldheim worked for the Austrian bureaucracy, the U.S. Embassy in Vienna year after year sent in blurby reports about his assistance to American foreign policy—friendly, outstanding, cooperative, receptive to American thinking. All the while, this cuddly fellow was on the A list, which was in the locked files or absent with official leave.

On May 24, 1994, I reported on Professor Herzstein's findings and the need for opening files of war-crime suspects. Representative Maloney quickly set to work on her bill to open those files to Freedom of Information requests—providing safeguards for personal privacy, ongoing investigations and national security if ever pertinent.

Her first bill expired in the legislative machinery and in 1995 she tried again. She got her hearing recently thanks to the chairman of her subcommittee of the Government Reform Committee—Stephen Horn, the California Republican.

If the leaders of Congress will it, the Maloney bill can be passed this year. I nominate my New York Senators to introduce it in the Senate. It will be a squeeze to get it passed before the end of the year, so kindly ask your representatives and senators to start squeezing.

If not, the laborious legislative procedure will have to be repeated next session. Questions about the Waldheim connection will go unanswered, and also about other cases that may be in the files or strangely misplaced, which will also be of interest.

Mr. INHOFE. Mr. President, I ask unanimous consent that the bill be

deemed read a third time, and passed, and the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The bill (H.R. 3680) was deemed read the third time and passed.

Mr. INHOFE. Thank you, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

OREGON RESOURCE CONSERVATION ACT OF 1996 OPAL CREEK WILDERNESS AND OPAL CREEK SCENIC RECREATION AREA ACT OF 1996

Mr. HATFIELD. Mr. President, I ask unanimous consent to bring up S. 1662, which has been cleared on both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1662) to establish areas of wilderness and recreation in the State of Oregon, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Oregon Resource Conservation Act of 1996''.

TITLE I—OPAL CREEK WILDERNESS AND SCENIC RECREATION AREA

SEC. 101. SHORT TITLE.

This title may be cited as the ''Opal Creek Wilderness and Opal Creek Scenic Recreation Area Act of 1996''.

SEC. 102. DEFINITIONS.

In this title:

(1) BULL OF THE WOODS WILDERNESS.—The term ''Bull of the Woods Wilderness'' means the land designated as wilderness by section 3(4) of the Oregon Wilderness Act of 1984 (Public Law 98–328; 16 U.S.C. 1132 note).

(2) OPAL CREEK WILDERNESS.—The term ''Opal Creek Wilderness'' means certain land in the Willamette National Forest in the State of Oregon comprising approximately 12,800 acres, as generally depicted on the map entitled ''Proposed Opal Creek Wilderness and Scenic Recreation Area'', dated June 1996.

(3) SCENIC RECREATION AREA.—The term ''Scenic Recreation Area'' means the Opal Creek Scenic Recreation Area, comprising approximately 13,000 acres, established under section 103(a)(3).

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

(5) COUNTIES.—The term ''counties'' means Marion and Clackamas Counties in the State of Oregon.

SEC. 103. ESTABLISHMENT OF OPAL CREEK WILDERNESS AND SCENIC RECREATION AREA.

(a) ESTABLISHMENT.—On a determination by the Secretary under subsection (b)—

(1) the Opal Creek Wilderness, as depicted on the map described in section 102(2), is hereby designated as wilderness, subject to the Wilderness Act of 1964, shall become a component of the National Wilderness System, and shall be known as the Opal Creek Wilderness;

(2) the part of the Bull of the Woods Wilderness that is located in the Willamette National Forest shall be incorporated into the Opal Creek Wilderness; and

(3) the Secretary shall establish the Opal Creek Scenic Recreation Area in the Willamette National Forest in the State of Oregon, comprising approximately 13,000 acres, as generally depicted on the map entitled ''Proposed Opal Creek Wilderness and Scenic Recreation Area'', dated June 1996.

(b) CONDITIONS.—Subsection (a) shall not take effect unless the Secretary makes a determination, not later than 2 years after the date of enactment of this Act, that:

(1) the following have been donated to the United States in an acceptable condition and without encumbrances:

(A) All right, title, and interest in the following patented parcels of land:

(i) Santiam number 1, mineral survey number 992, as described in patent number 39–92–0002, dated December 11, 1991.

(ii) Ruth Quartz Mine number 2, mineral survey number 994, as described in patent number 39–91–0012, dated February 12, 1991.

(iii) Morning Star Lode, mineral survey number 993, as described in patent number 36–91–0011, dated February 12, 1991.

(B) all right, title, and interest held by any entity other than the Times Mirror Land and Timber Company, its successors and assigns, in and to lands located in section 18, township 8 south, range 5 east, Marion County, Oregon, Eureka numbers 6, 7, and 8, and 13 mining claims.

(C) A public easement across the Hewitt, Starvation, and Poor Boy Mill Sites, mineral survey number 990, as described in patent number 36–91–0017, dated May 9, 1991.

(2) a binding agreement has been executed by the Secretary and the owners of record as of March 29, 1996, of the following parcels, specifying the terms and conditions for the disposition of these parcels to the United States Government:

(A) The lode mining claims known as Princess Lode, Black Prince Lode, and King Number 4 Lode, embracing portions of sections 29 and 32, township 8 south, range 5 east, Willamette Meridian, Marion County, Oregon, the claims being more particularly described in the field notes and depicted on the plat of mineral survey number 887, Oregon.

(B) Ruth Quartz Mine Number 1, mineral survey number 994, as described in patent number 39–91–0012, dated February 12, 1991.

(c) EXPANSION OF SCENIC RECREATION AREA BOUNDARIES.—On acquiring all or substantially all of the land located in section 36, township 8 south, range 4 east, of the Willamette Meridian, Marion County, Oregon, by exchange, purchase on a willing seller basis, or donation, the Secretary shall expand the boundary of the Scenic Recreation Area to include the land.

SEC. 104. ADMINISTRATION OF THE SCENIC RECREATION AREA.

(a) IN GENERAL.—The Secretary shall administer the Scenic Recreation Area in accordance with the laws (including regulations) applicable to the National Forest System.

(b) OPAL CREEK MANAGEMENT PLAN.—

(1) IN GENERAL.—Not later than 2 years after the date of establishment of the Scenic Recreation Area, the Secretary, in consultation with the advisory committee established under section 105(a), shall prepare a comprehensive Opal Creek Management Plan for the Scenic Recreation Area.

(2) INCORPORATION IN LAND AND RESOURCE MANAGEMENT PLAN.—On completion of the Opal Creek Management Plan, the Opal Creek Management Plan shall become part of the land and resource management plan for the Willamette National Forest and supersede any conflicting provision in the land and resource management plan.

(3) REQUIREMENTS.—The Opal Creek Management Plan shall provide a broad range of land uses, including—

(A) recreation;

(B) harvesting of nontraditional forest products, such as gathering mushrooms and material to make baskets; and

(C) educational and research opportunities.

(4) PLAN AMENDMENTS.—The Secretary may amend the Opal Creek Management Plan as the Secretary may determine to be necessary, consistent with the procedures and purposes of this title.

(c) CULTURAL AND HISTORIC RESOURCE INVENTORY.—

(1) IN GENERAL.—Not later than 1 year after the date of establishment of the Scenic Recreation Area, the Secretary shall review and revise the inventory of the cultural and historic resources on the public land in the Scenic Recreation Area that were developed pursuant to the Oregon Wilderness Act of 1984 (Public Law 98–328; 98 Stat. 272).

(2) INTERPRETATION.—Interpretive activities shall be developed under the management plan in consultation with State and local historic preservation organizations and shall include a balanced and factually-based interpretation of the cultural, ecological, and industrial history of forestry and mining in the Scenic Recreation Area.

(d) TRANSPORTATION PLANNING.—

(1) IN GENERAL.—To maintain access to recreation sites and facilities in existence on the date of enactment of this Act, the Secretary shall prepare a transportation plan for the Scenic Recreation Area that evaluates the road network within the Scenic Recreation Area to determine which roads should be retained and which roads closed.

(2) ACCESS BY PERSONS WITH DISABILITIES.—The Secretary shall consider the access needs of persons with disabilities in preparing the transportation plan for the Scenic Recreation Area.

(3) MOTOR VEHICLES.—

(A) IN GENERAL.—Except as provided in subparagraph (B) and in the transportation plan under paragraph (1), motorized vehicles shall not be permitted in the Scenic Recreation Area.

(B) EXCEPTION.—Forest road 2209 beyond the gate to the Scenic Recreation Area, as depicted on the map described in section 103(a)(3), may be used by motorized vehicles only for administrative purposes and for access to a private inholding, subject to such terms and conditions as the Secretary may determine to be necessary.

(4) ROAD IMPROVEMENT.—Any construction or improvement of forest road 2209 beyond the gate to the Scenic Recreation Area shall be only for the purpose of maintaining the character of the road at the time of enactment and may not include paving or widening.

(e) HUNTING AND FISHING.—

(1) IN GENERAL.—Subject to other Federal and State law, the Secretary shall permit hunting and fishing in the Scenic Recreation Area.

(2) LIMITATION.—The Secretary may designate zones in which, and establish periods when, no hunting or fishing shall be permitted for reasons of public safety, administration, or public use and enjoyment.

(3) CONSULTATION.—Except during an emergency, as determined by the Secretary, the Secretary shall consult with the Oregon State Department of Fish and Wildlife before issuing any regulation under this section.

(f) TIMBER CUTTING.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall prohibit the cutting and/or selling of trees in the Scenic Recreation Area.

(2) PERMITTED CUTTING.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary may allow the cutting of trees in the Scenic Recreation Area only—

(i) for public safety, such as to control the spread of a forest fire in the Scenic Recreation Area or on land adjacent to the Scenic Recreation Area;

(ii) for activities related to administration of the Scenic Recreation Area, consistent with the Opal Creek Management Plan; or

(iii) for removal of hazard trees along trails and roadways.

(B) SALVAGE SALES.—The Secretary may not allow a salvage sale in the Scenic Recreation Area.

(g) WITHDRAWAL.

(1) Subject to valid existing rights, all lands in the Scenic Recreation Area are withdrawn from—

(A) any form of entry, appropriation, or disposal under the public land laws;

(B) location, entry, and patent under the mining laws; and

(C) disposition under the mineral and geothermal leasing laws.

(h) BORNITE PROJECT.

(1) Nothing in this title shall be construed to interfere with or approve any exploration, mining, or mining-related activity in the Bornite Project Area conducted in accordance with applicable laws. The Bornite Project Area is depicted on the map described in section 103(a)(3).

(2) Nothing in this title shall be construed to interfere with the ability of the Secretary to approve and issue special use permits in connection with exploration, mining, and mining-related activities in the Bornite Project Area.

(3) Motorized vehicles, roads, structures, and utilities (including but not limited to power lines and water lines) shall be allowed inside the Scenic Recreation Area to serve the activities conducted on land within the Bornite Project.

(4) After the date of enactment of this title, no patent shall be issued for any mining claim under the general mining laws located within the Bornite Project Area.

(i) WATER IMPOUNDMENTS.—Notwithstanding the Federal Power Act (16 U.S.C. 791a et seq.), the Federal Energy Regulatory Commission may not license the construction of any dam, water conduit, reservoir, powerhouse, transmission line, or other project work in the Scenic Recreation Area, except as may be necessary to comply with (h).

(j) RECREATION.—

(1) RECOGNITION.—Congress recognizes recreation as an appropriate use of the Scenic Recreation Area.

(2) MINIMUM LEVELS.—The management plan shall accommodate recreation at not less than the levels in existence on the date of enactment of this Act.

(3) HIGHER LEVELS.—The management plan may provide for levels of recreation use higher than the levels in existence on the date of enactment of this Act if the levels are consistent with the protection of resource values.

(k) PARTICIPATION.—In order that the knowledge, expertise, and views of all agencies and groups may contribute affirmatively to the most sensitive present and future use of the Scenic Recreation Area and its various subareas for the benefit of the public:

(1) ADVISORY COUNCIL.—The Secretary shall consult on a periodic and regular basis with the advisory council established under section 105 with respect to matters relating to management of the Scenic Recreation Area.

(2) PUBLIC PARTICIPATION.—The Secretary shall seek the views of private groups, individuals, and the public concerning the Scenic Recreation Area.

(3) OTHER AGENCIES.—The Secretary shall seek the views and assistance of, and cooperate with, any other Federal, State, or local agency with any responsibility for the zoning, planning, or natural resources of the Scenic Recreation Area.

(4) NONPROFIT AGENCIES AND ORGANIZATIONS.—The Secretary shall seek the views of any nonprofit agency or organization that may contribute information or expertise about the resources and the management of the Scenic Recreation Area.

SEC. 105. ADVISORY COUNCIL.

(a) ESTABLISHMENT.—On the establishment of the Scenic Recreation Area, the Secretary shall establish an advisory council for the Scenic Recreation Area.

(b) MEMBERSHIP.—The advisory council shall consist of not more than 13 members, of whom—

(1) 1 member shall represent Marion County, Oregon, and shall be designated by the governing body of the county;

(2) 1 member shall represent Clackamas County, Oregon and shall be designated by the governing body of the county;

(3) 1 member shall represent the State of Oregon and shall be designated by the Governor of Oregon; and

(4) 1 member each from the City of Salem and a city within a 25 mile radius of the Opal Creek Scenic Recreation Area.

(5) not more than 8 members shall be appointed by the Secretary from among persons who, individually or through association with a national or local organization, have an interest in the administration of the Scenic Recreation Area, including, but not limited to, representatives of the timber industry, environmental organizations, the mining industry, inholders in the wilderness and scenic recreation area, and economic development interests and Indian Tribes.

(c) STAGGERED TERMS.—Members of the advisory council shall serve for staggered terms of 3 years.

(d) CHAIRMAN.—The Secretary shall designate 1 member of the advisory council as chairman.

(e) VACANCIES.—The Secretary shall fill a vacancy on the advisory council in the same manner as the original appointment.

(f) COMPENSATION.—A member of the advisory council shall not receive any compensation for the member's service to the advisory council.

SEC. 106. GENERAL PROVISIONS.

(a) LAND ACQUISITION.—

(1) IN GENERAL.—Subject to the other provisions of this subsection, the Secretary may acquire any lands or interests in land in the Scenic Recreation Area or the Opal Creek Wilderness that the Secretary determines are needed to carry out this title.

(2) PUBLIC LAND.—Any lands or interests in land owned by a State or a political subdivision of a State may be acquired only by donation or exchange.

(3) CONDEMNATION.—Subject to paragraph (4), the Secretary may not acquire any privately owned land or interest in land without the consent of the owner unless the Secretary finds that—

(A) the nature of land use has changed significantly, or the landowner has demonstrated intent to change the land use significantly, from the use that existed on the date of the enactment of this Act; and

(B) acquisition by the Secretary of the land or interest in land is essential to ensure use of the land or interest in land in accordance with the management plan prepared under section 104(b).

(b) ENVIRONMENTAL RESPONSE ACTIONS AND COST RECOVERY.—

(1) RESPONSE ACTIONS.—Nothing in this title shall limit the authority of the Secretary or a responsible party to conduct an environmental response action in the Scenic Recreation Area in connection with the release, threatened release, or cleanup of a hazardous substance, pollutant, or contaminant, including a response action conducted under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(2) LIABILITY.—Nothing in this title shall limit the authority of the Secretary or a responsible party to recover costs related to the release, threatened release, or cleanup of any hazardous substance or pollutant or contaminant in the Scenic Recreation Area.

(c) MAPS AND DESCRIPTION.—

(1) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary shall file a map and a boundary description for the Opal Creek Wilderness and for the Scenic Recreation Area with the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

(2) FORCE AND EFFECT.—The boundary description and map shall have the same force and effect as if the description and map were included in this title, except that the Secretary may correct clerical and typographical errors in the boundary description and map.

(3) AVAILABILITY.—The map and boundary description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture.

(d) Nothing in this title shall interfere with any activity for which a special use permit has been issued and not revoked before the date of enactment of this title, subject to the terms of the permit.

SEC. 107. ROSBORO LAND EXCHANGE.

(a) AUTHORIZATION.—Notwithstanding any other law, if the Rosboro Lumber Company (referred to in this section as ''Rosboro'') offers and conveys title to the United States acceptable to the Secretary of Agriculture to the land described in subsection (b), all right, title and interest held by the United States to sufficient lands described in subsection (c) of equivalent equal value are conveyed by operation of law to Rosboro.

(b) LAND TO BE OFFERED BY ROSBORO.—The land referred to in subsection (a) as the land to be offered by Rosboro is the land described as follows: Section 36, township 8 south, range 4 east, Willamette Meridian.

(c) LAND TO BE CONVEYED BY THE UNITED STATES.—The land referred to in subsection (a) as the land to be conveyed by the United States is the land described as follows:

(1) Section 2, township 17 south, range 4 east, lot 3 (29.28 acres).

(2) Section 2, township 17 south, range 4 east, NW¼, SE¼ (40 acres).

(3) Section 13, township 17 south, range 4 east, S½, SE¼ (80 acres).

(4) Section 2, township 17 south, range 4 east, SW¼, SW¼ (40 acres).

(5) Section 8, township 17 south, range 4 east, SE¼, SW¼ (40 acres).

(6) Section 5, township 17 south, range 4 east, lot 7 (37.63 acres).

(7) Section 11, township 17 south, range 4 east, W½, NW¼ (80 acres).

(d) The values of lands to be exchanged pursuant to this subsection shall be equal as determined by the Secretary of Agriculture, or if they are not equal, shall be equalized by additional lands or by the payment of money to Rosboro or to the Secretary subject to the 25 per centum cash equalization limitation of section 206 of the Federal Land Policy and Management Act of 1976, as amended (43 U.S.C. 1716).

(e) TIMETABLE.—The authority provided by this section shall lapse if Rosboro fails to offer the land described in subsection (b) within two years after the date of enactment of this Act. If Rosboro does offer the land described in subsection (b) within such two-year period, the Secretary shall within 180 days convey the land described in subsection (c) to Rosboro.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 108. DESIGNATION OF ELKHORN CREEK AS A WILD AND SCENIC RIVER.

Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding at the end the following:

''( )(A) ELKHORN CREEK.—Elkhorn Creek from its source to its confluence on Federal land to be administered by agencies of the Departments of the Interior and Agriculture as agreed

on by the Secretary of the Interior and the Secretary of Agriculture or as directed by the President. Notwithstanding subsection 3(b), the lateral boundaries of the Elkhorn River shall include an average of not more than 640 acres per mile measured from the ordinary high water mark on both sides of the river.

''(B) The 6.4-mile segment traversing federally administered lands from that point along the Willamette National Forest boundary on the common section line between sections 12 and 13, township 9 south, range 4 east, Willamette Meridian, to that point where it leaves Federal ownership along the Bureau of Land Management boundary in section 1, township 9 south, range 3 east, Willamette Meridian, in the following classes:

''(i) a 5.8-mile wild river area, extended from that point along the Willamette National Forest boundary on the common section line between sections 12 and 13, township 9 south, range 4 east, Willamette Meridian, to be administered as agreed on by the Secretaries of Agriculture and the Interior, or as directed by the President; and

''(ii) a 0.6-mile scenic river area, extending from the confluence with Buck Creek in section 1, township 9 south, range 3 east, Willamette Meridian, to that point where it leaves Federal ownership along the Bureau of Land Management boundary in section 1, township 9 south, range 3 east, Willamette Meridian, to be administered by the Secretary of the Interior, or as directed by the President.

''(C) Notwithstanding section 3(b) of this Act, the lateral boundaries of both the wild river area and the scenic river area along Elkhorn Creek shall include an average of not more than 640 acres per mile measured from the ordinary high water mark on both sides of the river.''.

SEC. 109. ECONOMIC DEVELOPMENT.

(a) ECONOMIC DEVELOPMENT PLAN.—As a condition for receiving funding under subsection (b) of this section, the State of Oregon, in consultation with the counties and the Secretary of Agriculture, shall develop a plan for economic development projects for which grants under this section may be used in a manner consistent with this Act and to benefit local communities in the vicinity of the Opal Creek Area. Such plan shall be based on a formal economic opportunity study and other appropriate information.

(b) FUNDS PROVIDED TO THE STATES FOR GRANTS.—Upon certification of the management plan, and receipt of a plan referred to in subsection (a) of this section, the Secretary shall provide $15,000,000, subject to appropriations, to the State of Oregon which shall be used to make grants and loans for economic development projects that further the purposes of this Act and benefit the local communities in the vicinity of the Opal Creek Area.

(c) REPORT.—The State of Oregon shall—

(1) prepare and provide the Secretary and Congress with an annual report to the Secretary and Congress on the use of the funds made available under this section;

(2) make available to the Secretary and to Congress, upon request, all accounts, financial records, and other information related to grants and loans made available pursuant to this section; and

(3) as loans are repaid, make additional grants and loans with the money made available for obligation by such repayments.

TITLE II—UPPER KLAMATH BASIN

SEC. 201. UPPER KLAMATH BASIN ECOLOGICAL RESTORATION PROJECTS.

(a) DEFINITIONS.—In this section:

(1) ECOSYSTEM RESTORATION OFFICE.—The term ''Ecosystem Restoration Office'' means the Klamath Basin Ecosystem Restoration Office operated cooperatively by the United States Fish and Wildlife Service, Bureau of Reclamation, Bureau of Land Management, and Forest Service.

(2) WORKING GROUP.—The term ''Working Group'' means the Upper Klamath Basin Working Group, established before the date of enactment of this Act, consisting of members nominated by their represented groups, including:

(A) 3 tribal members;

(B) 1 representative of the city of Klamath Falls, Oregon;

(C) 1 representative of Klamath County, Oregon;

(D) 1 representative of institutions of higher education in the Upper Klamath Basin;

(E) 4 representatives of the environmental community, including at least one such representative from the State of California with interests in the Upper Klamath Basin Wildlife Refuges;

(F) 4 representatives of local businesses and industries, including at least one representative of the ocean commercial fishing industry and/or recreational fishing industry based in either Oregon or California;

(G) 4 representatives of the ranching and farming community, including representatives of Federal lease-land farmers and ranchers and of private land farmers and ranchers in the Upper Klamath Basin;

(H) 2 representatives from State of Oregon agencies with authority and responsibility in the Klamath River Basin, including one from the Oregon Department of Fish and Wildlife and one from the Oregon Water Resources Department;

(I) 4 representatives from the local community; and

(J) 1 representative each from the following Federal resource management agencies in the Upper Klamath Basin: Fish and Wildlife Service, Bureau of Reclamation, Bureau of Land Management, Bureau of Indian Affairs, Forest Service, Natural Resources Conservation Service, and Ecosystem Restoration Office.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(4) TASK FORCE.—The term ''Task Force'' means the Klamath River Basin Fisheries Task Force as established by the Klamath River Basin Fishery Resource Restoration Act (Public Law 99–552, 16 U.S.C. 460ss–3, et seq.).

(5) COMPACT COMMISSION.—The term ''Compact Commission'' means the Klamath River Basin Compact Commission created pursuant to the Klamath River Compact Act of 1954.

(6) CONSENSUS.—The term ''consensus'' means a unanimous agreement by the Working Group members present at a regularly scheduled business meeting.

(b) IN GENERAL.—

(1) The working Group through the Ecosystem Restoration Office, with technical assistance from the Secretary, will propose ecological restoration projects, economic development and stability projects, and projects designed to reduce the impacts of drought conditions to be undertaken in the Upper Klamath Basin based on a consensus of the Working Group membership.

(2) The Secretary shall pay, to the greatest extent feasible, up to 50 percent of the cost of performing any project approved by the Secretary or his designee, up to a total amount of $1,000,000 during each of fiscal years 1997 through 2001.

(3) Funds made available under this title through the Department of the Interior or the Department of Agriculture shall be distributed through the Ecosystem Restoration Office.

(4) The Ecosystem Restoration Office may utilize not more than 15 percent of all Federal funds administered under this section for administrative costs relating to the implementation of this title.

(5) All funding recommendations developed by the Working Group shall be based on a consensus of Working Group members.

(c) COORDINATION.—

(1) The Secretary shall formulate a cooperative agreement between the Working Group, the Task Force, and the Compact Commission for the purposes of ensuring that projects proposed and funded through the Working Group are consistent with other basin-wide fish and wildlife restoration and conservation plans, including but not limited to plans developed by the Task Force and the Compact Commission.

(2) To the greatest extent practicable, the Working Group shall provide notice to, and accept input from, two members each of the Task Force and the Compact Commission, so appointed by those entities, for the express purpose of facilitating better communication and coordination regarding additional basin-wide fish and wildlife and ecosystem restoration and planning efforts.

(d) PUBLIC MEETINGS.—The Working Group shall conduct all meetings consistent with Federal open meeting and public participation laws. The chartering requirements of 5 U.S.C. App 2 §§1–15 are hereby deemed to have been met by this section;

(e) TERMS AND VACANCIES.—Working Group members shall serve for three year terms, beginning on the date of enactment of this Act. Vacancies which occur for any reason after the date of enactment of this Act shall be filled by direct appointment of the Governor of the State of Oregon, in consultation with the Secretary of Interior and the Secretary of Agriculture, in accordance with nominations from the appropriate groups, interests, and government agencies outlined in section (a)(2).

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $1,000,000 for each of fiscal years 1997 through 2002.

TITLE III—DESCHUTES BASIN

SEC. 301. DESCHUTES BASIN ECOSYSTEM RESTORATION PROJECTS.

(a) DEFINITIONS.—In this section:

(1) WORKING GROUP.—The term ''Working Group'' means the Deschutes River Basin Working Group established before the date of enactment of this Act, consisting of members nominated by their represented groups, including:

(A) 5 representatives of private interests including one each from hydroelectric production, livestock grazing, timber, land development, and recreation/tourism;

(B) 4 representatives of private interests including two each from irrigated agriculture and the environmental community;

(C) 2 representatives from the Confederated Tribes of the Warm Springs Reservation of Oregon;

(D) 2 representatives from Federal Agencies with authority and responsibility in the Deschutes River Basin, including one from the Interior Department and one from the Agriculture Department;

(E) 2 representatives from the State of Oregon agencies with authority and responsibility in the Deschutes River Basin, including one from the Oregon Department of Fish and Wildlife and one from the Oregon Water Resources Department; and

(F) 4 representatives from Deschutes River Basin county and/or city governments, which may include representatives from Deschutes, Crook, Jefferson, and Wasco/Sherman counties.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(3) FEDERAL AGENCIES.—The term ''Federal Agencies'' means agencies and departments of the United States, including, but not limited to, the Bureau of Reclamation, Bureau of Indian Affairs, Bureau of Land Management, Fish and Wildlife Service, Forest Service, Natural Resources Conservation Service, Farm Services Agency, the National Marine Fisheries Service, and the Bonneville Power Administration.

(4) CONSENSUS.—The term ''consensus'' means a unanimous agreement by the Working Group members present at a regularly scheduled business meeting.

(b) IN GENERAL.—

(1) The Working Group will propose ecological restoration projects on both Federal and non-federal lands and waters to be undertaken in

the Deschutes River Basin based on a consensus of the Working Group, provided that such projects, when involving Federal land or funds, shall be proposed to the Bureau of Reclamation in the Department of the Interior and any other Federal agency with affected land or funds.

(2) The Working Group will accept donations, grants or other funds and place the amount of such funds received into a trust fund, to be expended on the performance of ecological restoration projects which, when involving federal land or funds, are approved by the affected Federal Agency.

(3) The Bureau of Reclamation shall pay, to the greatest extent feasible, from funds authorized under subsection (g) of this Act up to 50 percent of the cost of performing any project proposed by the Working Group and approved by the Secretary, up to a total amount of $1,000,000 during each of the fiscal years 1997 through 2001.

(4) Non-Federal contributions to project costs for purposes of computing the Federal matching share under paragraph (3) of this subsection may include in-kind contributions.

(5) Funds authorized in subsection (g) of this section shall be maintained in and distributed by the Bureau of Reclamation in the Department of the Interior. The Bureau of Reclamation shall not expend more than 5 percent of amounts appropriated pursuant to subsection (g) for Federal administration of such appropriations pursuant to this Act.

(6) The Bureau of Reclamation is authorized to provide by grant to the Working Group not more than 5 percent of funds appropriated pursuant to subsection (g) of this section for not more than 50 percent of administrative costs relating to the implementation of this title; and

(7) The Federal Agencies with authority and responsibility in the Deschutes River Basin shall provide technical assistance to the Working Group and shall designate representatives to serve as members of the Working Group.

(8) All funding recommendations developed by the Working Group shall be based on a consensus of the Working Group members.

(c) PUBLIC NOTICE AND PARTICIPATION.—The Working Group shall give reasonable public notice of all meetings of the Working Group and allow public attendance at the meetings. The activities of the Working Group and the Federal Agencies pursuant to the provisions of this Act are exempt from the provisions of 5 U.S.C. App 2 §§1–15.

(d) PRIORITIES.—The Working Group shall give priority to voluntary market-based economic incentives for ecosystem restoration including, but not limited to, water leases and purchases; land leases and purchases; tradable discharge permits; and acquisition of timber, grazing, and land development rights to implement plans, programs, measures, and projects.

(e) TERMS AND VACANCIES.—Members of the Working Group representing governmental agencies or entities shall be named by the represented government. Members of the Working Group representing private interests shall be named in accordance with the Articles of Incorporation and Bylaws of the Working Group. Representatives from Federal Agencies will serve for terms of 3 years. Vacancies which occur for any reason after the date of enactment shall be filled in accordance with this section.

(f) ADDITIONAL PROJECTS.—Where existing authority and appropriations permit, Federal Agencies may contribute to the implementation of projects recommended by the Working Group and approved by the Secretary.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this sections $1,000,000 for each of fiscal years 1997 through 2001.

TITLE IV—MOUNT HOOD CORRIDOR

SEC. 401. LAND EXCHANGE.

(a) AUTHORIZATION.—Notwithstanding any other law, if Longview Fibre Company (referred to in this section as ''Longview'') offers and conveys title that is acceptable to the United States to some or all of the land described in subsection (b), the Secretary of the Interior (referred to in this section as the ''Secretary'') shall convey to Longview title to some or all of the land described in subsection (c), as necessary to satisfy the requirements of subsection (d).

(b) LAND TO BE OFFERED BY LONGVIEW.—The land referred to in subsection (a) as the land to be offered by Longview is the land described as follows:

(1) T. 2 S., R. 6 E., sec. 13—E½SW¼, W½SE¼, containing 160 record acres, more or less;

(2) T. 2 S., R. 6 E., sec. 14—All, containing 640 record acres, more or less;

(3) T. 2 S., R. 6 E., sec. 16—N½, SW¼, N½SE¼, SW¼SE¼, containing 600 record acres, more or less;

(4) T. 2 S., R. 6 E., sec. 26—NW¼, N½SW¼, SW¼SW¼, NW¼SE¼; (and a strip of land to be used for right-of-way purposes in sec. 23), containing 320 record acres, more or less;

(5) T. 2 S., R. 6 E., sec. 27—S½NE¼NE¼, NW¼NE¼, SE¼NE¼, NW¼NW¼, containing 140 record acres, more or less;

(6) T. 2 S., R. 6 E., sec. 28—N½, Except a tract of land 100 feet square bordering and lying west of Wild Cat Creek and bordering on the north line of sec. 28, described as follows: Beginning at a point on the west bank of Wild Cat Creek and the north boundary of sec. 28, running thence W. 100 feet, thence S. 100 feet parallel with the wet bank of Wild Cat Creek, thence E. to the west bank of Wild Cat Creek, thence N. along said bank of Wild Cat Creek to the point of beginning, also excepting that portion of the NW¼NW¼ lying east of Wildcat Creek, containing 319.77 record acres, more or less;

(7) T. 2 S., R. 7 E., sec. 19—E½SW¼, SW¼SE¼, Except a tract of land described in deed recorded on August 6, 1991, as Recorder's Fee No. 91–39007, and except the portion lying within public roads, containing 117.50 record acres, more or less;

(8) T. 2 S., R. 7 E., sec. 20—S½SW¼SW¼, containing 20 record acres, more or less;

(9) T. 2 S., R. 7 E., sec. 27—W½SW¼, containing 80 record acres, more or less;

(10) T. 2 S., R. 7 E., sec. 28—S½, containing 320 record acres, more or less;

(11) T. 2 S., R. 7 E., sec. 29—SW¼NE¼, W½SE¼NE¼, NW¼, SE¼, containing 380 record acres, more or less;

(12) T. 2 S., R. 7 E., sec. 30—E½NE¼, NW¼NE¼, Except the portion lying within Timberline Rim Division 4, and except the portion lying within the county road, containing 115 record acres, more or less;

(13) T. 2 S., R. 7 E., sec. 33—N½NE¼, E½NW¼NW¼, NE¼SW¼NW¼, containing 110 record acres, more or less;

(14) T. 3 S., R. 5 E., sec. 13—NE¼SE¼, containing 40 record acres, more or less;

(15) T. 3 S., R. 5 E., sec. 26—The portion of the E½NE¼ lying southerly of Eagle Creek and northeasterly of South Fork Eagle Creek, containing 14 record acres, more or less;

(16) T. 3 S., R. 5 E., sec. 25—The portion of the N½SW¼ lying northeasterly of South Fork Eagle Creek, containing 36 record acres, more or less; and

(17) T. 6 S., R. 2 E., sec. 4—SW¼, containing 160.00 record acres, more or less.

(c) LAND TO BE CONVEYED BY THE SECRETARY.—The land referred to in subsection (a) as the land to be conveyed by the Secretary is the land described as follows:

(1) T. 1 S., R. 5 E., sec. 9—SE¼NE¼, SE¼SE¼, containing 80 record acres, more or less;

(2) T. 2 S., R. 5 E., sec. 33—NE¼NE¼, containing 40 record acres, more or less.

(3) T. 2½ S., R. 6 E., sec. 31—Lots 1–4, incl. containing 50.65 record acres, more or less;

(4) T. 2½ S., R. 6 E., sec. 32—Lots 1–4, incl. containing 60.25 record acres, more or less;

(5) T. 3 S., R. 5 E., sec. 1—NE¼SW¼, SE¼, containing 200 record acres, more or less;

(6) T. 3 S., R. 5 E., sec. 9—S½SE¼, containing 80 record acres, more or less;

(7) T. 3 S., R. 5 E., sec. 17—N½NE¼, containing 80 record acres, more or less;

(8) T. 3 S., R. 5 E., sec. 23—W½NW¼, NW¼SW¼, containing 120 record acres, more or less;

(9) T. 3 S., R. 5 E., sec. 25—The portion of the S½S½, SW¼NW¼ lying southwesterly of South Fork Eagle Creek, containing 125 record acres, more or less;

(10) T. 3 S., R. 5 E., sec. 31—Unnumbered lot (SW¼SW¼), containing 40.33 record acres, more or less;

(11) T. 7 S., R. 1 E., sec. 23—SE¼SE¼, containing 40 record acres, more or less;

(12) T. 10 S., R. 2 E., sec. 34—SW¼SW¼, containing 40 record acres, more or less;

(13) T. 10 S., R. 4 E., sec. 9—NW¼NW¼, containing 40 record acres, more or less;

(14) T. 4 N., R. 3 W., sec. 35—W½SW¼, containing 80 record acres, more or less;

(15) T. 3 N., R. 3 W., sec. 7—E½NE¼, containing 80 record acres, more or less;

(16) T. 3 N., R. 3 W., sec. 9—SE¼NW¼, containing 40 record acres, more or less;

(17) T. 3 N., R. 3 W., sec. 17—S½NE¼, containing 80 record acres, more or less;

(18) T. 3 N., R. 2 W., sec. 3—SW¼NW¼, containing 40 record acres, more or less;

(19) T. 2 N., R. 2 W., sec. 3—SE¼SE¼, containing 40 record acres, more or less; and

(20) T. 1 S., R. 4 W., sec. 15—SW¼NE¼, S½NW¼, containing 120 record acres, more or less.

(d) EQUAL VALUE.—The land and interests in land exchanged under this section—

(1) shall be of equal market value; or

(2) shall be equalized using nationally recognized appraisal standards, including, to the extent appropriate, the Uniform Standards for Federal Land Acquisition, the Uniform Standards of Professional Appraisal Practice, the provisions of section 206(d) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(d)), and other applicable law.

(e) REDESIGNATION OF LAND TO MAINTAIN REVENUE FLOW.—So as to maintain the current flow of revenue from land subject to the Act entitled ''An Act relating to the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant land situated in the State of Oregon'', approved August 28, 1937 (43 U.S.C. 1181a et seq.), the Secretary may redesignate public domain land located in and west of range 9 east, Willamette Meridian, Oregon, as land subject to that Act.

(f) TIMETABLE.—The exchange directed by this section shall be consummated not later than 1 year after the date of enactment of this Act.

(g) WITHDRAWAL OF LANDS.—All lands managed by the Department of the Interior, Bureau of Land Management, located in townships 2 and 3 south, ranges 6 and 7 east, Willamette Meridian, which can be seen from the right of way of Oregon State Highway 26 (referred to in this section as the ''Mt. Hood Corridor''), shall be managed primarily for the protection of important scenic values. Management prescriptions for other resource values associated with these lands shall be planned and conducted for purposes other than timber harvest, so as not to impair scenic quality.

(h) TIMBER HARVEST.—Timber harvest may be conducted in the Mt. Hood Corridor after the occurrence of a resource-damaging catastrophic event. Such harvest, and any additional timber harvest, may only be conducted to achieve the following resource management objectives, in compliance with the current land use plans—

(1) to maintain safe conditions for the visiting public;

(2) to control the continued spread of forest fire;

(3) for activities related to administration of the Mt. Hood corridor; or

(4) for removal of hazard trees along trails and roadways.

(i) ROAD CLOSURE.—The forest road gate located on Forest Service Road 2503, located in T. 2 S., R. 6 E., sec. 14, shall remain gated and locked to protect resources and prevent illegal dumping and vandalism in the Mt. Hood Corridor. Access to this road shall be limited to—

(1) Federal and State officers and employees acting in an official capacity;

(2) employees and contractors conducting authorized activities associated with the telecommunication sites located in T. 2 S., R. 6 E., sec. 14; and

(3) the general public for recreational purposes, except that all motorized vehicles will be prohibited.

(j) NEPA EXEMPTION.—Notwithstanding any other provision of law, the National Environmental Policy Act of 1969 (Public Law 91–190) shall not apply to this section.

(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

TITLE V—COQUILLE TRIBAL FOREST

SEC. 501. CREATION OF THE COQUILLE FOREST.

(a) The Coquille Restoration Act (Public Law 101–42) is amended by inserting at the end of section 5 the following:

''(d) CREATION OF THE COQUILLE FOREST.—

''(1) Within 90 days of the enactment of this title, the Secretary of Interior is authorized to and shall, in accordance with this title and in consultation with the Coquille Tribe of Coos County, Oregon, designate approximately five thousand acres of forest lands in Coos County, Oregon, to which the United States holds title, located in the historic territory of the Coquille Indian people, as the Coquille Forest.

''(2) A map showing the Federal portions of these sections designated as the Coquille Forest, and such additional legal descriptions which are applicable, shall within 180 days of the date of enactment of this title, be prepared by the Secretary in consultation with the Tribe and placed on file at the local District Office of the Bureau of Land Management, the Agency Office of the Bureau of Indian Affairs, and with the Senate Committee on Energy and Natural Resources and the House Committee on Resources.

''(3) Two years from the date of enactment of this subsection, the Secretary shall transfer lands designated under subsection (d)(1), to the Bureau of Indian Affairs, to be held in trust, in perpetuity, for the Coquille Tribe. As Indian trust forest lands, the Secretary of Interior, acting through the Assistant Secretary for Indian Affairs shall manage these lands under applicable forestry laws and in a manner consistent with the standards and guidelines of Federal forest plans on adjacent lands. The Secretary and the Tribe may authorize management of the Coquille Forest consistent with the Coquille Forest management strategy developed by the Independent Scientific Advisory Team and set forth in the report entitled, ''A Forest Management Strategy for the Proposed Coquille Forest'' dated August 31, 1995 and including the December 20, 1995 Addendum.

''(4) From the date of enactment of this title until two years after the date of enactment of this title, the Bureau of Land Management shall:

''(A) retain Federal jurisdiction for the management of lands designated under this title as the Coquille Forest; and

''(B) prior to advertising, offering or awarding any timber sale contract on lands designated under this title as the Coquille Forest, obtain the approval the Bureau of Indian Affairs, which shall act on behalf of and in consultation with the Coquille Tribe.

''(5) After completion of the transfer to the Bureau of Indian Affairs, required in this subsection, the Secretary may, pursuant to the Indian Self-Determination Act (25 U.S.C. 450 et seq.), enter into an Indian self-determination agreement with the Coquille Indian Tribe. Such agreement shall provide for the Tribe to carry out all or a portion of the forest management program for the Coquille Forest. Prior to entering such an agreement, and as a condition of maintaining such an agreement, the Secretary must find that the Coquille Tribe has entered into a Memorandum of Agreement (MOA) with the State of Oregon, as required under subsection (8) this title.

''(6) The Land designated under this title shall be subject to valid existing rights, including all valid liens, rights-of-way, licenses, leases, permits, and easements existing on date of the enactment of this title. These lands will remain open to public access for purposes of hunting, fishing, recreation and transportation, except when closure is required by state or Federal law.

''(7) Unprocessed logs harvested from the Coquille Forest shall be subject to the same Federal statutory restrictions on export to foreign Nations that apply to unprocessed logs harvested from federal lands.

''(8) All sales of timber from land subject to this title shall be advertised, offered and awarded in accordance with the public bidding and contracting laws and procedures applicable to the Bureau of Land Management.

''(9) The Coquille Tribe shall enter into a Memorandum of Agreement (MOA) with the State of Oregon relating to the establishment and management of the Coquille Forest. The MOA shall include, but not be limited to, the terms and conditions for preserving public access, continuing public rights, advancing jointly-held resource management goals, achieving Tribal restoration objectives and establishing a coordinated management framework. Further, provisions set forth in the MOA shall be consistent with Federal trust responsibility requirements applicable to Indian trust lands. The United States District Court for the District of Oregon shall have jurisdiction over actions arising out of claims of breach of the MOA.

''(10) So as to maintain the current flow of revenue from land subject to the Act entitled ''An Act relating to the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant land situated in the State of Oregon'', approved August 28, 1937 (43 U.S.C. 1181a et seq.), the Secretary shall redesignate public domain land located in the Coquille Tribe's service area, as defined in the Coquille Tribal Restoration Act of 1989 (Public Law 101–42), as land subject to that Act. In no event shall payments due to Coos County, Oregon, under that Act be diminished as a result of the land designations required pursuant to this title.

''(11) Within two years of the date of enactment of this subsection, the Secretary shall complete a formal scientific peer review of the management strategy developed by the Independent Scientific Advisory Team and set forth in the report entitled, ''A Forest Management Strategy for the Proposed Coquille Forest'' dated August 31, 1995 and including the December 20, 1995 Addendum.''.

TITLE VI—BULL RUN WATERSHED PROTECTION

SEC. 601. Section 2(a) of Public Law 95–200 is amended on line 7 by striking ''2(b)'' and inserting in lieu thereof ''2(c)''.

SEC. 602. Public Law 95–200 is amended by adding a new subsection 2(b) immediately after subsection 2(a), as follows:

''(b) TIMBER CUTTING.—

''(1) IN GENERAL.—Subject to paragraph (2), the Secretary of Agriculture shall prohibit the cutting of trees in that part of the unit consisting of the hydrographic boundary of the Bull Run River Drainage and as depicted in a map dated June 1996 and entitled ''Bull Run River Drainage''.

''(2) PERMITTED CUTTING.—

''(A) IN GENERAL.—Subject to subparagraph (B), the Secretary of Agriculture shall prohibit the cutting of trees in the area described in subparagraph (1).

''(B) PERMITTED CUTTING.—Subject to subparagraph (B), the Secretary may allow the cutting of trees in the area described in subparagraph (1)—

''(i) for the protection or enhancement of water quality in the area described in subparagraph (1); or

''(ii) for the protection, enhancement, or maintenance of water quantity available from the area described in subparagraph (1); or

''(iii) for the construction, expansion, protection or maintenance of municipal water supply facilities; or

''(iv) for the construction, expansion, protection or maintenance of facilities for the transmission of energy through and over the unit or previously authorized hydroelectric facilities or hydroelectric projects associated with municipal water supply facilities.

''(C) SALVAGE SALES.—The Secretary of Agriculture may not authorize a salvage sale in the area described in subparagraph (1).''.

SEC. 603. Section 2(b) of Public Law 95–200 is amended by inserting in the first line after (a) ''and (b)''.

SEC. 604. Section 2(b) of Public Law 95–200 is redesignated as ''2(c)''.

SEC. 605. Redesignate the following subsections accordingly.

TITLE VII—OREGON ISLANDS WILDERNESS, ADDITIONS

SEC. 701. OREGON ISLANDS WILDERNESS, ADDITIONS.

(a) In furtherance of the purposes of the Wilderness Act of 1964, certain lands within the boundaries of the Oregon Islands National Wildlife Refuge, Oregon, comprising approximately ninety-five acres and as generally depicted on a map entitled ''Oregon Island Wilderness Additions—Proposed'' dated June, 1996, are hereby designated as wilderness. The map shall be on file and available for public inspection in the offices of the Fish and Wildlife Service, Department of the Interior.

(b) All other federally-owned named, unnamed, surveyed and unsurveyed rocks, reefs, islets and islands lying within three geographic miles off the coast of Oregon and above mean high tide, not currently designated as wilderness and also within the Oregon Islands National Wildlife Refuge boundaries under the administration of the United States Fish and Wildlife Service, Department of the Interior, as designated by Executive Order 7035, Proclamation 2416, Public Land Orders 4395, 4475 and 6287, and Public Laws 91–504 and 95–450, are hereby designated as wilderness.

(c) As soon as practicable after this title takes effect, a map of the wilderness area and a description of its boundaries shall be filed with the Senate Committee on Energy and Natural Resources and the House Committee on Resources, and such map shall have the same force and effect as if included in this title; provided, however, that correcting clerical and typographical errors in the map and land descriptions may be made.

(d) Public Land Order 6287 of June 16, 1982, which withdrew certain rocks, reefs, inslets and islands lying within three geographical miles off the coast of Oregon and above mean high tide, including the ninety-five acres described in (a), as an addition to the Oregon Islands National Wildlife Refuge is hereby made permanent.

TITLE VIII—UMPQUA RIVER LAND EXCHANGE STUDY

SEC. 801. UMPQUA RIVER LAND EXCHANGE STUDY: POLICY AND DIRECTION.

(a) IN GENERAL.—The Secretaries of the Interior and Agriculture are hereby authorized and directed to consult, coordinate and cooperate with the Umpqua Land Exchange Project (ULEP), affected units and agencies of state and local government, and, as appropriate, the World Forestry Center and National Fish and

Wildlife Foundation, to assist ULEP's ongoing efforts in studying and analyzing land exchange opportunities in the Umpqua River basin and to provide scientific, technical, research, mapping and other assistance and information to such entities. Such consultation, coordination and cooperation shall at a minimum include, but not be limited to:

(1) Working with ULEP to develop or assemble comprehensive scientific and other information (including comprehensive and integrated mapping) concerning the Umpqua River basin's resources of forest, plants, wildlife, fisheries (anadromous and other), recreational opportunities, wetlands, riparian habitat and other physical or natural resources.

(2) Working with ULEP to identify general or specific areas within the basin where land exchanges could promote consolidation of timberland ownership for long-term, sustained timber production; protection and improvement of habitat for plants, fish and wildlife (including any federally listed threatened or endangered species); recovery of threatened and endangered species; protection and improvement of wetlands, riparian lands and other environmentally sensitive areas; consolidation of land ownership for improved public access and a broad array of recreational uses; and consolidation of land ownership to achieve management efficiency and reduced costs of administration.

(3) Developing a joint report for submission to the Congress which discusses land exchange opportunities in the basin and outlines either a specific land exchange proposal or proposals which may merit consideration by the Secretaries or the Congress, or ideas and recommendations for new authorizations, direction, or changes in existing law or policy to expedite and facilitate the consummation of beneficial land exchanges in the basin via administrative means.

SEC. 802. REPORT TO CONGRESS.

(a) No later than February 1, 1998, ULEP and the Secretaries of the Interior and Agriculture shall submit a joint report to the Committee on Resources of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate concerning their studies, findings, ideas, recommendations, mapping and other activities conducted pursuant to this Act.

(b) At a minimum, the report shall include:

(1) A complete analysis and discussion of issues, options and alternatives considered with respect to the specific study items set forth in Section 3(b) (1–7) of this Act and a discussion of the perceived advantages, disadvantages, and obstacles to implementation of such options and alternatives.

(2) Recommendations and mapping for specific land exchanges, or the identifications and mapping of general areas where exchanges should be considered.

(3) Recommendations, if any, for any changes in law or policy that would authorize, expedite, or facilitate specific land exchanges or facilitate general land exchange procedures.

(4) Recommendations, if any, for special provisions of law or policy that might be applied to specific areas of private or Federal lands after consolidations of lands are completed through land exchanges.

(5) Recommendations, if any, for new or enhanced sources of Federal, state or other funding to promote improved resource protection, recovery and management in the basin.

SEC. 803. AUTHORIZATION OF APPROPRIATIONS.

In furtherance of the purposes of this title, there is hereby authorized to be appropriated the sum of $2 million.

AMENDMENT NO. 5150

Mr. HATFIELD. Mr. President, I understand that there is a substitute amendment at the desk offered by myself and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] proposes an amendment numbered 5150.

Mr. HATFIELD. 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. HATFIELD. Mr. President, as my colleagues know, at the end of this year, I will leave the Senate and return to the inviting shores of Oregon. Oregon is the State of my birth and the State that I have labored to represent for over four decades. It has never been a mystery to me why so many have been drawn to my State. The rich pioneer spirit of Oregon's citizenry is matched only by the blessings of the State's bountiful natural treasures.

I am pleased to speak today about legislation that will ensure that several of Oregon's most significant natural treasures will be protected for future generations. This legislation, the Oregon Resources Conservation Act, of which I am the proud sponsor, includes eight titles addressing a host of natural resource issues. Many of the issues within these titles have been the subject of great debate and lingered unresolved for years.

The heart of this proposal is title one, which creates a 25,800-acre Opal Creek Wilderness and National Scenic Recreation Area. Opal Creek is one of the last remaining intact, low-elevation old growth forest areas in Western Oregon. The Opal Creek title of the Oregon Resources Conservation Act would create a 25,800-acre Opal Creek Wilderness and National Scenic-Recreation Area. Of the 25,800 acres, 12,800 acres would be designated as new wilderness to be managed under the Wilderness Act of 1964, and 13,000 acres would be managed as a national scenic-recreation area.

A great public debate has surrounded the Opal Creek issue for decades. It is my firm hope that this is a debate we are about to resolve. Opal Creek is a very special place, and I have always believed the area merits permanent protection.

I sought to include protection for the area in my 1984 Oregon wilderness bill, and again in my 1988 wild and scenic rivers bill. Both times I was forced to remove the provision at the request of Oregon's Governor. Representative Mike Kopetski made a bold effort to legislate protection in 1994, but time ran out in the 103d Congress before final action could be taken in the Senate.

Today, the entire 35,000 acre watershed that includes the Opal Creek subbasin is protected from commercial timber harvest under President Clinton's forest plan. Timber companies have indicated to me that they doubt commercial timber harvests will ever occur again in the drainage. Similarly, environmentalists have indicated to me that they believe there is no danger of harvests in the drainage in the foreseeable future.

Surely this is an area fertile for agreement. It is time to show the public some small sign of reconciliation in this continuing feud over our natural resources. It was my hope that the Opal Creek Working Group, which met over a period of 6 months with the assistance of a professional mediator, would provide the agreement Oregonians of all persuasions desire so much. While the working group failed to reach a comprehensive agreement, areas of common interest and shared values were uncovered, and the group's deliberations assisted me greatly in developing this legislation.

This issue has lingered unresolved for far too long, and with this legislation, we have an opportunity to settle it, once and for all.

The Opal Creek title of my legislation addresses each and every one of the sub-watersheds in the Little North Fork Santiam River drainage, either through a wilderness or a National Scenic Recreation Area designation. By doing this, I have attempted to protect the outstanding resource values in each of these sub-drainages, while at the same time addressing the area comprehensively as an intact ecosystem.

Significant portions of the Cedar Creek sub-watershed have been included, part in the Opal Creek Wilderness and part in the Scenic Recreation Area. This protection includes approximately three-quarters of the old growth in the sub-watershed. The five sections that comprise the center of the area include private interests. The presence of these private interests has made this area one of the most difficult to resolve. Through the cooperation of the Rosboro Lumber Co. and the Forest Service, we have provided the framework for a very directed land exchange. This exchange will allow this full section, approximately 640 acres, to be included in the Scenic Recreation Area. In exchange, Rosboro will receive sufficient parcels to accomplish an equal value exchange. The prioritized list of parcels provided in the S. 1662 represent parcels which border, many on three sides, land already owned by Rosboro.

One important part of this protection is the designation of Elkhorn Creek as Oregon's newest wild and scenic river. This designation will protect nearly the full length of the Elkhorn as it moves from land managed by the Forest Service to land managed by the Bureau of Land Management. The BLM manages approximately three sections through which the Elkhorn flows. It is my intent that the full amount of these three sections be included in the wild and scenic designation. The language in the bill has been written to accomplish that result. The BLM portions are designated as ''scenic'', while

the Forest Service portions are designated as ''wild''. This distinction is provided for to allow the BLM to put in a trail head and viewpoint for recreationalists to view this very special area.

In addition to addressing the protection of the entire watershed, the Opal Creek title of this bill maintains recreation at existing levels and allows for growth in uses where appropriate. The bill also calls for historical, cultural, and ecological interpretation in the newly created area to be conducted in a balanced and factually accurate manner. Motorized recreation will be prohibited except on the existing road system and nonmotorized use will be permitted throughout the area, except, of course, in the wilderness. The existing road system will be analyzed and evaluated through a management planning process, which will decide which roads to close and which to leave open. No new water impoundments will be allowed in this area. No new mining claims will be allowed to be filed under the 1872 Mining Law, and no existing claims will be allowed to be patented. In addition, the bill calls for the creation of an advisory council composed of members of the local community, industry, environmental groups, locally elected officials, the Forest Service and an appointee by the Governor. Finally, the bill will not allow commercial timber harvesting of any kind in the Opal Creek area except to prevent the spread of a forest fire or to protect public health and safety. It is important to note that the lands covered by my legislation are not included now in the timber base and are not currently open to commercial harvest.

The final element of the Opal Creek package, Mr. President, was an important part of the working group's discussions. I am referring to an economic development package for the Santiam Canyon, which includes the communities immediately adjacent to the Opal Creek area. This package is based, primarily, on a set of infrastructure improvements developed by these communities in conjunction with the State Economic Development Office, which are designed to improve the water quality and delivery systems of the communities in the area. It is also my intention that the funding allowed here would be available for cleanup and transportation costs related to the Amalgamated Mill site in the Opal Creek area on Battle Ax Creek.

I have made the first down payment on this economic commitment package by including a $300,000 appropriation in the fiscal year 1996 Omnibus Appropriations Act to help begin the cleanup of the contaminated Amalgamated Mill site. There is a continuing discussion of the best way to accomplish the cleanup of this site at the earliest possible date and in a manner that does not endanger public health or safety. This legislation is neutral on the method of cleanup, but should be read as a directive to all parties involved to move forward with deliberate speed to clean up this anomaly in an area of such profound beauty.

Throughout the coming fiscal year 1997 appropriations cycle, I will work closely with Oregon's Governor, John Kitzhaber, and my colleague on the House Appropriations Committee from Oregon, JIM BUNN, to further refine this package and provide additional funding, as needed, for the Amalgamated Mill cleanup and for the critical community infrastructure projects designed to allow these former timber communities to diversify their economic bases and improve their water systems.

In short, the Opal Creek title of this bill attempts to address every issue raised both in the 1994 hearings on Opal Creek and in the working group process conducted out in Oregon. This is an issue I have worked on for almost 20 years. I am extremely pleased that, with this legislation and accompanying infrastructure development package, we will finally be able to address the protection of Opal Creek and the adjacent portions of the Little North Fork Santiam Watershed, as well as improvements to the water quality and delivery systems of nearby, timber-dependent communities.

Mr. President, the second and third titles of the Oregon Resources Conservation Act provide for the establishment of 5-year pilot projects for two, consensus-based natural resource planning bodies now working in Oregon's Klamath and Deschutes Basins. Both of these bodies are already in place and have been working to provide the Federal agencies with recommendations about how best to prioritize spending for ecological restoration, economic health and reducing drought impacts.

I called for the creation of the Upper Klamath Basin Working Group in 1995. This group is citizen-led and includes environmentalists, irrigators, local business leaders, locally elected officials, educators, the Klamath Tribes, and Federal land management agencies in an advisory capacity. This group was charged with developing both short- and long-term recommendations for restoring ecological health in the Klamath Basin. They were successful in developing short-term funding recommendations ranging from riparian and wetland restoration, to fish passage and the coordination of geological information systems in the basin. I followed through on these recommendations and was able to obtain either funding or direction to the pertinent agencies in the fiscal year 1996 appropriations process. I am again attempting to provide funding for the consensus based projects of the Klamath Working Group in the fiscal year 1997 appropriations process.

The group has also developed a long-term recommendation which includes a formal registration of the group as a State-sanctioned foundation and congressional legislation enabling them to help land management agencies set priorities for how money is spent in the basin on various ecological restoration and economic stabilization projects.

Senate bill 1662 addresses the group's long-term recommendation by creating a 5-year pilot project to allow the Upper Klamath Basin Working Group/Foundation, in conjunction with the Federal land management agencies in the basin, to develop funding priorities for ecological restoration in the basin. It will authorize $1 million per year to be spent consistent with these priorities. This money will be administered by the agencies and matched by an equal amount of non-Federal dollars.

Under title III of the bill, the Deschutes Basin in central Oregon would also be allowed to develop a similar regime using, as its base, a group formed by the Warm Springs Tribes, the Environmental Defense Fund, local irrigators, and locally elected officials. This group has been meeting and collaborating on projects in the basin for several years.

Recently, both of these working groups have been able to make significant progress in building coalitions and consensus on natural resource management challenges that, not too long ago, many felt were insurmountable. By giving them more authority to temporarily assist Federal agencies with setting policy priorities using a finite amount of money, I hope we can begin to enter a new era of more local control and greater public input regarding resource management decisions. I also hope these groups, and others that may follow, will continue to use the consensus-based management approach to return resource management decisions to a collaborative, inclusive process rather than the divisive, litigious morass in which we find ourselves today.

The fourth title provides for a land exchange in Oregon's beautiful Mt. Hood corridor. The purpose of this title is to protect the viewshed along the Highway 26 corridor on the way to Mt. Hood, the highest mountain peak in my State. The exchange between the Bureau of Land Management and the Longview Fibre timber company would withdraw lands within the viewshed of the Mt. Hood corridor from the timber base. Both parties are willing participants in this process.

Longview Fibre owns approximately 3,500 acres of timber land in the scenic Mt. Hood corridor, which are interspersed with BLM lands in a checkerboard fashion. Longview would like to harvest these lands within the next 5 years, but is sensitive about the public perception regarding these clearcuts along such a heavily traveled route. I agree with Longview Fibre and feel harvesting these trees along Highway 26 would be a disaster both for the ecological and visual characteristics of the resource. Longview, to their credit, has been extremely interested in working with local planning and environmental groups to identify BLM parcels elsewhere in western Oregon that could be traded for the Longview Fibre lands in the corridor.

This proposal is a unique opportunity to forge ahead with a plan that has been built at the local level over the past 5 years and which has virtually unanimous support, including the local county government, local businesses, the timber industry, and local environmental groups.

Included in this title is a very limited exemption from the National Environmental Policy Act. I want to be clear that this exemption is in no way to be used as a precedent for future waivers of NEPA. This is a unique circumstance, and to counterbalance this exemption, I have included funding in the fiscal year 1997 appropriations process to undertake environmental analysis for this exchange.

The fifth title of S. 1662 would establish the Coquille Forest near the town of Coos Bay, OR. During my Senate career, it has been my pleasure, and I believe my obligation, to take an active role in the restoration of Federal recognition to a number of Indian tribes in the State of Oregon. One of those tribes, the Coquille Tribe from near Coos Bay, OR, was restored in 1989. In the Coquille Restoration Act, Public Law 101–42, which I was proud to sponsor in the Senate, a requirement was included that the Secretary of the Interior and the tribe develop and submit a plan for the tribe's pursuit of economic self-sufficiency.

The Coquille Tribe took that mandate to heart and developed and submitted an extraordinarily comprehensive plan. Wisely, I think, the plan encompassed self-suficiency initiatives across a diverse range of projects. The centerpiece of the plan was a proposal to establish a significant forest land for the tribe within its aboriginal territory. The overall goal of the plan and the forest are to move the standard of living for the members of the Coquille Tribe closer to that of the people of Oregon overall and to provide for the cultural restoration of the Coquille people.

The Coquille Tribe's forest proposal is not, nor is this legislation, some new and novel precedent. Land bases have already been established for a number of federally recognized Oregon tribes, including the Grand Rondes, Siletz, Warm Springs, and Umatillas. These tribal land bases range from 3,600 acres to 640,000 acres. This title would establish a 5,400-acre land base for the Coquille Tribe. Hardly a precedent in either size or action.

Moreover, the Coquille proposal is quite innovative and unique. The proposal originally developed by the Coquille Tribe was a cutting-edge, scientifically based plan to manage the land. The plan would have used environmentally sensitive methods of land management to benefit not only the tribe but the surrounding communities as well. This land management approach was as innovative as any I have seen during my public career, and it prompted me to lend my support to the tribe's effort.

This provision is intended to provide a measure of restitution to the Coquille Tribe. This land was forcibly taken from its inhabitants, an act that I think anyone today would decry as unjust. In the past, atrocities have been heaped upon Oregon's native American tribes, including the Army's efforts to round up the southwestern Oregon tribes like cattle and march them hundreds of miles to government-created Indian reservations at Siletz and Klamath Falls.

To the tribes affected by these U.S. Government policies, the act of uprooting them from their homelands and herding them to far-away reservations destroyed their culture and killed many of their people. These acts were the equivalent of the ethnic cleansing we have seen in recent years against the Muslim people in Bosnia. The restoration of 5,400 acres could never atone for the hardships imposed upon the Coquille people. It can, however, begin to help restore some semblance of culture and a tie to the land that our Federal Government attempted to destroy over 150 years ago.

I have gathered as much public input on the Coquille Tribe forest proposal as on any single legislative effort throughout my entire Senate career. I held two Senate hearings on the matter, one in Salem, OR, and one in Washington, DC. I also have received many letters and phone calls carefully analyzed related public polls, and reviewed newspaper editorials. All of these factors have contributed to the 5,400-acre proposal I have developed.

The forming of this title as it appears today in the substitute has been very challenging. The myriad interests of the Interior Department, the people of Coos County, the logging and environmental communities, the State of Oregon, and certainly the Coquille Tribe have brought together starkly divergent viewpoints.

This title reflects many of the elements from the tribe's earlier proposal, but it is also very different. To accommodate the diversity of interests, and to do so within the parameters of the current discourse regarding the Federal lands, I have fashioned a unique and scaled-down hybrid. I must say that in so doing, the Coquille Tribe has made some very substantial concessions.

First, title five creates a Coquille Forest of only approximately 5,400 acres in size. While the parcels are shown on a BLM map, referenced in the legislation, for clarity I am adding the legal descriptions in the RECORD. The Coquille Forest consists of the Federal portions of the following descriptions:

Willamette Meridian West, Oregon
T28S R10W S. 30,33
T28S R11W S. 14,25,26
T29S R10W S. 5
T30S R11W S. 5,7,15,24,25,29,33
T29S R11W S. 23 SE¼ SE¼
S. 26 E½ NE¼
S. 26 SW¼ NE¼
S. 26 N½ SE¼
T29S R12W S. 26 S½ SW¼
S. 35 NE¼ NW¼
S. 35 NW¼ NE¼

Second, a 2-year transition period is required prior to the Forest transferring into trust for the tribe. To preserve Federal timber revenues to the O&C Counties, the Interior Secretary is authorized to designate an appropriate amount of nearby Federal public domain land into O&C status.

Third, after the forest is transferred to the Assistant Secretary for Indian Affairs, its management must be consistent with the standards and guidelines of adjacent and nearby Federal forest plans. While this consistency requirement is to extend into the future, it should be noted that I do not anticipate that this requirement will foreclose the tribe from realizing at least some significant cultural or economic benefits from its forest.

Fourth, the Assistant Secretary for Indian Affairs is to manage the Coquille Forest pursuant to all applicable State and Federal forestry and environmental laws, specifically including critical habitat designations under the Endangered Species Act. Federal log export restrictions will apply to logs from the Coquille Forest, and competitive bidding is specifically required on all sales.

Fifth, this statute assures continued public access and State regulation of hunting and fishing. Conversely, it is expected that tribal access is assured to all its parcels.

Sixth, Federal law and policies fostering Indian self-determination are recognized by providing opportunity for the tribe to assume some or all of the management of the Coquille Forest. As a requirement for the tribe assuming such management functions, a memorandum of agreement is required with the State of Oregon that details the State's jurisdiction and regulatory functions, and which incorporates the requirements for management consistency with surrounding plans. To assure enforceability of the MOA, both the tribe and the State are authorized to take each other to Federal court.

Finally, the title provides that any affected citizen may sue the Secretary of the Interior for violations of the title. This is not intended to expand laws or case law related to standing to sue. The court is specifically authorized to order the Secretary to withdraw any management authority delegated to the tribe for the management of the forest.

I want to emphasize again the unique arrangement of this provision. It is intended to establish a Coquille Forest for the Coquille Tribe that will mesh into the broader forest management of Coos County. Within that context, the Coquille Forest is to provide a basis for restoring the tribe's culture as well as providing economic benefits.

I hope this proposal, with its relatively modest acreage and the required adherence to the most environmentally friendly forest management plan ever implemented in the Pacific

Northwest—President Clinton's forest plan—is successful and can become a model for how our Nation deals with other claims by native American tribes.

The sixth title of S. 1662 addresses a longstanding issue in my State. The Portland area has been blessed with one of the cleanest sources of drinking water in the Nation. The Bull Run Watershed, east of Portland in the Cascade Mountains, has been providing safe and pure drinking water to Portlanders for over a century. I have always supported protection for this vital resource, including my working to enact the 1977 Bull Run Protection Act, Public Law 95–200.

Title six amends Public Law 95–200 by additional restrictions on management within the hydrographic boundary of the Bull Run Watershed. This is depicted on a map refered to in the legislation. The additional protections do not include the controversial buffer areas or the adjacent Little Sandy Watershed. These additional areas have long been the source of controversy which has effectively blocked providing the additional protections within area that have a direct impact on Portland's drinking water.

I am pleased that, in working with my colleague from Oregon, Mr. WYDEN, we have reached an important agreement on this matter, which is included in S. 1662. The vital part of the agreement involves a study of the impact of management activities within the Little Sandy on Portland's drinking water. This is the heart of the issue with respect to the Little Sandy. With that critical agreement, the additional protections for the main drainage may go forward.

I want to pay a special tribute to my colleague for working so constructively with me on this important matter to Oregonians. Senator WYDEN has made an impressive commitment to this issue and I commend him for his leadership. Let me also commend Representative ELIZABETH FURSE for her commitment to this issue. She has partnered with Senator WYDEN to resolve elevate this important issue in the public dialog.

Finally, I wish to commend the newest member of the Oregon delegation, Representative EARL BLUMENAUER, for the valuable role he played in resolving this issue. The Bull Run Reservoir is located in Congressman BLUMENAUER's legislative district, and through his prompt intervention in this matter at a critical stage, he performed a valuable service to his constituents.

The seventh title of this bill would add approximately 120 acres to the existing Oregon Islands Wilderness. This area is comprised of islands, reefs and rocks within 3 miles of the Oregon coast.

In 1991, the Fish and Wildlife Service completed a wilderness suitability study on 1,200 of these formations, which extend 307 miles, from Tillamook Head to just north of the California border. The Fish and Wildlife Service has recommended a wilderness designation for the study area.

These islands, rocks, and reefs are small and extremely rugged in appearance. The soil cover is shallow. Light vegetation consists primarily of low-growing grasses and herbaceous plants. These areas are valuable as nesting, roosting and foraging habitat for bald eagles, peregrine falcons, California brown pelicans, Canadian geese, and a number of other seabirds and shorebirds. They are also extensively used by marine mammals, such as Steller sea lions, California sea lions, Pacific harbor seals, and threatened northern elephant seal.

Protection of this area would help preserve a reflection of America's rich island heritage. They are also closely associated with the culture of coastal native Americans and early European settlers.

The final title of this legislation provides direction for a land exchange study within the Uppqua Basin in southern Oregon. The goal of the Uppqua land exchange project is to determine if there is a land ownership pattern within the Uppqua River Basin, different from the current one, that would more effectively protect fish and wildlife habitat and allowing more sustainable resource production. The project has hired a team of Oregon scientists to study the resources of this basin to determine if opportunities exist for public and private land exchanges are possible to achieve this goal.

On Federal lands, the opportunity exists for increasing wildlife and fisheries habitat protection as well as sustainable supply of timber as a result of exchanging lands. On private lands, the project could assist land owners better meet their land management goals by providing lands better suited for timber productions that are not as ecologically sensitive as those traded into Federal ownership.

To test this theory, this title directs the land management agencies to take a careful look at the land ownership patterns in this area and at the current makeup of laws and policies. I believe this study will uncover great potential for improvements in our land ownership patterns.

Mr. President, this is comprehensive legislation. I am extremely pleased with this bill. It protects some of Oregon's most important natural resource areas, Opal Creek, Bull Run, the Oregon Islands and the Mt. Hood corridor. It also promotes consensus-based, watershed planning at the local level in the Klamath and Deschutes Basins. Finally, it makes investments in the future through important studies.

I have worked many years to protect Oregon's magnificent natural resources. I am pleased that in this, my last year in the Senate, I will be able to continue this legacy of protecting Oregon's natural beauty for the enjoyment and use of future generations.

At this point I ask unanimous consent to have printed in the RECORD a letter addressed to myself from Under Secretary James Lyons of the Department of Agriculture in which they indicate the administration support for the two titles, the Opal Creek title and the one on the Bull Run.

I would also ask unanimous consent to have printed in the RECORD a letter from Mayor Vera Katz of the city of Portland and Commissioner Mike Lindberg also endorsing title VI which relates to Portland's main and only water supply, which is called the Bull Run.

And I ask unanimous consent to have printed in the RECORD a section-by-section analysis.

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

DEPARTMENT OF AGRICULTURE,
Washington, DC, August 2, 1996.

Hon. MARK O. HATFIELD,
Washington, DC 20510.

DEAR SENATOR HATFIELD: I am writing in support of the two provisions in S. 1662, as amended, which affect Opal Creek and Bull Run in the Willamette National Forest in Oregon.

The Administration testified in support of the Opal Creek Wilderness and Opal Creek Scenic Recreation Area Act of 1996. S. 1662 adds approximately 12,800 acres of mixed old growth forest and anadromous fish habitat to the Wilderness Preservation System granting it permanent protection for primitive use and resource conservation. In addition, the legislation provides Wild and Scenic River protection for Elkhorn Creek as recommended in our hearing testimony. You have worked hard to prepare legislation which balances the concerns of all parties and I appreciate your diligent efforts.

The Department of Agriculture supports the compromise position taken in Title VI of the bill regarding the Bull Run and Little Sandy Watersheds. Conservation in these two watersheds is important to the success of the President's Forest Plan for the owl region and for the City of Portland. The report to Congress authorized in the legislation will help provide information to decide whether any further action is necessary regarding these lands. I especially support the public process which will be used to prepare the study.

Again, I want to congratulate you on your hard work on these provisions. The Department of Agriculture supports enactment of these two titles.

Sincerely,

JAMES R. LYONS,
Under Secretary.

JULY 24, 1996.

Hon. MARK O. HATFIELD,
711 Hart Senate Office Building,
Washington, DC.

DEAR SENATOR HATFIELD: On behalf of the citizens of Portland and the drinking water consumers of the Portland metropolitan region, thank you for your outstanding efforts in the development of Title VI, Bull Run Watershed Protection, in S. 1662, ''The Oregon Resource Conservation Act of 1996''.

We were pleased by the unanimous passage of S. 1662 on June 19 by the Senate Energy and Natural Resources Committee. We have been very grateful to work with you and your staff since then on enhancements to the provisions of Title VI which will be added during forthcoming consideration by the full Senate.

It has been a great honor to work with you on the issue of additional statutory protection for Bull Run water quality since the adoption by the City Council Resolution covering this subject in October 1993.

The provisions of Title VI covering a ban on timber cutting in the hydrographic boundary of the Bull Run drainage, including certain lands within the unit and located below the headworks of the City's water storage and delivery project, except in activities expressly reserved for the City, and the ban on salvage sales, will greatly improve the City's ability to ensure water quality protection in the years to come. The study on the portion of the Little Sandy Watershed within the unit, to be undertaken by the Secretary of Agriculture in consultation with the City, will help to provide useful guidance for the future regarding logging in the Little Sandy and water quality impacts.

We plan to work very closely with you and your staff as S. 1662 continues through the subsequent phases of the legislative process to help in any way we can to ensure that it can be enacted in the few remaining weeks of this Congress.

Thank you again for your leadership on this important initiative.

Warm regards,

VERA KATZ,
Mayor.

MIKE LINDBERG,
Commissioner.

SECTION-BY-SECTION ANALYSIS

S. 1662—OREGON RESOURCES CONSERVATION ACT OF 1996

TITLE I—Opal Creek Wilderness and Scenic-Recreation Area

12,800 acre Opal Creek Wilderness Area.

13,000 acre Opal Creek National Scenic-Recreation Area.

Designates Elkhorn Creek Wild and Scenic River.

Sets up management planning process for Scenic Area.

Sets up 13 member Advisory Council consisting of locally elected officials, environmentalists, timber industry, mining industry, inholders.

Establishes guidelines for disposition of existing inholdings.

Authorizes $15 million Economic Development Plan.

TITLE III—Upper Klamath Basin Pilot Project

Creates a five-year pilot project to allow consensus-based citizen working group to provide ecological restoration recommendations to federal agencies.

Authorizes $1,000,000 per year for consensus-based projects.

Projects must be matched 1-to-1 with non-federal sources.

Fish and Wildlife Service is lead agency.

TITLE III—Deschutes Basin Pilot Project

Creates a five-year pilot project similar to the Klamath Working Group.

Also authorizes $1,000,000 per year for ecosystem restoration projects, 1-to-1 match with non-federal funds.

Bureau of Reclamation is lead agency.

TITLE IV—Mt. Hood Corridor Land Exchange

Authorizes 3,500 acre land exchange in the Mt. Hood Corridor between the Bureau of Land Management and the Longview Fibre timber company.

Both parties are willing participants in this process, which seeks to protect the viewshed along the Highway 26 corridor from Portland to Mt. Hood, Oregon.

Land acquired by BLM in corridor is removed from timber base, consistent with current BLM management of adjacent lands.

Exchange is to be completed within one year.

Title V—Coquille Tribal Forest

Creates 5,400 acre Coquille Forest from BLM lands in SW Oregon.

Management of land will remain with BLM for two years, with no change in existing management structure or funding distribution. Transition plan is authorized.

After two years, title and management will be transferred to Bureau of Indian Affairs. The lands will be held in trust for Coquille Tribe (restored in 1989).

After transfer to BIA, land will be managed consistent with President's Forest Plan and applicable forestry and environmental protection laws.

All timber sales will be subject to competitive and open bidding procedures.

Title VI—Bull Run Watershed Protection

Amends P.L. 95–200, the Bull Run Protection Act, by establishing additional timber harvest restrictions for Bull Run watershed, Portland's primary municipal drinking water source.

Requires a study of the adjacent Little Sandy Watershed to determine the impact of management on Portland's drinking water. Requires report to Congress on findings and recommendations for future management in the area.

Title VII—Oregon Islands Wilderness Additions

Adds approximately 120 acres of islands, reefs and rocks within three miles of Oregon Coast to existing Oregon Islands Wilderness System.

Title VIII—Umpqua River Land Exchange Study

Authorizes and directs Secretaries of Interior and Agriculture to consult, coordinate and cooperate with the Umpqua Land Exchange Project.

Project's mission is to develop scientific basis for and evaluation of land exchanges which involve federal acquisition of sensitive private parcels in exchange for private acquisition of less sensitive, timber producing parcels.

Joint Report to Congress submitted no later than Feb. 1, 1998 making recommendations.

Mr. HATFIELD. Mr. President, there are some very important people who have helped bring this day, now, to fruition. I want to mention the former Congressman from Oregon, Mike Kopetski, who made a valiant effort in 1994 to pass an Opal Creek protection bill. The bill was passed in the House. However, time ran out, in the Senate. It was not enacted. But, certainly, for years he and I had the privilege of trekking this whole area together. That is a wonderful memory I have. I want to pay tribute to his efforts as part of the overall accomplishment of this bill.

I want to also make particular mention of the staff, of David Robertson and Doug Pahl of my staff, who, for years, have been involved in this and have done a great job; to Ms. Alexandra Buell of Senator WYDEN's staff, who has been very meshed into the whole common effort and has an excellent background in resource management; the Energy Committee staff, Gary Ellsworth, Mark Rey and Tom Williams worked together as one staff, so to speak, even though they represent both sides of the aisle. I am very grateful, always, to each of those staff members for their real nitty-gritty and their real creative ability.

The PRESIDING OFFICER. The Senator from Oregon, Mr. WYDEN.

Mr. WYDEN. Mr. President, I want to say first, I very much share Senator HATFIELD's view with respect to the yeoman work that has been done by many parties, in terms of bringing this legislation together. I am especially pleased he has mentioned Ms. Buell and Mr. Pahl. It reflects the bipartisan effort that has gone into moving this legislation forward. I very much want to associate myself with Senator HATFIELD's words of praise for the many staff who have worked on this legislation.

I also want to begin by telling Senator HATFIELD, on behalf of the people of our State, how much we appreciate the extraordinary efforts he has made in the conservation field specifically. As Oregonians know, when you think about the history of our State, it will not just be conservation that Senator HATFIELD has touched. It will be the Oregon Health Sciences Center, where we have built a remarkable medical infrastructure that is going to serve our State into the 21st century. People are going to talk about the exceptional work that was done in the transportation field, where, again, we have led the Nation in terms of looking forward, in terms of making gutsy decisions.

We are going to talk about the agriculture, the maritime efforts, particularly in the field of research which, again, gives us a chance to get out in front of these huge waves of change that so mark these and so many of the issues that are before the Senate.

I just want to tell Senator HATFIELD, I think it is particularly appropriate now, as we move to the last days of this session, that this legislation, which is something of a crowning jewel, moves forward in the Senate. It is a tribute to all of the exceptional work that he has done, now, for 3 decades for the people of our State. I want you to know how much I appreciate all this effort. As you know, I am looking into the possibility of being able to phone you express, when you are at the coast in a much-deserved retirement, to have you help on other matters. I am just so pleased that this legislation is moving forward today, and to be associated with you.

Mr. President, very briefly let me comment on some of the provisions, the excellent provisions in this legislation. It is going to protect Opal Creek, both the drinking water source for the city of Salem and one of the crown jewels of our old growth forests. It is a remnant of what used to be common in the Oregon Cascade Range, but it is now the largest intact low elevation old growth forest that is left, after years of management in the region.

Opal Creek is simply beloved. People hike and swim, and many go simply to experience the grandeur and solace that tall trees and waterfalls have to offer. Visitation is now at about 15,000 people annually, and increases each year.

The President's Forest plan recognized the special nature of Opal Creek and designated it as a late-successional reserve and tier 1 watershed. Although that designation puts some limits to management in the watershed, it does not ensure permanent protection. Only an act of Congress can do that and Senator HATFIELD is responding to the great interest among the people of our State in making sure that there will be permanent protection for Opal Creek. We have been trying to protect this treasure for more than 25 years. Last year, Senator HATFIELD convened a working group of Oregonians interested in Opal Creek that included environmentalists, the timber industry, State and local officials, and the Forest Service. This legislation is a product of those efforts. One prominent Oregon environmental group called the provision precedent setting, and the most protective they have seen in any Federal legislation.

Mr. President, this legislation, Senator HATFIELD has noted, contains other extremely important provisions for our State. I am especially pleased Senator HATFIELD has included in his bill, additional protection for the Bull Run Watershed. This is so important to water users in our State. Hundreds of thousands of Oregonians depend on that watershed for pure, clean drinking water. And the history of Federal protection for the Bull Run Watershed goes back more than 100 years, to President Harrison's proclamation reserving the drainage basin of the Bull Run and Little Sandy Rivers as protected sources of water for the City of Portland.

The Bull Run Watershed now serves more than 20 water districts and over 735,000 people in our metropolitan area.

It is projected by the year 2050, it will be the prime source of drinking water for over 1 million Oregonians.

When I served in the House of Representatives, I joined with Congresswoman ELIZABETH FURSE in introducing H.R. 4063 in the 103d Congress. This earlier piece of legislation increased substantially protections for the Bull Run and the Little Sandy watersheds. Although S. 1662 does scale down the scope of lands covered by new protections, I am pleased that this legislation increases protections for the portion of the Bull Run watershed that serves as the municipal drinking water source for the city of Portland, while maintaining the existing protections for the remainder of the watershed. The city of Portland strongly supports these added protections for the Bull Run watershed.

This legislation includes several other important provisions. It would fund two citizen working groups that have been active in addressing a wide array of ecological restoration, economic development and stability and drought impact reduction projects in the Klamath and Deschutes River basins in our State.

I am excited about both of these groups because I firmly believe that the key to solving many of our environmental problems—the key to solving environmental problems—has to come from strong local input. Oregonians have been successful using this model of strong local involvement in reforming health care, in reforming welfare, and I am pleased to see that as a result of Senator HATFIELD's legislation, the same effort to encourage local involvement is being used in the environmental area.

I believe that no bill is ever perfect, and we all have things that we might want in an ideal situation. The proposal to create the Coquille Tribal Forest has caused concern, has caused anxiety among a number of our citizens. I commend Senator HATFIELD for his hard work in addressing many of these concerns, while at the same time remaining true to his commitment to the Coquille tribe. I believe that the provision in this legislation is improved by reducing greatly the size of the transfer. I also believe it has been improved by requiring the land to be managed under applicable State and Federal forestry and environmental protection laws.

The bill also would require that these lands be subject to critical habitat designations under the Endangered Species Act and the standards and guidelines of the Federal forest plans adjacent or nearby forest lands apply now and in the future.

Additionally, changes to the bill ensure that the land will remain open to public access for hunting, fishing and recreation, and that the prohibition on the export of unprocessed logs from Federal lands are a matter of great importance to our citizens and will continue.

With that said, I still remain concerned about the size of the land to be transferred from the Bureau of Land Management to the Bureau of Indian Affairs to be held in trust for the Coquille tribe.

Further, I am concerned about adding another layer of complexity to an already confusing array of forest and environmental management requirements and a potential lack of clarity with regard to Tribal, State and Federal roles in environmental requirements. I am also very concerned about a lack of clear direction with regard to citizen appeals. I am very pleased to have a chance to work with Senator HATFIELD on these matters. Senator HATFIELD has worked very, very hard to try to develop consensus with respect to this issue which is extremely controversial, and I intend to work closely with him on this matter in the days ahead.

Mr. President, despite my reservation about the Coquille Tribal Forest, I believe that, on balance, this is a good bill for Oregon. I also want to say that recognition for our former colleague, Mike Kopetski, is especially appropriate. I recall several years ago when my good friend, Mike Kopetski, first made his pledge to protect Opal Creek. Because Mike showed exceptional vision and leadership, the bill made great progress. I join Senator HATFIELD in saying that because of the work done by former Congressman Kopetski, it has been possible to move this bill towards a reality.

Though this bill is not perfect, through Senator HATFIELD's efforts and wise judgment, there is a bill now before the Senate that will benefit countless Oregonians for generations to come. It remains one of the most important conservation efforts for the State of Oregon put forward in many, many years. I look forward to working closely with our senior Senator to ensure that this bill is signed into law.

Mr. President, I yield the floor.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the substitute amendment be considered and agreed to, the committee amendment be agreed to, as amended, the bill be deemed read a third time, and passed as amended. I withhold.

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

The amendment (No. 5150) was agreed to.

The committee amendment was agreed to.

The bill (S. 1662), as amended was deemed read the third time and passed.

Mr. HATFIELD. Mr. President, on the bill that we have just passed, which is the Oregon Resources Conservation Act of 1996, I would ask unanimous consent to list Senator WYDEN, my colleague, as a cosponsor of this bill.

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

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, we would like to go ahead and get these unanimous-consent agreements done so that the distinguished Democratic leader could go to a very important meeting.

Senator DASCHLE, if I could just say once again—I have told you privately—I want to say publicly, I appreciate the cooperation we have had over the last 3 weeks. We could not get it all done at the end, but I think we made a lot of good progress. And I appreciate your help wherever you could give it. I think we did pretty good overall.

Mr. DASCHLE. Mr. President, if the majority leader would allow me to respond, I want to commend him. He has taken on his responsibilities under very difficult circumstances. I cannot imagine a more challenging way with which to begin your new role than to take on the responsibilities midcourse.

I must say, Mr. President, he has done it in a way that he can be proud. It has been a joy to work with him.

I think we have gotten more done than most people would have expected. I think, in fact, we surprised a few people. And we will continue to do our best to represent our caucuses but also to work to try to represent our country. I look forward to working with him for many months and years to come.

Mr. LOTT. Thank you very much.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. We do have a number of unanimous-consent agreements that we have worked out. We would like to go through these. And some of them are still being worked on as we speak. But we can go ahead and get started.

UNANIMOUS-CONSENT REQUEST—H.R. 3953

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now turn to consideration of H.R. 3953, the House-passed terrorism bill just received from the House.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. 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. 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.

Mr. DASCHLE. Mr. President, reserving the right to object, I ask unanimous consent the majority leader modify his consent to provide for passage of the bill as amended by a substitute amendment, providing for roving wiretaps, and requiring taggants for black powder, that the bill be read the third time and passed, and the motion to reconsider be laid upon the table.

Mr. LOTT. Mr. President, I would not be able, at this time, to agree to that addition to the unanimous-consent request.

A lot of good work was done in this area this week. I think they came very, very close to getting an overall agreement, and I thought yesterday afternoon, actually, it was going to be achieved. They did not quite make it. This is something we will have to work on.

I do personally think additional authority should be granted on wiretap. I think a lot of the aviation security matters that are included in this bill are very, very important. I am sorry we could not get it worked out. I think more than anything else, time has run out on us.

However, I have to object to that.

Mr. DASCHLE. Reserving the right to object, I share the view expressed by the majority leader. I was very hopeful at the beginning of this week that we could have concluded our work to provide yet another opportunity to pass a good piece of legislation dealing with a very important matter by the end of this week. That was not possible.

I am disappointed, but we will have to dedicate our effort to ensure that does happen when we get back. I hope we could do it sooner rather than later. I object to this bill.

The PRESIDING OFFICER. The objection is heard.

MEASURE READ FOR THE FIRST TIME—H.R. 3953

Mr. LOTT. Mr. President, in light of the objection, I ask that H.R. 3953 be read for the first time.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3953) to combat terrorism.

Mr. LOTT. Mr. President, I now ask for its second reading, and I believe the Democratic leader would object, so I object on his behalf.

The PRESIDING OFFICER. The objection is heard. The bill will be read on the next legislative day.

NOMINATIONS TO REMAIN IN STATUS QUO UNTIL SEPTEMBER 2, 1996

Mr. LOTT. Mr. President, as in executive session, I ask unanimous consent that all nominations received by the Senate during the 104th Congress, 2d session, remain in status quo notwithstanding the August 2 adjournment until September 2, 1996, and rule XXXI, paragraph 6 of the standing rules of the Senate.

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

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. LOTT. Mr. President, I ask unanimous consent the Senate immediately proceed to executive session to consider the following nominations: Calendar 384, Charles Hunnicutt, Assistant Secretary of Transportation; Calendar 509, Charles Burton, U.S. Enrichment Corporation; Calendar 510, Christopher Coburn, U.S. Enrichment Corporation; Calendar 710, Thomas Hill Moore, Consumer Product Safety Commission; Calendar 716, Edward McGaffigan, Jr., Nuclear Regulatory Commission; Calendar 717, Nils Diaz, Nuclear Regulatory Commission; I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table en bloc, that any statements relating to the nominations appear at the appropriate place in the RECORD, and the President be immediately notified of the Senate's action.

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

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF TRANSPORTATION

Charles A. Hunnicutt, of Georgia, to be an Assistant Secretary of Transportation.

UNITED STATES ENRICHMENT CORPORATION

Charles William Burton, of Texas, to be a Member of the Board of Directors of the United States Enrichment Corporation for a term expiring February 24, 2001.

Christopher M. Coburn, of Ohio, to be a Member of the Board of Directors of the United States Enrichment Corporation for a term expiring February 24, 2000.

CONSUMER PRODUCT SAFETY COMMISSION

Thomas Hill Morre, of Florida, to be a Commissioner of the Consumer Product Safety Commission for a term of seven years from October 26, 1996.

NUCLEAR REGULATORY COMMISSION

Edward McGaffigan, Jr., of Virginia, to be a Member of the Nuclear Regulatory Commission for the term of five years expiring June 30, 2000.

Nils J. Diaz, of Florida, to be a Member of the Nuclear Regulatory Commission for the term of five years expiring June 30, 2001.

NOMINATION OF CHRISTOPHER COBURN

Mr. MCCONNELL. Mr. President, I rise in opposition to the nomination of Christopher Coburn to the Board of the U.S. Enrichment Corporation. I believe the nomination of Mr. Coburn to this board would put the Paducah Gaseous Diffusion Plant at a disadvantage in the siting of the Atomic Vapor Laser Isotope Separation [AVLIS] technology.

As a member of the USEC Board, Mr. Coburn will have the responsibility of implementing the privatization of the USEC and charting its future course, including the implementation of the AVLIS technology.

The commercialization of this technology would mean billions of dollars of investment as well as ensuring the continued viability of the U.S. enrichment industry. If I may put the issue in stark, but accurate terms, the USEC's decision about siting AVLIS is more fundamentally a decision about which one of these plants will be able to remain competitive and viable into the next century.

Earlier this year, President Clinton appointed Mr. Coburn to the board because he believed Mr. Coburn was uniquely qualified following his service as the executive director of the Thomas Edison Program and as the science and technology advisor to the Governor of Ohio. It has come to my attention that while serving as the executive director of the Thomas Edison Project, Mr. Coburn developed a proposal to locate the AVLIS technology in Portsmouth, OH.

Mr. President, the placement of Mr. Coburn on the USEC's board at this time would cause serious doubts about the objectivity and fairness of the USEC as it begins to assess which facility should obtain the AVLIS technology. The stakes concerning this decision are so monumental that we cannot allow any inference of bias to infect the process by which that decision is made.

In an effort to protect the interests of the workers employed at the Paducah plant and the economy of western Kentucky I asked the President to withdraw the nomination of the Mr. Corburn. Since the President has ignored my concerns I have tried to block the confirmation of Mr. Coburn.

Unfortunately, I realize the votes are not in my favor. Nonetheless, I will

continue to follow the actions of the Board and Mr. Coburn to ensure that the best interests of the Paducah Gaseous Diffusion Plant are protected.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 104–28 AND TREATY DOCUMENT NO. 104–29

Mr. LOTT. Mr. President, I ask unanimous consent the injunction of secrecy be removed from two treaties: A Protocol Amending the 1916 Convention for the Protection of Migratory Birds (Treaty Document No. 104–28); and a United Nations Convention to Combat Desertification in Countries Experiencing Drought, Particularly in Africa, with Annexes (Treaty Document No. 104–29); transmitted to the Senate by the President today; and ask that the treaties be considered as having been read the first time; that they be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed and that the President's message be printed in the RECORD.

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

The messages of the President are as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Protocol between the United States and Canada Amending the 1916 Convention for the Protection of Migratory Birds in Canada and the United States, with a related exchange of notes, signed at Washington on December 14, 1995.

The Protocol, which is discussed in more detail in the accompanying report of the Secretary of State, represents a considerable achievement for the United States in conserving migratory birds and balancing the interests of conservationists, sports hunters, and indigenous people. If ratified and properly implemented, the Protocol should further enhance the management and protection of this important resource for the benefit of all users.

The Protocol would replace a protocol with a similar purpose, which was signed January 30, 1979, (Executive W, 96th Cong., 2nd Sess. (1980)), and which I, therefore, desire to withdraw from the Senate.

I recommend that the Senate give early and favorable consideration to the Protocol, with exchange of notes, and give its advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *August 2, 1996*.

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa, with Annexes, adopted at Paris, June 17, 1994, and signed by the United States on October 14, 1994. The report of the Department of State is also enclosed for the information of the Senate.

The purpose of the Convention is to combat desertification and mitigate the effects of drought on arid, semi-arid, and dry sub-humid lands through effective action at all levels. In particular, the Convention addresses the fundamental causes of famine and food insecurity in Africa, by stimulating more effective partnership between governments, local communities, non-governmental organizations, and aid donors, and by encouraging the dissemination of information derived from new technology (e.g., early warning of impending drought) to farmers.

The United States has strongly supported the Convention's innovative approach to combatting dryland degradation. I believe it will help Africans and others to make better use of fragile resources without requiring increased development assistance. Ratification by the United States would promote effective implementation of the Convention and is likely to encourage similar action by other countries whose participation would also promote effective implementation.

United States obligations under the Convention would be met under existing law and ongoing assistance programs.

I recommend that the Senate give early and favorable consideration to this Convention and its Annexes, with the declaration described in the accompanying report of the Secretary of State, and give its advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *August 2, 1996*.

TREATIES

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to consider the following treaties on today's Executive Calendar, Executive Calendar Nos. 24 through 35; I further ask unanimous consent that the treaties be considered as having passed through their various parliamentary stages up to and including the presentation of the resolutions of ratification; that all committee provisos, reservations understandings, et cetera, be agreed to; that any statements in regard to these treaties be inserted in the CONGRESSIONAL RECORD as if read; and that the Senate take one vote on the resolutions of ratification to be considered as separate votes; further, that when the resolutions of ratification are voted upon the motion to reconsider be laid upon the table; the President then be notified of the Senate's action and that following disposition of the treaties, the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered. The treaties will be considered to have passed through their various parliamentary stages up to and including the presentation of the resolutions of ratification.

The resolutions of ratification are as follows:

TREATY WITH THE REPUBLIC OF KOREA ON MUTUAL LEGAL ASSISTANCE IN CRIMINAL MATTERS

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the United States of America and the Republic of Korea on Mutual Legal Assistance in Criminal Matters, signed at Washington on November 23, 1993, together with a Related Exchange of Notes signed on the same date. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Pursuant to the rights of the United States under this Treaty to deny requests which prejudice its essential public policy or interest, the United States shall deny a request for assistance when the Central Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Treaty is engaged in a felony, including the facilitation of the production or distribution of illegal drugs.

TREATY WITH THE UNITED KINGDOM ON MUTUAL LEGAL ASSISTANCE IN CRIMINAL MATTERS

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland on Mutual Legal Assistance in Criminal Matters, signed at Washington on January 6, 1994, together with a Related Exchange of Notes signed the same date. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Pursuant to the rights of the United States under this Treaty to deny requests which prejudice its essential public policy or interest, the United States shall deny a request for assistance when the Central Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Treaty is engaged in a felony, including the facilitation of the production or distribution of illegal drugs.

TREATY WITH AUSTRIA ON MUTUAL LEGAL ASSISTANCE IN CRIMINAL MATTERS

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the Government of the United States of America and the Government of the Republic of Austria on Mutual Legal Assistance in Criminal Matters, signed at Vienna on February 23, 1995. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Pursuant to the rights of the United States under this Treaty to deny requests which prejudice its essential public policy or interest, the United States shall deny a request for assistance when the Central Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Treaty is engaged in a felony, including the facilitation of the production or distribution of illegal drugs.

TREATY WITH HUNGARY ON MUTUAL LEGAL ASSISTANCE IN CRIMINAL MATTERS

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the Government of the United States of America and the Government of the Republic of Hungary on Mutual Legal Assistance in Criminal Matters, signed at Budapest on December 1, 1994. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Pursuant to the rights of the United States under this Treaty to deny requests which prejudice its essential public policy or interest, the United States shall deny a request for assistance when the Central Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Treaty is engaged in a felony, including the facilitation of the production or distribution of illegal drugs.

TREATY WITH THE PHILIPPINES ON MUTUAL LEGAL ASSISTANCE IN CRIMINAL MATTERS

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the Government of the United States of America and the Government of the Republic of Philippines on Mutual Legal Assistance in Criminal Matters, signed at Manila on November 13, 1994. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Pursuant to the rights of the United States under this Treaty to deny requests which prejudice its essential public policy or interest, the United States shall deny a request for assistance when the Central Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Treaty is engaged in a felony, including the facilitation of the production or distribution of illegal drugs.

EXTRADITION TREATY WITH HUNGARY

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the Government of the United States of America and The Government of the Republic of Hungary on Extradition, signed at Budapest on December 1, 1994. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

EXTRADITION TREATY WITH BELGIUM

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Extradition Treaty Between the United States of America and the Kingdom of Belgium signed at Brussels on April 27, 1987. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

SUPPLEMENTARY EXTRADITION TREATY WITH BELGIUM

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Supplementary Treaty on Extradition Between the United States of America and the Kingdom of Belgium to Promote the Repression of Terrorism, signed at Brussels on April 27, 1987. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

EXTRADITION TREATY WITH THE PHILIPPINES

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Extradition Treaty Between the Government of the United States of America and the Government of the Republic of the Philippines, signed at Manila on November 13, 1994. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

EXTRADITION TREATY WITH MALAYSIA

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Extradition Treaty Between the Government of the United States of America and the Government of the Malaysia, and a Related Exchange of Notes signed at Kuala Lumpur on August 3, 1995. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

EXTRADITION TREATY WITH BOLIVIA

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Extradition Treaty Between the Government of the United States of America and the Government of the Republic of Bolivia, signed at La Paz on June 27, 1995. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

EXTRADITION TREATY WITH SWITZERLAND

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Extradition Treaty Between the Government of the United States of America and the Government of the Swiss Confederation, signed at Washington on November 14, 1990. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Mr. LOTT. Mr. President, I ask for a division vote on the resolutions of ratification.

The PRESIDING OFFICER. A division is requested. Senators in favor of the resolutions of ratification will rise and stand until counted. (After a pause.) Those opposed will rise and stand until counted.

On a division, two-thirds of the Senators present and voting, having voted in the affirmative, the resolutions of ratification is agreed to.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

CONGRATULATIONS KELLY RIORDAN

Mr. DASCHLE. Mr. President, at the close of business today, the Senate will lose a valued and important part of the Democratic floor staff. Today, Kelly Riordan leaves the Senate to pursue a law degree at the University of Virginia in Charlottesville.

Kelly graduated from Northwestern University and came to the Senate in August of 1989 to work in the mail room for the former Senate majority leader, George Mitchell. She spent much of the following 4 years in Senator Mitchell's office working as a legislative correspondent before she was chosen to join the Democratic floor staff in 1993.

Kelly has never forgotten where she comes from. She was born in Livermore Falls, ME, and worked hard for the people of Maine during her time in Senator Mitchell's office. There is no doubt she has made her parents and her family and her State proud through her work here on the Senate floor.

She has proven herself to be a hard working and loyal part of the Democratic floor staff. She has become a

true friend to many Senators and staff on both sides of the aisle, and we all wish her well as she starts the next chapter of her life.

Congratulations, Kelly.

Mr. LOTT. Mr. President, I join the distinguished minority leader in extending best wishes. Kelly has been a very valuable asset here in the Senate, mostly on the other side of the aisle, but she has a very pleasant personality. I have enjoyed visiting with her on occasion.

AUTHORITY FOR COMMITTEES TO REPORT

Mr. LOTT. Mr. President, I ask unanimous consent the committees have between 11 a.m. and 2 p.m. on Tuesday, August 27, to file legislative or executive reported legislation.

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

UNANIMOUS-CONSENT AGREEMENT—H.R. 3396

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, we have worked out an agreement on the handling of the Defense of Marriage Act legislation.

Again, we have worked together through a lot of concerns. I think we have a fair agreement here.

I ask unanimous consent that on September 5, 1996, at 10 a.m., the Senate proceed to the consideration of H.R. 3396, the Defense of Marriage Act, and it be considered under the following constraints: I ask that the time for debate on the bill be limited to 2 hours, to be equally divided in the usual form, with 1 additional hour under Senator BYRD's control.

I ask that Senator KENNEDY or his designee be recognized to offer up to four first-degree amendments; that Senator NICKLES or his designee be recognized to offer up to four first-degree amendments; that time on the amendments be limited to 45 minutes equally divided in the usual form, except that on the first Kennedy amendment there be 90 minutes, with no other amendments or motions to refer in order; that at the conclusion or yielding back of time, the Senate vote on each amendment; provided further that Senator KENNEDY be recognized to offer the first amendment; and that the amendments be in order notwithstanding the adoption of a previous amendment.

I further ask unanimous consent that the amendments be submitted to each leader by 5 p.m. on Tuesday, September 3, and that they be printed in the RECORD; provided further that either leader, following review of the submitted amendments, may void this agreement after notification, prior to 5 p.m. on Wednesday, September 4, 1996; that following disposition of all the amendments, the bill be read for a third time.

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

Mr. LOTT. Mr. President, I yield the floor.

UNANIMOUS-CONSENT AGREEMENT—S. 39

Mr. STEVENS. Mr. President, I do thank the leader. I do now wish to propound a unanimous-consent agreement for Calendar No. 422, which is S. 39, the Sustainable Fisheries Act.

I ask unanimous consent that, on Wednesday, September 4, 1996, or thereafter at a time to be determined by the majority leader after consultation with the Democratic leader, the Senate turn to the immediate consideration of S. 39, Calendar 422, an act to amend the Magnuson Fishery Conservation and Management Act, that debate on the bill be limited to 1 hour equally divided in the usual form, and only the following amendments be in order to the bill: The committee substitute, a manager's amendment to be offered by me, Senator STEVENS, an amendment to be offered by Senator HOLLINGS, an amendment to be offered by Senator KERRY, up to two amendments to be offered by Senator MURRAY, up to two amendments to be offered by Senator WYDEN, and up to four amendments to be offered by Senator SNOWE.

There shall be no more than 30 minutes, equally divided, on any one of the first- or second-degree amendments; the committee substitute shall be considered original text for the purpose of the other amendments; only relevant second-degree amendments shall be in order to the amendments by Senators HOLLINGS, KERRY, MURRAY, SNOWE, and WYDEN; no other amendments, first or second degree, shall be in order; all amendments shall be relevant to S. 39; that the time on second-degree amendments be limited to 30 minutes each.

Further I ask all points of order be waived and no other motions be in order to this bill.

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

Mr. STEVENS. Thank you very much. I am indebted to all the Senators involved. Mr. President, I do believe this will be one of the most significant acts passed by this Congress. It is a very significant thing as far as my State and all coastal States are concerned. I am grateful to all concerned who have labored so hard today to get this agreement so we can proceed with this in September.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

IMPACT AID TECHNICAL AMENDMENTS ACT OF 1996

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 392, H.R. 3269.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3269) to amend the Impact Aid program to provide for a hold-harmless with respect to amounts for payments relating to the Federal acquisition of real property, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 5155

(Purpose: To amend the Impact Aid program.)

Mr. STEVENS. Mr. President, there is a substitute amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mrs. KASSEBAUM, for herself, Mr. PRESSLER, Mr. D'AMATO, Mr. KERREY, Mr. MOYNIHAN, Mr. SIMPSON and Mrs. FRAHM, proposes an amendment numbered 5155.

Mr. STEVENS. 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 text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. STEVENS. Mr. President, I ask unanimous consent that the amendment be agreed to.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5155) was agreed to.

Mr. PRESSLER. Mr. President, I am proud to be a cosponsor of H.R. 3269, a bill to make technical corrections in the law that governs the Impact Aid Program. This bill represents the culmination of months of hard work. I would like to thank the Chair of the Labor and Human Resources Committee, Senator KASSEBAUM for her diligent work in bringing this extremely important bill to the floor. Her efforts helped to ensure that federally impacted schools will get the financial assistance they deserve and need.

Impact Aid is an important program for many schools. Impact Aid is a Federal responsibility. The program reimburses school districts that lost tax base due to a Federal presence, such as a military base or Indian reservation. This program provides funds for day-to-day school operations, such as buying books and paying teachers. These are not special funds for extra projects. This is a program based on the basic principle of fairness. We should fund the basics of education before we spend money on extra programs.

The expeditious passage of this bill today would ensure that many Federally impacted schools will have the funds needed to keep their doors open, literally, this fall. School districts depend on Impact Aid for basic operating expenses. This bill would ensure that payments are made in a timely manner.

I am particularly concerned about Section 2 of the Impact Aid program as

it pertains to two school districts in South Dakota. Specifically, without passage of this critical bill, two South Dakota schools, Bonesteel-Fairfax and Wagner, could stand to lose together almost $1 million. That must not be allowed to happen. Essentially, the bill before us would allow these school districts to claim eligibility under Section 8003. The Bonesteel-Fairfax and Wagner districts were in fact eligible for Impact Aid funds, but were unaware of their eligibility because of a change in the Federal statute. Unfortunately, the Department of Education could not allow these districts to amend their applications. Consequently, they were denied funds that they deserved due to the simple error of not checking the proper eligibility box. This bill would correct this situation and provide these districts the opportunity to reapply for Impact Aid funds. As always, I will fight to see that both these schools and all other federally impacted schools in South Dakota get the funding they need under the Impact Aid program. This is the fair thing to do. It was not the intention of Congress to deny schools funds due to administrative errors or technical oversights. Quite simply, this is a fairness issue.

The bill before us would not create new criteria to implement the intent of Congress. These technical corrections permit the Department of Education to administer the Impact Aid program consistent with the intent of Congress. The technical amendments provide recourse for the schools to receive funds to which they are entitled under the intent of the law.

I am pleased that we are taking action on this legislation. The schools that would benefit from this bill need and deserve the assistance. The Federal Government has placed these schools in a very difficult position, through no fault of their own. That's why impact aid must remain a top Federal responsibility.

Unfortunately, getting this bill through has not been easy, in part because the current administration does not have its priorities straight. For the fourth consecutive year, the Clinton administration's budget called for the Federal Government to lessen its commitment to impact aid. For the next year, the Clinton administration requested only $617 million for impact aid. It recommended the elimination of payments for Federal lands. This means 23 South Dakota school districts would not have been eligible for Federal funds. That is wrong. How can President Clinton claim he is the education President when his budgets would deny the most basic needs to schools in South Dakota? Federally impacted districts and the children they serve cannot withstand further reductions in the program.

It is my understanding that the President will not sign this legislation, but allow it to become law. This is yet another indication of the administration's hostility to the Impact Aid Program. Obtaining the appropriate level of funding is a struggle every year. There will be more battles over impact aid funding. I'm ready. I will continue to fight for our Nation's children and federally impacted school districts. This is my commitment to those schools and the familes they serve.

Again, I thank the chair of the Labor and Human Resources Committee, its ranking member and their counterparts in the House for their good work to get this bill through Congress and to the President. This bill enjoys widespread, bipartisan support. With the support of my colleagues, we can fulfill our legislative responsibility to federally impacted school districts and pass this impact aid technical corrections.

Mr. STEVENS. Mr. President, I ask unanimous consent that the bill be deemed read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (H.R. 3269) was deemed read the third time and passed, as amended.

BANKRUPTCY TECHNICAL CORRECTIONS ACT OF 1996

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 434, S. 1559.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1559) to make technical corrections to title 11, United States Code, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

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 ''Bankruptcy Technical Corrections Act of 1996''.

SEC. 2. DEFINITIONS.

Section 101 of title 11, United States Code, is amended—

(1) by striking ''In this title—'' and inserting ''In this title:'';

(2) in paragraph (51B)—

(A) by inserting ''family farms or'' after ''other than''; and

(B) by striking all after ''thereto'' and inserting a semicolon;

(3) by reordering the paragraphs so that the terms defined in the section are in alphabetical order and redesignating the paragraphs accordingly;

(4) in paragraph (37)(B) (defining insured depository institution), as redesignated by paragraph (3) of this section, by striking ''paragraphs (21B) and (33)(A)'' and inserting ''paragraphs (23) and (35)(A)'';

(5) in each paragraph, by inserting a heading, the text of which is comprised of the term defined in the paragraph;

(6) by inserting ''The term'' after each paragraph heading; and

(7) by striking the semicolon at the end of each paragraph and ''; and'' at the end of paragraphs (35) and (38) and inserting a period.

SEC. 3. ADJUSTMENT OF DOLLAR AMOUNTS.

Section 104 of title 11, United States Code, is amended by inserting ''522(f)(3),'' after ''522(d),'' each place it appears.

SEC. 4. COMPENSATION TO OFFICERS.

Section 330(a) of title 11, United States Code, is amended—

(1) in paragraph (1), by inserting '', or the debtor's attorney'' after ''1103''; and

(2) in paragraph (3), by striking ''(3)(A) In'' and inserting ''(3) In''.

SEC. 5. EFFECT OF CONVERSION.

Section 348(f)(2) of title 11, United States Code, is amended by inserting ''of the estate'' after ''property'' the first place it appears.

SEC. 6. EXECUTORY CONTRACTS AND UNEXPIRED LEASES.

Section 365 of title 11, United States Code, is amended—

(1) in subsection (c)—

(A) in paragraph (2), by adding ''or'' at the end;

(B) in paragraph (3), by striking ''or'' at the end and inserting a period; and

(C) by striking paragraph (4);

(2) in subsection (d), by striking paragraphs (5) through (9); and

(3) in subsection (f)(1), by striking ''; except that'' and all that follows through the end of the paragraph and inserting a period.

SEC. 7. ALLOWANCE OF ADMINISTRATIVE EXPENSES.

Section 503(b)(4) of title 11, United States Code, is amended by inserting ''subparagraph (A), (B), (C), (D), or (E) of'' before ''paragraph (3)''.

SEC. 8. PRIORITIES.

Section 507(a)(7) of title 11, United States Code, is amended by inserting ''unsecured'' after ''allowed''.

SEC. 9. EXEMPTIONS.

Section 522 of title 11, United States Code, is amended—

(1) in each of subsections (b)(1) and (d)(10)(E), by striking ''unless'' and inserting ''but only to the extent that'';

(2) in subsection (f)(1)(A)(ii)(II), by striking ''support.;'' and inserting ''support;''; and

(3) in subsection (g)(2), by striking ''subsection (f)(2)'' and inserting ''subsection (f)(1)(B)''.

SEC. 10. EXCEPTIONS TO DISCHARGE.

Section 523(a)(3) of title 11, United States Code, is amended by striking ''or (6)'' each place it appears and inserting ''(6), or (15)'';

SEC. 11. PROTECTION AGAINST DISCRIMINATORY TREATMENT.

Section 525(c) of title 11, United States Code, is amended—

(1) in paragraph (1), by inserting ''student'' before ''grant'' the second place it appears; and

(2) in paragraph (2), by striking ''the program operated under part B, D, or E of'' and inserting ''any program operated under''.

SEC. 12. PROPERTY OF THE ESTATE.

Section 541(b)(4)(B)(ii) of title 11, United States Code (as added by section 208(b) of the Bankruptcy Reform Act of 1994), is amended by inserting ''365 or'' before ''542''.

SEC. 13. LIMITATIONS ON AVOIDING POWERS.

Subsection (g) of section 546 of title 11, United States Code, as added by section 222(a) of the Bankruptcy Reform Act of 1994 (108 Stat. 4129), is redesignated as subsection (h).

SEC. 14. LIABILITY OF TRANSFEREE OF AVOIDED TRANSFER.

(a) IN GENERAL.—Section 550(c) of title 11, United States Code, is amended—

(1) in paragraph (1), by striking ''avoided under section 547(b)'' and inserting ''avoidable under section 547''; and

(2) in the matter following paragraph (2), by striking ''recover under subsection (a) from a transferee that is not an insider'' and inserting ''avoid under section 547 such transfer, to the extent that such transfer was made for the benefit of a transferee that was not an insider at the time of such transfer, or recover under subsection (a) from a transferee that was not an insider at the time of such transfer''.

(b) CONFORMING AMENDMENT.—Section 547(b) of title 11, United States Code, is amended by inserting ''or in section 550(c) of this title'' after ''subsection (c) of this section''.

SEC. 15. SETOFF.

Section 553(b)(1) is amended by striking ''362(b)(14)'' and inserting ''362(b)(17)''.

SEC. 16. DISPOSITION OF PROPERTY OF THE ESTATE.

Section 726(b) is amended by striking ''1009,''.

SEC. 17. GENERAL PROVISIONS.

Section 901(a) of title 11, United States Code, is amended by inserting ''1123(d),'' after ''1123(b),''.

SEC. 18. PAYMENTS.

Section 1226(b)(2) is amended—

(1) by striking ''1202(c) of this title'' and inserting ''586(b) of title 28''; and

(2) by striking ''1202(d) of this title'' and inserting ''586(e)(1)(B) of title 28''.

SEC. 19. DISCHARGE.

Section 1228 of title 11, United States Code, is amended by striking ''1222(b)(10)'' each place it appears and inserting ''1222(b)(9)''.

SEC. 20. CONTENTS OF PLAN.

Section 1322 of title 11, United States Code, is amended—

(1) in subsection (b), by striking ''(c)'' and inserting ''(d)''; and

(2) in subsection (e), by striking the comma after ''default'' the second place it appears.

SEC. 21. DISCHARGE.

Section 1328(a) of title 11, United States Code, is amended by striking all after ''except any debt—'' and inserting the following:

''(1) provided for under section 1322(b)(5) of this title;

''(2) of the kind specified in paragraph (5), (8), or (9) of section 523(a) of this title; or

''(3) for restitution, or a criminal fine, included in a sentence on the debtor's conviction of a crime.''.

SEC. 22. BANKRUPTCY REVIEW COMMISSION.

Section 604 of the Bankruptcy Reform Act of 1994 (108 Stat. 4147) is amended—

(1) by striking subsection (g); and

(2) by redesignating subsection (h) as subsection (g).

SEC. 23. APPOINTMENT OF TRUSTEE.

Section 1104(b) of title 11, United States Code, is amended—

(1) by inserting ''(1)'' after ''(b)''; and

(2) by adding at the end the following new paragraph:

''(2)(A) If an eligible, disinterested trustee is elected at a meeting of creditors under paragraph (1), the United States trustee shall file a report certifying that election. Upon the filing of a report under the preceding sentence—

''(i) the trustee elected under paragraph (1) shall be considered to have been selected and appointed for purposes of this section; and

''(ii) the service of any trustee appointed under subsection (d) shall terminate.

''(B) In the case of any dispute arising out of an election under subparagraph (A), the court shall resolve the dispute.''.

SEC. 24. EXTENSIONS.

Section 302(d)(3) of the Bankruptcy, Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986 (28 U.S.C. 581 note) is amended—

(1) in subparagraph (A), in the matter following clause (ii), by striking ''October 1, 2002'' and inserting ''October 1, 2012''; and

(2) in subparagraph (F)—

(A) in clause (i)—

(i) in subclause (II), by striking ''October 1, 2002'' and inserting ''October 1, 2012''; and

(ii) in the matter following subclause (II), by striking ''October 1, 2003'' and inserting ''October 1, 2013''; and

(B) in clause (ii), in the matter following subclause (II), by striking ''October 1, 2003'' and inserting ''October 1, 2013''.

SEC. 25. KNOWING DISREGARD OF BANKRUPTCY LAW OR RULE.

Section 156(a) of title 18, United States Code, is amended by striking ''case under this title'' and inserting ''case under title 11''.

SEC. 26. BANKRUPTCY CASES AND PROCEEDINGS.

Section 1334(d) of title 28, United States Code, is amended—

(1) by striking ''made under this subsection'' and inserting ''made under subsection (c)''; and

(2) by striking ''This subsection'' and inserting ''Subsection (c)''.

SEC. 27. EFFECTIVE DATE OF AMENDMENTS.

(a) IN GENERAL.—Except as provided in subsection (b) of this section, the amendments made by this Act shall apply to all cases pending on the date of enactment of this Act or commenced on or after the date of enactment of this Act.

(b) EXCEPTION.—The amendment made by section 2(2)(B) of this Act shall apply to all cases commenced on or after the date of enactment of this Act.

AMENDMENTS NOS. 5151, 5152, 5153, AND 5154, EN BLOC

Mr. STEVENS. Mr. President, there are four amendments at the desk offered by Senators HEFLIN, GRASSLEY, KOHL, and COVERDELL. I ask that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes amendments numbered 5151, 5152, 5153, and 5154, en bloc.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 5151

(Purpose: To make technical changes)

On page 9 of the Committee amendment, strike lines 11 through 17 and insert the following:

(1) in subsection (f)(1)(A)—

(A) in the matter preceding clause (i), by striking ''; or'' at the end; and

(B) in clause (ii), by striking the period at the end and inserting ''; or''; and

(2) in subsection (g)(2), by striking ''subsection (f)(2)'' and inserting ''subsection (f)(1)(B)''.

AMENDMENT NO. 5152

(Purpose: To bolster criminal law enforcement of child support orders in cases involving bankruptcy proceedings)

At the appropriate place in the Committee amendment, insert the following new section:

SEC. . ENFORCEMENT OF CHILD SUPPORT.

Section 362(b)(1) of title 11, United States Code, is amended by inserting before the semicolon the following: ''(including the criminal enforcement of a judicial order requiring the payment of child support)''.

AMENDMENT NO. 5153

At the appropriate place, insert the following new section:

SEC. . LIMITATION.

Section 522 of title 11, United States Code, as amended by section 9, is further amended—

(1) in subsection (b)(2)(A), by inserting ''subject to subsection (n),'' before ''any property''; and

(2) by adding at the end the following new subsection:

''(n) As a result of electing under subsection (b)(2)(A) to exempt property under State or local law, a debtor may not exempt an aggregate interest of more than $500,000 in value in—

''(1) real or personal property that the debtor or a dependent of the debtor uses as a residence;

''(2) a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence; or

''(3) a burial plot for the debtor or a dependent of the debtor.''.

AMENDMENT NO. 5154

(Purpose: To amend Title 11 of the United States Code)

SECTION 1.

''Section 27'', on page 15, line 3, is redesignated ''Section 28''.

SEC. 2.

On page 15, line 3 insert the following:

''SEC. 27. STANDING TRUSTEES.

(a) Section 330 of Title 11 of the United States Code is amended by adding to the end thereof the following:

''(e) Upon the request of a trustee appointed under Section 586(b) of Title 28, and after all available administrative remedies have been exhausted, the district court in the district in which the trustee resides shall have the exclusive authority, notwithstanding Section 326(b) of this title, to review the determination of the actual, necessary expenses of the standing trustee. In reviewing the determination, the district court shall accord substantial deference to the determination made by the Attorney General, and may reverse the determination only if the Attorney General has abused his or her discretion.''

(b) Section 324 of Title 11, United States Code, is amended by adding to the end thereof the following:

''(c)(1) Notwithstanding any provision of Section 586 of Title 28, in the event the United States Trustee ceases assigning cases to a trustee appointed under Section 586(b) of Title 28, the trustee, after exhausting all available administrative remedies, may seek judicial review of the decision in the district court in the district in which the trustee resides. The district court shall accord substantial deference to the determination made by the United States Trustee, and may reverse the determination only if the United States Trustee has abused his or her discretion.''

''(2) Notwithstanding any other provision of law, the district court may order interim relief under this paragraph only if the court concludes, viewing all facts most favorably to the United States Trustee, that there was no basis for the United States Trustee's decision to cease assigning cases to the trustee. The denial of a request for interim relief shall be final and shall not be subject to further review.''

Mr. STEVENS. Mr. President, I ask unanimous consent that the amendments be considered agreed to, en bloc.

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

The amendments (Nos. 5151, 5152, 5153, and 5154) were agreed to, en bloc.

Mr. STEVENS. Mr. President, I ask unanimous consent that the committee

substitute be agreed to, the bill be deemed read the third time and passed, as amended, the motion to reconsider be laid upon the table, and any statements relating to the bill appear at the appropriate place in the RECORD.

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

The bill (S. 1559), as amended, was deemed read the third time and passed.

(The text of the bill will be printed in a future edition of the RECORD.)

REAUTHORIZATION OF THE INDIAN ENVIRONMENTAL GENERAL ASSISTANCE PROGRAM ACT

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 544, S. 1834.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1834) to reauthorize the Indian Environmental General Assistance Program Act of 1992, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. STEVENS. Mr. President, I ask unanimous consent that the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and any statements relating to the bill appear at the appropriate place in the RECORD.

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

The bill (S. 1834) was deemed read the third time and passed, as follows:

S. 1834

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

SECTION 1. REAUTHORIZATION.

Section 502(h) of the Indian Environmental General Assistance Program Act of 1992 (42 U.S.C. 4368b(h)) is amended by striking ''$15,000,000'' and inserting ''such sums as may be necessary''.

FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT ACT OF 1996

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 548, S. 1130.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1130) to provide for the establishment of uniform accounting systems, standards and reporting systems in the Federal Government, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Federal Financial Management Improvement Act of 1996''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds the following:

(1) Much effort has been devoted to strengthening Federal internal accounting controls in the past. Although progress has been made in recent years, Federal accounting standards have not been uniformly implemented in financial management systems for agencies.

(2) Federal financial management continues to be seriously deficient, and Federal financial management and fiscal practices have failed to—

(A) identify costs fully;

(B) reflect the total liabilities of congressional actions; and

(C) accurately report the financial condition of the Federal Government.

(3) Current Federal accounting practices do not accurately report financial results of the Federal Government or the full costs of programs and activities. The continued use of these practices undermines the Government's ability to provide credible and reliable financial data and encourages already widespread Government waste, and will not assist in achieving a balanced budget.

(4) Waste and inefficiency in the Federal Government undermine the confidence of the American people in the Government and reduce the Federal Government's ability to address vital public needs adequately.

(5) To rebuild the accountability and credibility of the Federal Government, and restore public confidence in the Federal Government, agencies must incorporate accounting standards and reporting objectives established for the Federal Government into their financial management systems so that all the assets and liabilities, revenues, and expenditures or expenses, and the full costs of programs and activities of the Federal Government can be consistently and accurately recorded, monitored, and uniformly reported throughout the Federal Government.

(6) Since its establishment in October 1990, the Federal Accounting Standards Advisory Board (hereinafter referred to as the ''FASAB'') has made substantial progress toward developing and recommending a comprehensive set of accounting concepts and standards for the Federal Government. When the accounting concepts and standards developed by FASAB are incorporated into Federal financial management systems, agencies will be able to provide cost and financial information that will assist the Congress and financial managers to evaluate the cost and performance of Federal programs and activities, and will therefore provide important information that has been lacking, but is needed for improved decisionmaking by financial managers and the Congress.

(7) The development of financial management systems with the capacity to support these standards and concepts will, over the long term, improve Federal financial management.

(b) PURPOSES.—The purposes of this Act are to—

(1) provide for consistency of accounting by an agency from one fiscal year to the next, and uniform accounting standards throughout the Federal Government;

(2) require Federal financial management systems to support full disclosure of Federal financial data, including the full costs of Federal programs and activities, to the citizens, the Congress, the President, and agency management, so that programs and activities can be considered based on their full costs and merits;

(3) increase the accountability and credibility of Federal financial management;

(4) improve performance, productivity and efficiency of Federal Government financial management;

(5) establish financial management systems to support controlling the cost of Federal Government;

(6) build upon and complement the Chief Financial Officers Act of 1990 (Public Law 101–576; 104 Stat. 2838), the Government Performance and Results Act of 1993 (Public Law 103–62; 107 Stat. 285), and the Government Management Reform Act of 1994 (Public Law 103–356; 108 Stat. 3410); and

(7) increase the capability of agencies to monitor execution of the budget by more readily permitting reports that compare spending of resources to results of activities.

SEC. 3. IMPLEMENTATION OF FEDERAL FINANCIAL MANAGEMENT IMPROVEMENTS.

(a) IN GENERAL.—Each agency shall implement and maintain financial management systems that comply with Federal financial management systems requirements, applicable Federal accounting standards, and the United States Government Standard General Ledger at the transaction level.

(b) PRIORITY.—Each agency shall give priority in funding and provide sufficient resources to implement this Act.

(c) AUDIT COMPLIANCE FINDING.—

(1) IN GENERAL.—Each audit required by section 3521(e) of title 31, United States Code, shall report whether the agency financial management systems comply with the requirements of subsection (a).

(2) CONTENT OF REPORTS.—When the person performing the audit required by section 3521(e) of title 31, United States Code, reports that the agency financial management systems do not comply with the requirements of subsection (a), the person performing the audit shall include in the report on the audit—

(A) the name and position of any officer or employee responsible for the financial management systems that have been found not to comply with the requirements of subsection (a);

(B) all facts pertaining to the failure to comply with the requirements of subsection (a), including—

(i) the nature and extent of the noncompliance;

(ii) the primary reason or cause of the noncompliance;

(iii) any official responsible for the noncompliance; and

(iv) any relevant comments from any responsible officer or employee; and

(C) a statement with respect to the recommended remedial actions and the timeframes to implement such actions.

(d) COMPLIANCE DETERMINATION.—

(1) IN GENERAL.—No later than the date described under paragraph (2), the Director, acting through the Controller of the Office of Federal Financial Management, shall determine whether the financial management systems of an agency comply with the requirements of subsection (a). Such determination shall be based on—

(A) a review of the report on the applicable agency-wide audited financial statement;

(B) the agency comments on such report; and

(C) any other information the Director considers relevant and appropriate.

(2) DATE OF DETERMINATION.—The determination under paragraph (1) shall be made no later than 90 days after the earlier of—

(A) the date of the receipt of an agency-wide audited financial statement; or

(B) the last day of the fiscal year following the year covered by such statement.

(e) COMPLIANCE IMPLEMENTATION.—

(1) IN GENERAL.—If the Director determines that the financial management systems of an agency do not comply with the requirements of subsection (a), the head of the agency, in consultation with the Director, shall establish a remediation plan that shall include the resources, remedies, and intermediate target dates necessary to bring the agency's financial management systems into compliance.

(2) TIME PERIOD FOR COMPLIANCE.—A remediation plan shall bring the agency's financial management systems into compliance no later

than 2 years after the date on which the Director makes a determination under paragraph (1), unless the agency, with concurrence of the Director—

(A) determines that the agency's financial management systems are so deficient as to preclude compliance with the requirements of subsection (a) within 2 years;

(B) specifies the most feasible date for bringing the agency's financial management systems into compliance with the requirements of subsection (a); and

(C) designates an official of the agency who shall be responsible for bringing the agency's financial management systems into compliance with the requirements of subsection (a) by the date specified under subparagraph (B).

(3) TRANSFER OF FUNDS FOR CERTAIN IMPROVEMENTS.—For an agency that has established a remediation plan under paragraph (2), the head of the agency, to the extent provided in an appropriation and with the concurrence of the Director, may transfer not to exceed 2 percent of available agency appropriations to be merged with and to be available for the same period of time as the appropriation or fund to which transferred, for priority financial management system improvements. Such authority shall be used only for priority financial management system improvements as identified by the head of the agency, with the concurrence of the Director, and in no case for an item for which Congress has denied funds. The head of the agency shall notify Congress 30 days before such a transfer is made pursuant to such authority.

(4) REPORT IF NONCOMPLIANCE WITHIN TIME PERIOD.—If an agency fails to bring its financial management systems into compliance within the time period specified under paragraph (2), the Director shall submit a report of such failure to the Committees on Governmental Affairs and Appropriations of the Senate and the Committees on Government Reform and Oversight and Appropriations of the House of Representatives. The report shall include—

(A) the name and position of any officer or employee responsible for the financial management systems that have been found not to comply with the requirements of subsection (a);

(B) the facts pertaining to the failure to comply with the requirements of subsection (a), including the nature and extent of the noncompliance, the primary reason or cause for the failure to comply, and any extenuating circumstances;

(C) a statement of the remedial actions needed; and

(D) a statement of any administrative action to be taken with respect to any responsible officer or employee.

(f) PERSONAL RESPONSIBILITY.—Any financial officer or program manager who knowingly and willfully commits, permits, or authorizes material deviation from the requirements of subsection (a) may be subject to administrative disciplinary action, suspension from duty, or removal from office.

SEC. 4. APPLICATION TO CONGRESS AND THE JUDICIAL BRANCH.

(a) IN GENERAL.—The Federal financial management requirements of this Act may be adopted by—

(1) the Senate by resolution as an exercise of the rulemaking power of the Senate;

(2) the House of Representatives by resolution as an exercise of the rulemaking power of the House of Representatives; or

(3) the Judicial Conference of the United States by regulation for the judicial branch.

(b) STUDY AND REPORT.—No later than October 1, 1997—

(1) the Secretary of the Senate and the Clerk of the House of Representatives shall jointly conduct a study and submit a report to Congress on how the offices and committees of the Senate and the House of Representatives, and all offices and agencies of the legislative branch may achieve compliance with financial management and accounting standards in a manner comparable to the requirements of this Act; and

(2) the Chief Justice of the United States shall conduct a study and submit a report to Congress on how the judiciary may achieve compliance with financial management and accounting standards in a manner comparable to the requirements of this Act.

SEC. 5. REPORTING REQUIREMENTS.

(a) REPORTS BY DIRECTOR.—No later than March 31 of each year, the Director shall submit a report to the Congress regarding implementation of this Act. The Director may include the report in the financial management status report and the 5-year financial management plan submitted under section 3512(a)(1) of title 31, United States Code.

(b) REPORTS BY THE COMPTROLLER GENERAL.—No later than October 1, 1997, and October 1, of each year thereafter, the Comptroller General of the United States shall report to the appropriate committees of the Congress concerning—

(1) compliance with the requirements of section 3(a) of this Act, including whether the financial statements of the Federal Government have been prepared in accordance with applicable accounting standards; and

(2) the adequacy of uniform accounting standards for the Federal Government.

SEC. 6. CONFORMING AMENDMENTS.

(a) AUDITS BY AGENCIES.—Section 3521(f)(1) of title 31, United States Code, is amended in the first sentence by inserting ''and the Controller of the Office of Federal Financial Management'' before the period.

(b) FINANCIAL MANAGEMENT STATUS REPORT.—Section 3512(a)(2) of title 31, United States Code, is amended by—

(1) in subparagraph (D) by striking ''and'' after the semicolon;

(2) by redesignating subparagraph (E) as subparagraph (F); and

(3) by inserting after subparagraph (D) the following:

''(E) a listing of agencies whose financial management systems do not comply substantially with the requirements of the Federal Financial Management Improvement Act of 1996, the period of time that such agencies have not been in compliance, and a summary statement of the efforts underway to remedy the noncompliance; and''.

SEC. 7. DEFINITIONS.

For purposes of this Act:

(1) AGENCY.—The term ''agency'' means a department or agency of the United States Government as defined in section 901(b) of title 31, United States Code.

(2) DIRECTOR.—The term ''Director'' means the Director of the Office of Management and Budget.

(3) FEDERAL ACCOUNTING STANDARDS.—The term ''Federal accounting standards'' means applicable accounting principles, standards, and requirements consistent with section 902(a)(3)(A) of title 31, United States Code, and includes concept statements with respect to the objectives of Federal financial reporting.

(4) FINANCIAL MANAGEMENT SYSTEMS.—The term ''financial management systems'' includes the financial systems and the financial portions of mixed systems necessary to support financial management, including automated and manual processes, procedures, controls, data, hardware, software, and support personnel dedicated to the operation and maintenance of system functions.

(5) FINANCIAL SYSTEM.—The term ''financial system'' includes an information system, comprised of one or more applications, that is used for—

(A) collecting, processing, maintaining, transmitting, or reporting data about financial events;

(B) supporting financial planning or budgeting activities;

(C) accumulating and reporting costs information; or

(D) supporting the preparation of financial statements.

(6) MIXED SYSTEM.—The term ''mixed system'' means an information system that supports both financial and nonfinancial functions of the Federal Government or components thereof.

SEC. 8. EFFECTIVE DATE.

This Act shall take effect on October 1, 1996.

Mr. BROWN. Mr. President, several years ago, in an effort to identify excess spending in the federal budget, I inquired as to overhead costs in federal programs. I was advised that the federal accounting system makes it impossible to identify overhead expenses for most federal operations. The Federal Government, it turned out, has over two hundred separate primary accounting systems, making it impossible to compare something as basic as overhead costs.

Worse, many of these systems are shamefully inadequate even on their own terms. A 1995 General Accounting Office report reveals that the Pentagon made more than $400 billion in adjustments to correct errors in defense reporting data for fiscal years 1991 to 1993—and the resulting statements still were not reliable. The Pentagon paid vendors $29 billion that could not be matched with supporting documents to determine if these payments were proper. The Pentagon made an estimated $3 million in fraudulent payments to a former Navy supply officer for more than 100 false invoice claims, and approximately $8 million in Army payroll payments were made to unauthorized persons, including six ''ghost'' soldiers and 76 deserters.

The Internal Revenue Service offers another disturbing example of poor financial management and its consequences. The General Accounting Office testified before the Governmental Affairs Committee on June 6, 1996 that despite years of criticism, ''fundamental, persistent problems remain uncorrected'' at the IRS. For example, the IRS cannot substantiate the amounts reported for specific types of taxes collected, such as social security taxes, income taxes, and excise taxes. The IRS cannot even verify a significant portion of its own nonpayroll operating expenses, which total $3 billion. One can hardly resist observing that this is the agency that demands precision from every taxpayer in America.

The General Accounting Office also reports that the Medicare program is undermined by flawed payment policies, weak billing controls and inconsistent program management. Instances of fraud and abuse abound in the $190 billion program. In a January 1996 report, GAO detailed a long list of frauds. They include a $4.3 million overpayment to a company providing heart monitoring services as well as 4,000 fraudulent claims by a Medicare supplier totaling approximately $1.5 million. GAO discovered that frauds like these are perpetrated on a vast scale; one recently uncovered was operating across 20 states. The GAO report

locates the root of the problem in financial management: ''[O]ur work shows that outlandish charges or very large reimbursements routinely escape the controls and typically go unquestioned.'' Even when fraudulent billing is discovered, Medicare usually has paid out the money and rarely acts effectively to recover it.

Together the Department of Defense, the IRS, and the Medicare Program are just a small part of a government so massive and complex that it controls and directs cash resources of almost $2 trillion per year, issuing 900 million checks and maintaining a payroll and benefits system for over 5 million government employees. Clearly it is imperative that the government use a uniform and widely accepted set of accounting standards across the hundreds of agencies and departments that make up this government.

Today we are taking a great step toward putting Federal financial management in order. The Federal Financial Management Improvement Act of 1996 requires that all Federal agencies implement and maintain uniform accounting standards. The result will be more accurate and reliable information for program managers and leaders in Congress, meaning better decisions will be made: tax dollars will be put to better use, and a measure of confidence in the government will be restored. While this is not the kind of legislation that makes headlines, it is of great significance and I am proud that the Senate has passed it. I am very grateful to Senator STEVENS for steering the bill through his Committee.

Mr. GLENN. Mr. President, over the last 6 years, we have enacted several laws to improve Federal agency financial management. The Chief Financial Officers Act of 1990 put into place the first requirements for agencies to prepare annual audited financial statements. These requirements were strengthened by the Government Management Reform Act of 1994, and now all the major agencies are covered by the CFO Act requirements.

In oversight hearings conducted by the Governmental Affairs Committee, both when I was Chair and now as Ranking Minority Member, we have seen how these laws are making significant improvements in agency financial management. Unfortunately, we also have seen that many agencies still have a ways to go to make the necessary reforms.

The legislation before us today, the ''Federal Financial Management Improvement Act'' (S. 1130), which I cosponsored, helps agencies go those final miles to put into place necessary financial management systems and provide real accountability for the expenditure of public funds.

The legislation addresses the financial management systems that are needed to provide financial accountability. Annual financial statements will not do it alone, if agencies do not have the systems or personnel in place to account for their financial operations. Accordingly, the bill requires agencies to comply with applicable accounting standards and systems requirements.

The legislation further requires auditors to identify agencies with deficient financial management systems. This puts added teeth in the CFO Act financial statement process, and will lead to practical remediation steps, to be overseen by OMB. I am concerned, however, that the legislation's requirements for auditors to identify officials responsible for agency financial systems may have the untoward consequence of intimidating our civil servants.

If this requirement is used to identify specific decisions that have frustrated the development of needed financial management reforms, it will be a success. It will also be a success if it creates incentives for improved training for financial management personnel. If, however, it is used to unfairly blame managers who are constrained by resource or policy decisions made above them, whether in the agency or by Congress, then we will have to revisit this requirement. At this point, however, I believe that on balance the time has come to demand more accountability from our agencies and agency officials for their financial management performance.

I commend Senator BROWN for introducing this bill and for working with us in Committee to improve it. I believe the ''Federal Financial Management Improvement Act'' is important legislation and will work to improve agency financial management. I urge my colleagues to support it.

Mr. STEVENS. Mr. President, I ask unanimous consent that the committee substitute be agreed to, the bill be deemed read the third time, passed, the motion to reconsider be laid upon the table, and any statement relating to this bill appear at the appropriate place in the RECORD.

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

The bill (S. 1130), as amended, was deemed read the third time and passed.

NATIONAL ENVIRONMENTAL EDUCATION AMENDMENT ACT OF 1996

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar 542, S. 1873.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1873) to amend the National Environmental Education Act to extend programs under the Act, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Environment and Public Works, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Environmental Education Amendments Act of 1996''.

SEC. 2. OFFICE OF ENVIRONMENTAL EDUCATION.

Section 4 of the National Environmental Education Act (20 U.S.C. 5503) is amended—

(1) in subsection (b)—

(A) in paragraph (1) by inserting after ''support'' the following: ''balanced and scientifically sound'';

(B) by striking paragraph (6);

(C) by redesignating paragraphs (7) through (13) as paragraphs (6) through (12), respectively; and

(D) in paragraph (12) (as so redesignated), by inserting before the period the following: ''through the headquarters and the regional offices of the Agency''; and

(2) by striking subsection (c) and inserting the following:

''(c) STAFF.—The Office of Environmental Education shall—

''(1) include a headquarters staff of not more than 10 full-time equivalent employees; and

''(2) be supported by 1 full-time equivalent employee in each Agency regional office.

''(d) ACTIVITIES.—The Administrator may carry out the activities specified in subsection (b) directly or through awards of grants, cooperative agreements, or contracts.''.

SEC. 3. ENVIRONMENTAL EDUCATION GRANTS.

Section 6 of the National Environmental Education Act (20 U.S.C. 5505) is amended—

(1) in the second sentence of subsection (i), by striking ''25 percent'' and inserting ''15 percent''; and

(2) by adding at the end the following:

''(j) LOBBYING ACTIVITIES.—A grant under this section may not be used to support a lobbying activity (as described in the documents issued by the Office of Management and Budget and designated as OMB Circulars No. A–21 and No. A–122).''.

SEC. 4. ENVIRONMENTAL INTERNSHIPS AND FELLOWSHIPS.

(a) IN GENERAL.—The National Environmental Education Act is amended—

(1) by striking section 7 (20 U.S.C. 5506); and

(2) by redesignating sections 8 through 11 (20 U.S.C. 5507 through 5510) as sections 7 through 10, respectively.

(b) CONFORMING AMENDMENTS.—The National Environmental Education Act is amended—

(1) in the table of contents in section 1(b) (20 U.S.C. prec. 5501)—

(A) by striking the item relating to section 7; and

(B) by redesignating the items relating to sections 8 through 11 as items relating to sections 7 through 10, respectively;

(2) in section 4(b) (20 U.S.C. 5503(b))—

(A) in paragraph (6) (as redesignated by section 2(1)(C)), by striking ''section 8 of this Act'' and inserting ''section 7''; and

(B) in paragraph (7) (as so redesignated), by striking ''section 9 of this Act'' and inserting ''section 8'';

(3) in section 6(c)(3) (20 U.S.C. 5505(c)(3)), by striking ''section 9(d) of this Act'' and inserting ''section 8(d)'';

(4) in the matter preceding subsection (c)(3)(A) of section 9 (as redesignated by subsection (a)(2)), by striking ''section 10(a) of this Act'' and inserting ''subsection (a)''; and

(5) in subsection (c)(2) of section 10 (as redesignated by subsection (a)(2)), by striking ''section 10(d) of this Act'' and inserting ''section 9(d)''.

SEC. 5. NATIONAL EDUCATION AWARDS.

Section 7 of the National Environmental Education Act (as redesignated by section 4(a)(2)) is amended to read as follows:

''SEC. 7. NATIONAL EDUCATION AWARDS.

''The Administrator may provide for awards to be known as the 'President's Environmental

Youth Awards' to be given to young people in grades kindergarten through 12 for outstanding projects to promote local environmental awareness.''.

SEC. 6. ENVIRONMENTAL EDUCATION ADVISORY COUNCIL AND TASK FORCE.

Section 8 of the National Environmental Education Act (as redesignated by section 4(a)(2)) is amended—

(1) in subsection (b)(2), by striking the first and second sentences and inserting the following: ''The Advisory Council shall consist of not more than 11 members appointed by the Administrator after consultation with the Secretary. To the extent practicable, the Administrator shall appoint to the Advisory Council at least 1 representative from each of the following sectors: primary and secondary education; colleges and universities; not-for-profit organizations involved in environmental education; State departments of education and natural resources; business and industry; and senior Americans.'';

(2) in subsection (c), by striking paragraph (2) and inserting the following:

''(2) MEMBERSHIP.—Membership on the Task Force shall be open to representatives of any Federal agency actively engaged in environmental education.''; and

(3) in subsection (d), by striking paragraph (1) and inserting the following:

''(1) BIENNIAL MEETINGS.—The Advisory Council shall hold a biennial meeting on timely issues regarding environmental education and issue a report and recommendations on the proceedings of the meeting.''.

SEC. 7. NATIONAL ENVIRONMENTAL EDUCATION AND TRAINING FOUNDATION.

(a) CHANGE IN NAME.—

(1) IN GENERAL.—The first sentence of subsection (a)(1)(A) of section 9 of the National Environmental Education Act (as redesignated by section 4(a)(2)) is amended by striking ''National Environmental Education and Training Foundation'' and inserting ''Foundation for Environmental Education''.

(2) CONFORMING AMENDMENTS.—The National Environmental Education Act (20 U.S.C. 5501 et seq.) is amended—

(A) in the item relating to section 9 (as redesignated by section 4(b)(1)(B)) of the table of contents in section 1(b) (20 U.S.C. prec. 5501), by striking ''National Environmental Education and Training Foundation'' and inserting ''Foundation for Environmental Education'';

(B) in section 3 (20 U.S.C. 5502)—

(i) by striking paragraph (12) and inserting the following:

''(12) FOUNDATION.—'Foundation' means the Foundation for Environmental Education established by section 9; and''; and

(ii) in paragraph (13), by striking ''National Environmental Education and Training Foundation'' and inserting ''Foundation for Environmental Education'';

*(C) in the heading of section 9 (as redesignated by section 4(a)(2)), by striking ''**NATIONAL ENVIRONMENTAL EDUCATION AND TRAINING FOUNDATION**'' and inserting ''**FOUNDATION FOR ENVIRONMENTAL EDUCATION**''; and*

(D) in subsection (c) of section 10 (as redesignated by section 4(a)(2)), by striking ''National Environmental Education and Training Foundation'' and inserting ''Foundation for Environmental Education''.

(b) BOARD OF DIRECTORS; NUMBER OF DIRECTORS.—The first sentence of subsection (b)(1)(A) of section 9 of the National Environmental Education Act (as redesignated by section 4(a)(2)) is amended by striking ''13'' and inserting ''19''.

(c) ACKNOWLEDGMENT OF DONATIONS.—Section 9(d) of the National Environmental Education Act (as redesignated by section 4(a)(2)) is amended by striking paragraph (3) and inserting the following:

''(3) ACKNOWLEDGMENT OF DONORS.—The Foundation may acknowledge receipt of donations by means of a listing of the names of donors in materials distributed by the Foundation, but any such acknowledgment—

''(A) shall not appear in educational material to be presented to students; and

''(B) shall not identify a donor by means of a logo, letterhead, or other corporate commercial symbol, slogan, or product.''.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

Section 10 of the National Environmental Education Act (as redesignated by section 4(a)(2)) is amended by striking subsections (a) and (b) and inserting the following:

''(a) IN GENERAL.—There are authorized to be appropriated to the Environmental Protection Agency to carry out this Act—

''(1) $10,000,000 for each of fiscal years 1997, 1998, 1999, 2000, 2001, and 2002; and

''(2) such sums as are necessary for each of fiscal years 2003 through 2007.

''(b) LIMITATIONS.—

''(1) IN GENERAL.—Subject to paragraph (2), of the amounts appropriated under subsection (a) for a fiscal year—

''(A) not more than 25 percent may be used for the activities of the Office of Environmental Education;

''(B) not more than 25 percent may be used for the operation of the environmental education and training program;

''(C) not less than 40 percent shall be used for environmental education grants; and

''(D) 10 percent shall be used for the Foundation for Environmental Education.

''(2) ADMINISTRATIVE EXPENSES.—Of the amounts made available under paragraph (1) for a fiscal year for the activities of the Office of Environmental Education, not more than 25 percent may be used for administrative expenses.''.

SEC. 9. EFFECTIVE DATE.

The amendments made by this Act shall take effect as of the later of—

(1) October 1, 1996; or

(2) the date of enactment of this Act.

Mr. INHOFE. Mr. President, today the Senate is passing an important piece of legislation, S. 1873, the National Environmental Education Act amendments. I introduced this bill on June 13 along with my colleagues, Senators CHAFEE, LIEBERMAN, FAIRCLOTH, KEMPTHORNE, MOYNIHAN, REID, and LUGAR. Since that date nine more senators have joined me in this bipartisan show of support for this legislation.

This bill will reauthorize the educational efforts at the National Environmental Education and Training Foundation and the EPA's Office of Environmental Education. These programs support environmental education at the local level. They provide grant money and seed money to encourage local primary and secondary schools and universities to educate children on environmental issues.

With the importance of the environment and the continuing debate on how best to protect it, it is vital to educate our children so that they truly understand how the environment functions.

Over the last few years environmental education has been criticized for being one-sided and heavy-handed. People have accused environmental advocates of trying to brainwash children and of pushing an environmental agenda that is not supported by the facts or by science. They also accuse the Federal Government of setting one curriculum standard and forcing all schools to subscribe to their views. This is not how these two environmental education programs have worked, and I have taken specific steps to ensure that they never work this way.

The programs that this act reauthorizes have targeted the majority of their grants at the local level, allowing the teachers in our community schools to design their environmental programs to teach our children, and this is where the decisions should be made. In addition, the grants have not been used for advocacy or to lobby the Government, as other grant programs have been accused of doing.

This legislation accomplishes two important functions. First, it cleans up the current law to make the programs run more efficiently. And second, it places two very important safeguards in the program to ensure its integrity in the future.

I have placed in this bill language to ensure that the EPA programs are balanced and scientifically sound. It is important that environmental education is presented in an unbiased and balanced manner. The personal values and prejudices of the educators should not be instilled in our children. Instead we must teach them to think for themselves after they have been presented with all of the facts and information. Environmental ideas must be grounded in sound science and not emotional bias. While these programs have not been guilty of this in the past, this is an important safeguard to protect the future of environmental education.

Second, I have included language which prohibits any of the funds to be used for lobbying efforts. While these programs have not used the grant process to lobby the Government, there are other programs which have been accused of this and this language will ensure that this program never becomes a vehicle to lobby Congress or the Executive branch.

This bill also makes a number of housekeeping changes to the programs which are supported by both the EPA and the Education Foundation which will both streamline the programs and make them more efficient.

For those people who remain concerned about the Federal role in environmental education let me assure everyone that I will be personally monitoring these programs. If there are abuses or questionable grants or programs I will be the first to call for an investigation or to invoke the oversight functions of Congress. Educating our children is a serious matter and should not be abused by anyone. It is my intent and goal that these programs provide objective material in a balanced and scientifically sound manner that does not instill any particular viewpoint in our Nation's youths. We need to teach our children the facts and let them reach their own conclusions, and I believe this bill accomplishes this goal.

I thank my colleagues for supporting this bill and I hope the House can act

quickly and this legislation can be signed into law.

Mr. CHAFEE. Mr. President, I join Senator INHOFE in urging the Senate to pass S. 1873, the National Environmental Education Act Amendments of 1996. I commend Senator INHOFE for his leadership on this bill. Mr. INHOFE and other members of the Senate Environment and Public Works Committee have crafted a reauthorization of the National Environmental Education Act of 1990. It is a bipartisan bill sponsored by 11 members of the Environment and Public Works Committee, including myself and Senators INHOFE, BAUCUS, LIEBERMAN, FAIRCLOTH, KEMPTHORNE, MOYNIHAN, REID, LAUTENBERG, SMITH, and GRAHAM.

S. 1873 extends the authorization for programs authorized by the National Environmental Education Act until 2007. The bill also includes a number of changes to make programs authorized under the act operate more effectively and efficiently.

The goal of the National Environmental Education Act is to increase public understanding of the environment and to advance and develop environmental education and training.

The act has been successful in supporting environmental education through grants and training programs aimed at schools, nature centers, museums, and other educational organizations. The act has benefited thousands of teachers and millions of students—children and adults.

Educational programs supported through this act increase the public's awareness and knowledge about environmental issues, and provide them with the skills needed to make informed decisions.

I urge my colleagues to support passage of this important environmental education legislation.

Mr. STEVENS. Mr. President, I ask unanimous consent that the committee substitute be agreed to, the bill be deemed read the third time, passed, the motion to reconsider be laid upon the table, and any statements relating to this bill appear at the appropriate place in the RECORD.

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

The bill (S. 1873), as amended, was deemed read the third time and passed.

AUTHORIZING PRODUCTION OF RECORDS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of a Senate resolution 287 submitted earlier today by Senators LOTT and DASCHLE.

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

The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 287) to authorize the production of records by the Permanent Subcommittee on Investigations.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. LOTT. Mr. President, the Permanent Subcommittee on Investigations has received a request from the New Jersey Attorney General's Office for copies of subcommittee records relevant to a background investigation that the office is conducting in connection with a solid waste disposal company's licensing application.

In the course of drug enforcement hearings in the mid-1970's, the subcommittee investigated allegations relating to an individual who was then a Federal drug enforcement official and is now a principal in the solid waste firm seeking licensure from the State of New Jersey. The Attorney General's Office is seeking access to subcommittee records to enable the office to fulfill its responsibilities under State law to conduct a thorough background investigation of this individual.

Mr. President, this resolution would authorize the chairman and ranking minority member of the Permanent Subcommittee on Investigations, acting jointly, to provide subcommittee records in response to this request.

Mr. STEVENS. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble agreed to, the motion to reconsider be laid on the table, and any statements relating to this resolution appear at this point in the RECORD.

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

The resolution (S. Res. 287) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 287

Whereas the Office of the Attorney General of the State of New Jersey has requested that the Permanent Subcommittee on Investigations provide it with copies of subcommittee records in connection with a licensing investigation that the office is currently conducting;

Whereas by the privileges of the Senate of the United States and rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas when it appears that documents, papers, and records under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That the chairman and ranking minority member of the Permanent Subcommittee on Investigations, acting jointly, are authorized to provide to the office of the Attorney General of the State of New Jersey copies of subcommittee records that the office has requested for use in connection with its pending licensing investigation.

DAY OF NATIONAL CONCERN ABOUT YOUNG PEOPLE AND GUN VIOLENCE

Mr. STEVENS. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Resolution 282, designating October 10, 1996, as ''Day of National Concern About Young People and Gun Violence,'' and that the Senate then proceed to its immediate consideration.

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

The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 282) to designate October 10, 1996, as the ''Day of National Concern about Young People and Gun Violence.''

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. STEVENS. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to, en bloc, and the motion to reconsider be laid upon the table; further, that any statements relating thereto be placed in the RECORD at the appropriate place as if read.

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

The resolution (S. Res. 282) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 282

Whereas violent crime among juveniles in American society has dramatically escalated in recent years;

Whereas between 1989 and 1994, juvenile arrest rates for murder in this country skyrocketed 42 percent;

Whereas in 1993, more than 10 children were murdered each day in America;

Whereas America's young people are this country's most important resource, and Americans have a vested interest in helping children survive, free from fear and violence, to become healthy adults;

Whereas America's young people can, by taking individual and collective responsibility for their own decisions and actions, help chart a new and less violent direction for the entire country;

Whereas American school children will be invited to participate in a national observance involving millions of their fellow students and will thereby be empowered to see themselves as the agents of positive social change; and

Whereas this observance will give American school children the opportunity to make a solemn decision about their future and control their destiny by voluntarily signing a pledge promising that they will never take a gun to school, will never use a gun to resolve a dispute, and will use their influence to prevent friends from using guns to settle disputes: Now, therefore, be it

Resolved, That the Senate designates October 10, 1996, as the ''Day of National Concern About Young People and Gun Violence''. The President is authorized and requested to issue a proclamation calling upon the school children of the United States to observe such day with appropriate activities.

NATIONAL SILVER HAIRED CONGRESS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate

proceed to the immediate consideration of Calendar No. 554, Senate Concurrent Resolution 52.

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

The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 52) to recognize and encourage the convening of a National Silver Haired Congress.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. STEVENS. Mr. President, I ask unanimous consent that the concurrent resolution and preamble be agreed to, en bloc, and the motion to reconsider be laid upon the table, that any statements related thereto appear at the appropriate place in the RECORD as if read.

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

The concurrent resolution (S. Con. Res. 52) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, is as follows:

S. CON. RES. 52

Whereas many States have encouraged and facilitated the creation of senior citizen legislative and advocacy bodies;

Whereas in creating such bodies such States have provided to many older Americans the opportunity to express concerns, promote appropriate interests, and advance the common good by influencing the legislation and actions of State government; and

Whereas a National Silver Haired Congress, with representatives from each State, would provide a national forum for a nonpartisan evaluation of grassroots solutions to concerns shared by an increasing number of older Americans: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby recognizes and encourages the convening of an annual National Silver Haired Congress in the District of Columbia.

AUTHORIZING THE AGENCY FOR INTERNATIONAL DEVELOPMENT TO OFFER VOLUNTARY SEPARATION INCENTIVE PAYMENTS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 3870, which was received from the House.

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

The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3870) to authorize the Agency for International Development to offer voluntary separation incentive payments to employees of that agency.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. STEVENS. Mr. President, I ask unanimous consent that the bill be deemed read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

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

The bill (H.R. 3870) was deemed read the third time, and passed.

UNITED STATES TOURISM ORGANIZATION ACT

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 551, S. 1735.

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

The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1735) to establish the United States Tourism Organization as a nongovernmental entity for the purpose of promoting tourism in the United States.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 1735

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 ''United States Tourism Organization Act''.

SEC. 2. FINDINGS.

The Congress finds that—

(1) the travel and tourism industry is the second largest retail or service industry in the United States, and travel and tourism services ranked as the largest United States export in 1995, generating an $18.6 billion trade surplus for the United States;

(2) domestic and international travel and tourism expenditures totaled $433 billion in 1995, $415 billion spent directly within the United States and an additional $18 billion spent by international travelers on United States flag carriers traveling to the United States;

(3) direct travel and tourism receipts make up 6 percent of the United States gross domestic product;

(4) in 1994 the travel and tourism industry was the nation's second largest employer, directly responsible for 6.3 million jobs and indirectly responsible for another 8 million jobs;

(5) employment in major sectors of the travel industry is expected to increase 35 percent by the year 2005;

(6) 99.7 percent of travel businesses are defined by the Federal Government as small businesses; and

(7) the White House Conference on Travel and Tourism in 1995 brought together 1,700 travel and tourism industry executives from across the nation and called for the establishment, by federal charter, of a new national tourism organization to promote international tourism to all parts of the United States.

SEC. 3. UNITED STATES TOURISM ORGANIZATION.

(a) ESTABLISHMENT.—There is established with a Federal charter, the United States Tourism Organization (hereafter in this Act referred to as the ''Organization''). The Organization shall be a [nonprofit] *not for profit* organization. The Organization shall maintain its principal offices and national headquarters in the [city of Washington, District of Columbia,] *greater metropolitan area of Washington, D.C.,* and may hold its annual and special meetings in such places as the Organization shall determine.

(b) ORGANIZATION NOT A FEDERAL AGENCY.—Notwithstanding any other provision of the law, the Organization shall not be considered a Federal agency for the purposes of civil service laws or any other provision of Federal law governing the operation of Federal agencies, including personnel or budgetary matters relating to Federal agencies. The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Organization or any entities within the Organization.

(c) DUTIES.—The Organization shall—

(1) facilitate the development and use of public-private partnerships for travel and tourism policymaking;

(2) seek to, and work for, an increase in the share of the United States in the global tourism market;

(3) implement the national travel and tourism strategy developed by the National Tourism Board under section 4;

(4) operate travel and tourism promotion programs outside the United States in partnership with the travel and tourism industry in the United States;

(5) establish a travel-tourism data bank and, through that data bank collect and disseminate international market data:

(6) conduct market research necessary for the effective promotion of the travel and tourism market; and

(7) promote United States travel and tourism.

(d) POWERS.—The Organization—

(1) shall have perpetual succession;

(2) shall represent the United States in its relations with international tourism agencies;

(3) may sue and be sued;

(4) may make contracts;

(5) may acquire, hold, and dispose of real and personal property as may be necessary for its corporate purposes;

(6) may accept gifts, legacies, and devices in furtherance of its corporate purposes;

(7) may provide financial assistance to any organization or association, other than a corporation organized for profit, in furtherance of the purpose of the corporation;

(8) may adopt and alter a corporate seal;

(9) may establish and maintain offices for the conduct of the affairs of the Organization;

(10) may publish a newspaper, magazine, or other publication consistent with its corporate purposes;

(11) may do any and all acts and things necessary and proper to carry out the purposes of the Organization; and

(12) may adopt and amend a constitution and bylaws not inconsistent with the laws of the United States or of any State, except that the Organization may amend its constitution only if it—

(A) publishes in its principal publication a general notice of the proposed alteration of the constitution, including the substantive terms of the alteration, the time and place of the Organization's regular meeting at which the alteration is to be decided, and a provision informing interested persons that they may submit materials as authorized in subparagraph (B); and

(B) gives to all interested persons, prior to the adoption of any amendment, an opportunity to submit written data, views, or arguments concerning the proposed amendment for a period of at least 60 days after the date of publication of the notice.

(e) NONPOLITICAL NATURE OF THE ORGANIZATION.—The Organization shall be nonpolitical and shall not promote the candidacy of any person seeking public office.

(f) PROHIBITION AGAINST ISSUANCE OF STOCK OR BUSINESS ACTIVITIES.—The Organization shall have no power to issue capital stock or to engage in business for pecuniary profit or gain.

SEC. 4. NATIONAL TOURISM BOARD.

(a) ESTABLISHMENT.—The Organization shall be governed by a Board of Directors known as the National Tourism Board (hereinafter in this Act referred to as the ''Board'').

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Board shall be composed of 46 members, and shall be self-perpetuating. Initial members shall be appointed as provided in paragraph (2). The Board shall elect a chair from among its members.

(2) FOUNDING MEMBERS.—The founding members of the Board shall be appointed, or elected, as follows:

(A) The Under Secretary of Commerce for International Trade Administration shall serve as a member ex officio.

(B) 5 State Travel Directors elected by the National Council of State Travel Directors.

(C) 5 members elected by the International Association of Convention and Visitor Bureaus.

(D) 3 members elected by the Air Transport Association.

(E) 1 member elected by the National Association of Recreational Vehicle Parks and Campgrounds; 1 member elected by the Recreation Vehicle Industry Association.

(F) 2 members elected by the International Association of Amusement Parks and Attractions.

(G) 3 members appointed by major companies in the travel payments industry.

(H) 5 members elected by the American Hotel and Motel Association.

(I) 2 members elected by the American Car Rental Association; 1 member elected by the American Automobile Association; 1 member elected by the American Bus Association; 1 member elected by Amtrak.

(J) 1 member elected by the National Tour Association; 1 member elected by the United States Tour Operators Association.

(K) 1 member elected by the Cruise Lines International Association; 1 member elected by the National Restaurant Association; one member elected by the National Park Hospitality Association; 1 member elected by the Airports Council International; 1 member elected by the Meeting Planners International; 1 member elected by the American Sightseeing International; 4 members elected by the Travel Industry Association of [America.] *America; 1 member elected by the Retail Travel Agents Association; 1 member elected by the American Society of Travel Agents; and 1 member elected by the Rural Tourism Development Foundation.*

(3) TERMS.—Terms of Board members and of the Chair shall be determined by the Board and made part of the Organization bylaws.

(c) DUTIES OF THE BOARD.—The Board shall—

(1) develop a national travel and tourism strategy for increasing tourism to and within the United States; and

(2) advise the President, the Congress, and members of the travel and tourism industry concerning the implementation of the national strategy referred to in paragraph (1) and other matters that affect travel and tourism.

(d) AUTHORITY.—The Board is hereby authorized to meet to complete the organization of the Organization by the adoption of a constitution and bylaws, and by doing all things necessary to carry into effect the provisions of this Act.

(e) INITIAL MEETINGS.—Not later than 30 days after the date on which all members of the Board have been appointed, the Board shall have its first meeting.

(f) MEETINGS.—The Board shall meet at the call of the Chair, but not less frequently than semiannually.

(g) COMPENSATION AND EXPENSES.—The chairman and members of the Board shall serve without compensation but may be compensated for expenses incurred in carrying out the duties of the Board.

(h) TESTIMONY, REPORTS, AND SUPPORT.—The Board may present testimony to the President, to the Congress, and to the legislatures of the States and issue reports on its findings and recommendations.

(i) IMMUNITY.—Members of the Board shall not be personally liable for any action taken by the Board.

SEC. 5. SYMBOLS, EMBLEMS, TRADEMARKS, AND NAMES.

(a) IN GENERAL.—The Organization shall provide for the design of such symbols, emblems, trademarks, and names as may be appropriate and shall take all action necessary to protect and regulate the use of such symbols, emblems, trademarks, and names under law.

(b) UNAUTHORIZED USE; CIVIL ACTION.—Any person who, without the consent of the Organization, uses—

(1) the symbol of the Organization;

(2) the emblem of the Organization;

(3) any trademark, trade name, sign, symbol, or insignia falsely representing association with, or authorization by, the Organization; or

(4) the words ''United States Tourism Organization'', or any combination or simulation thereof tending to cause confusion, to cause mistake, to deceive, or to falsely suggest a connection with the Organization or any Organization activity;

for the purpose of trade, to induce the sale of any goods or services, or to promote any exhibition shall be subject to suit in a civil action brought in the appropriate court by the Organization for the remedies provided in the Act of July 5, 1946 (60 Stat. 427; 15 U.S.C. 1501 et seq.), popularly known as the Trademark Act of 1946. Paragraph (4) of this subsection shall not be construed to prohibit any person who, before the date of enactment of this Act, actually used the words ''United States Tourism Organization'' for any lawful purpose from continuing such lawful use for the same purpose and for the same goods and services.

(c) CONTRIBUTORS AND SUPPLIERS.—The Organization may authorize contributors and suppliers of goods and services to use the trade name of the Organization as well as any trademark, symbol, insignia, or emblem of the Organization in advertising that the contributions, goods, or services were donated, supplied, or furnished to or for the use of, approved, selected, or used by the Organization.

(d) EXCLUSIVE RIGHT OF THE ORGANIZATION.—The Organization shall have exclusive right to use the name ''United States Tourism Organization'', the symbol described in subsection (b)(1), the emblem described in subsection (b)(2), and the words ''United States Tourism Organization'', or any combination thereof, subject to the use reserved by the second sentence of subsection (b).

SEC. 6. UNITED STATES GOVERNMENT COOPERATION.

(a) SECRETARY OF STATE.—The Secretary of State shall—

(1) place a high priority on implementing recommendations by the Organization; and

(2) cooperate with the Organization in carrying out its duties.

(b) DIRECTOR OF THE UNITED STATES INFORMATION AGENCY.—The Director of the United States Information Agency shall—

(1) place a high priority on implementing recommendations by the Organization; and

(2) cooperate with the Organization in carrying out its duties.

(c) TRADE PROMOTION COORDINATING COMMITTEE.—Section 2312 of the Export Enhancement Act of 1988 (15 U.S.C. 4727) is amended—

(1) by striking out ''and'' at the end of subsection (c)(4);

(2) by striking the period at the end of subsection (c)(5) and inserting a semicolon and the word ''and'';

(3) by adding at the end thereof the following:

''(6) reflect recommendations by the National Tourism Board established under the United States Tourism Organization Act.'' and

(2) in paragraph (d)(1) by striking ''and'' in subparagraph (L), by redesignating subparagraph (M) as subparagraph (N), and by inserting the following:

''(M) the Chairman of the Board of the United States Tourism Organization, as established under the United States Tourism Organization Act; and''.

SEC. 7. SUNSET.

If, by the date that is 2 years after the date of incorporation of the Organization, a plan for the long-term financing of the Organization has not been implemented, the Organization and the Board shall terminate.

AMENDMENT NO. 5156

(Purpose: To make minor and technical corrections in the bill as reported)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. PRESSLER, proposes an amendment numbered 5156.

Mr. STEVENS. 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 7, line 8, strike ''46'' and insert ''48''.

On page 9, beginning in line 3, strike ''Retail Travel Agents Association;'' and insert ''Association of Retail Travel Agents;''.

On page 9, between lines 6 and 7, insert the following:

(L) 1 member elected by the National Trust for Historic Preservation.

(M) 1 member elected by the American Association of Museums.

Mr. PRESSLER. Mr. President, I am pleased that today the Senate has approved S. 1735, the United States Tourism Organization Act, legislation I introduced on May 8, 1996. This bill is aimed at promoting the United States as a tourist destination in the increasingly competitive world tourism market. Passage of this bipartisan measure would help to ensure the United States

remains a leader in this growing industry. In particular, I thank my distinguished colleague from Nevada, Senator RICHARD BRYAN, and my good friend from Virgina, Senator JOHN WARNER, who joined me in sponsoring this legislation.

Mr. President, the travel and tourism industry is the second most productive in the world. In the United States, the tourism industry employs more than 6.3 million people—making it the second largest employer in the country.

Unfortunately, the United States is no longer the world's No. 1 tourist destination. As other nations have recognized the economic potential of tourism, the United States has allowed itself to fall behind. We must reverse this trend.

As Chairman of the U.S. Senate Committee on Commerce, Science, and Transportation and Co-chair of the Senate Tourism Caucus, I am committed to increasing tourism—both in my home State of South Dakota and across the nation. S. 1735 is designed to keep the industry vibrant and growing. Most significantly, the legislation would develop a public-private partnership, charged with research, advertising, and marketing our country as a tourism destination.

This bill also would establish a U.S. Tourism Organization—a non-profit, private group to promote the United States both in our country and abroad. This is not an expensive new program funded by the hard-earned dollars of America's taxpayers. Instead, the organization would be funded primarily by members of the tourism industry.

One source of revenue made possible by this bill is from the sale of U.S. tourism logos, trademarks or emblems, similar to the five adjoining rings used with great financial success by the U.S. Olympic Committee. In addition, American business could pay an annual fee to become an official member of the U.S. Tourism Organization and use the logo for advertising and business promotion. Not only would this boost individual businesses, it also would advance the tourism industry as a whole.

Significantly, under this legislation, the structure of the tourism organization would ensure that no member business—big or small—would be left behind. A National Tourism Board would represent all aspects of the tourism industry—from transportation to accommodations, from dining and entertainment to tour guides. This board would put South Dakota's small-business owners on an equal footing with New York City's larger businesses as they compete for potential visitors.

This provision would be particularly helpful to small-business owners in South Dakota like Al Johnson who runs the Palmer Gulch Resort near Hill City, or for Alfred Mueller, owner of Al's Oasis in Chamberlain—the famous home of the buffalo burger.

U.S. tourism needs to aim for high-tech promotion. Today's technology has enormous potential to shape positively and promote the tourism industry. Tomorrow's technology will be even more useful. In this area, the travel and tourism industry will benefit significantly from legislation I sponsored earlier in this Congress, the Telecommunications Act of 1996. That new law will unleash even more advanced communications technologies and services. South Dakotans, like the Husteads, owners of the famous Wall Drug, in Wall, SD, already are taking advantage of such technologies as the World Wide Web. These evolving technologies can transmit information on U.S. tourism destinations to all corners of the globe.

Austrians could learn about the world-class Shrine to Music Museum in Vermillion. Kenyan safari hunters would be able to find out when hunting season is in Redfield, SD—the pheasant capital of the world. Dog-sledders in the Yukon may want to try out the snowmobile trails of the Black Hills National Forest.

The use of the latest developments in communications technology could promote places like the city of Deadwood—one of the fastest growing tourist destinations in South Dakota. Across the globe, people could learn that Deadwood's main street is lined with old-fashioned saloons and gaming halls—inspiring memories of the 1890's gold rush. This, in turn, might inspire them to visit Saloon No. 10 where Wild Bill Hickock was shot—making famous his poker hand of aces and eights, the ''Deadman's Hand.''

S. 1735 represents just one more step in a series of actions I've taken to boost tourism in South Dakota and the Nation. For instance, earlier this year, I wrote to foreign Ambassadors and other heads of missions in the United States urging them to promote the virtues of South Dakota as a prime U.S. tourist attraction. I gave them copies of the South Dakota vacation guide to pass along to appropriate officials in their embassies and home governments who are responsible for disseminating tourism information. Not long after receiving my letter, the Ambassador from Austria visited our State. Foreign visitors are our fastest growing tourist population. We welcome them.

The U.S. Tourism Organization would partner the Federal Government with the men and women who are the tourism industry. This type of public-private partnership was discussed by South Dakotans like Vince Coyle, of Deadwood, and Julie Jensen, of Rapid City, when they attended the White House conference on tourism last year. The legislation we are considering today was drafted using the recommendations of the White House conference. Working together, we can make tourism the new key to this country's economic success.

This is our opportunity to forge ahead. There is no reason the U.S. travel and tourism should be relegated to the back seat any longer. I am pleased that the Senate has given this legislation its unanimous support. I look forward to working with my colleagues in the House to send this bill to the President before the end of the 104th Congress. The time is now. We must once again make the United States the top tourist destination in the world.

Mr. STEVENS. Mr. President, I ask unanimous consent that the amendment be considered read and agreed to, the bill be deemed read the third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The amendment (No. 5156) was agreed to.

The bill (S. 1735) was deemed read the third time, and passed, as follows:

S. 1735

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 ''United States Tourism Organization Act''.

SEC. 2. FINDINGS.

The Congress finds that—

(1) the travel and tourism industry is the second largest retail or service industry in the United States, and travel and tourism services ranked as the largest United States export in 1995, generating an $18.6 billion trade surplus for the United States;

(2) domestic and international travel and tourism expenditures totaled $433 billion in 1995, $415 billion spent directly within the United States and an additional $18 billion spent by international travelers on United States flag carriers traveling to the United States;

(3) direct travel and tourism receipts make up 6 percent of the United States gross domestic product;

(4) in 1994 the travel and tourism industry was the nation's second largest employer, directly responsible for 6.3 million jobs and indirectly responsible for another 8 million jobs;

(5) employment in major sectors of the travel industry is expected to increase 35 percent by the year 2005;

(6) 99.7 percent of travel businesses are defined by the Federal Government as small businesses; and

(7) the White House Conference on Travel and Tourism in 1995 brought together 1,700 travel and tourism industry executives from across the nation and called for the establishment, by federal charter, of a new national tourism organization to promote international tourism to all parts of the United States.

SEC. 3. UNITED STATES TOURISM ORGANIZATION.

(a) ESTABLISHMENT.—There is established with a Federal charter, the United States Tourism Organization (hereafter in this Act referred to as the ''Organization''). The Organization shall be a not for profit organization. The Organization shall maintain its principal offices and national headquarters in the greater metropolitan area of Washington, D.C., and may hold its annual and special meetings in such places as the Organization shall determine.

(b) ORGANIZATION NOT A FEDERAL AGENCY.—Notwithstanding any other provision of the law, the Organization shall not be considered a Federal agency for the purposes of civil service laws or any other provision of Federal law governing the operation of Federal agencies, including personnel or budgetary matters relating to Federal agencies.

The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Organization or any entities within the Organization.

(c) DUTIES.—The Organization shall—

(1) facilitate the development and use of public-private partnerships for travel and tourism policymaking;

(2) seek to, and work for, an increase in the share of the United States in the global tourism market;

(3) implement the national travel and tourism strategy developed by the National Tourism Board under section 4;

(4) operate travel and tourism promotion programs outside the United States in partnership with the travel and tourism industry in the United States;

(5) establish a travel-tourism data bank and, through that data bank collect and disseminate international market data:

(6) conduct market research necessary for the effective promotion of the travel and tourism market; and

(7) promote United States travel and tourism.

(d) POWERS.—The Organization—

(1) shall have perpetual succession;

(2) shall represent the United States in its relations with international tourism agencies;

(3) may sue and be sued;

(4) may make contracts;

(5) may acquire, hold, and dispose of real and personal property as may be necessary for its corporate purposes;

(6) may accept gifts, legacies, and devices in furtherance of its corporate purposes;

(7) may provide financial assistance to any organization or association, other than a corporation organized for profit, in furtherance of the purpose of the corporation;

(8) may adopt and alter a corporate seal;

(9) may establish and maintain offices for the conduct of the affairs of the Organization;

(10) may publish a newspaper, magazine, or other publication consistent with its corporate purposes;

(11) may do any and all acts and things necessary and proper to carry out the purposes of the Organization; and

(12) may adopt and amend a constitution and bylaws not inconsistent with the laws of the United States or of any State, except that the Organization may amend its constitution only if it—

(A) publishes in its principal publication a general notice of the proposed alteration of the constitution, including the substantive terms of the alteration, the time and place of the Organization's regular meeting at which the alteration is to be decided, and a provision informing interested persons that they may submit materials as authorized in subparagraph (B); and

(B) gives to all interested persons, prior to the adoption of any amendment, an opportunity to submit written data, views, or arguments concerning the proposed amendment for a period of at least 60 days after the date of publication of the notice.

(e) NONPOLITICAL NATURE OF THE ORGANIZATION.—The Organization shall be nonpolitical and shall not promote the candidacy of any person seeking public office.

(f) PROHIBITION AGAINST ISSUANCE OF STOCK OR BUSINESS ACTIVITIES.—The Organization shall have no power to issue capital stock or to engage in business for pecuniary profit or gain.

SEC. 4. NATIONAL TOURISM BOARD.

(a) ESTABLISHMENT.—The Organization shall be governed by a Board of Directors known as the National Tourism Board (hereinafter in this Act referred to as the ''Board'').

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Board shall be composed of 48 members, and shall be self-perpetuating. Initial members shall be appointed as provided in paragraph (2). The Board shall elect a chair from among its members.

(2) FOUNDING MEMBERS.—The founding members of the Board shall be appointed, or elected, as follows:

(A) The Under Secretary of Commerce for International Trade Administration shall serve as a member ex officio.

(B) 5 State Travel Directors elected by the National Council of State Travel Directors.

(C) 5 members elected by the International Association of Convention and Visitor Bureaus.

(D) 3 members elected by the Air Transport Association.

(E) 1 member elected by the National Association of Recreational Vehicle Parks and Campgrounds; 1 member elected by the Recreation Vehicle Industry Association.

(F) 2 members elected by the International Association of Amusement Parks and Attractions.

(G) 3 members appointed by major companies in the travel payments industry.

(H) 5 members elected by the American Hotel and Motel Association.

(I) 2 members elected by the American Car Rental Association; 1 member elected by the American Automobile Association; 1 member elected by the American Bus Association; 1 member elected by Amtrak.

(J) 1 member elected by the National Tour Association; 1 member elected by the United States Tour Operators Association.

(K) 1 member elected by the Cruise Lines International Association; 1 member elected by the National Restaurant Association; one member elected by the National Park Hospitality Association; 1 member elected by the Airports Council International; 1 member elected by the Meeting Planners International; 1 member elected by the American Sightseeing International; 4 members elected by the Travel Industry Association of America; 1 member elected by the Association of Retail Travel Agents; 1 member elected by the American Society of Travel Agents; and 1 member elected by the Rural Tourism Development Foundation.

(L) 1 member elected by the National Trust for Historic Preservation.

(M) 1 member elected by the American Association of Museums.

(3) TERMS.—Terms of Board members and of the Chair shall be determined by the Board and made part of the Organization bylaws.

(c) DUTIES OF THE BOARD.—The Board shall—

(1) develop a national travel and tourism strategy for increasing tourism to and within the United States; and

(2) advise the President, the Congress, and members of the travel and tourism industry concerning the implementation of the national strategy referred to in paragraph (1) and other matters that affect travel and tourism.

(d) AUTHORITY.—The Board is hereby authorized to meet to complete the organization of the Organization by the adoption of a constitution and bylaws, and by doing all things necessary to carry into effect the provisions of this Act.

(e) INITIAL MEETINGS.—Not later than 30 days after the date on which all members of the Board have been appointed, the Board shall have its first meeting.

(f) MEETINGS.—The Board shall meet at the call of the Chair, but not less frequently than semiannually.

(g) COMPENSATION AND EXPENSES.—The chairman and members of the Board shall serve without compensation but may be compensated for expenses incurred in carrying out the duties of the Board.

(h) TESTIMONY, REPORTS, AND SUPPORT.—The Board may present testimony to the President, to the Congress, and to the legislatures of the States and issue reports on its findings and recommendations.

(i) IMMUNITY.—Members of the Board shall not be personally liable for any action taken by the Board.

SEC. 5. SYMBOLS, EMBLEMS, TRADEMARKS, AND NAMES.

(a) IN GENERAL.—The Organization shall provide for the design of such symbols, emblems, trademarks, and names as may be appropriate and shall take all action necessary to protect and regulate the use of such symbols, emblems, trademarks, and names under law.

(b) UNAUTHORIZED USE; CIVIL ACTION.—Any person who, without the consent of the Organization, uses—

(1) the symbol of the Organization;

(2) the emblem of the Organization;

(3) any trademark, trade name, sign, symbol, or insignia falsely representing association with, or authorization by, the Organization; or

(4) the words ''United States Tourism Organization'', or any combination or simulation thereof tending to cause confusion, to cause mistake, to deceive, or to falsely suggest a connection with the Organization or any Organization activity; for the purpose of trade, to induce the sale of any goods or services, or to promote any exhibition shall be subject to suit in a civil action brought in the appropriate court by the Organization for the remedies provided in the Act of July 5, 1946 (60 Stat. 427; 15 U.S.C. 1501 et seq.), popularly known as the Trademark Act of 1946. Paragraph (4) of this subsection shall not be construed to prohibit any person who, before the date of enactment of this Act, actually used the words ''United States Tourism Organization'' for any lawful purpose from continuing such lawful use for the same purpose and for the same goods and services.

(c) CONTRIBUTORS AND SUPPLIERS.—The Organization may authorize contributors and suppliers of goods and services to use the trade name of the Organization as well as any trademark, symbol, insignia, or emblem of the Organization in advertising that the contributions, goods, or services were donated, supplied, or furnished to or for the use of, approved, selected, or used by the Organization.

(d) EXCLUSIVE RIGHT OF THE ORGANIZATION.—The Organization shall have exclusive right to use the name ''United States Tourism Organization'', the symbol described in subsection (b)(1), the emblem described in subsection (b)(2), and the words ''United States Tourism Organization'', or any combination thereof, subject to the use reserved by the second sentence of subsection (b).

SEC. 6. UNITED STATES GOVERNMENT COOPERATION.

(a) SECRETARY OF STATE.—The Secretary of State shall—

(1) place a high priority on implementing recommendations by the Organization; and

(2) cooperate with the Organization in carrying out its duties.

(b) DIRECTOR OF THE UNITED STATES INFORMATION AGENCY.—The Director of the United States Information Agency shall—

(1) place a high priority on implementing recommendations by the Organization; and

(2) cooperate with the Organization in carrying out its duties.

(c) TRADE PROMOTION COORDINATING COMMITTEE.—Section 2312 of the Export Enhancement Act of 1988 (15 U.S.C. 4727) is amended—

(1) by striking out ''and'' at the end of subsection (c)(4);

(2) by striking the period at the end of subsection (c)(5) and inserting a semicolon and the word ''and'';

(3) by adding at the end thereof the following:

''(6) reflect recommendations by the National Tourism Board established under the United States Tourism Organization Act.'' and

(2) in paragraph (d)(1) by striking ''and'' in subparagraph (L), by redesignating subparagraph (M) as subparagraph (N), and by inserting the following:

''(M) the Chairman of the Board of the United States Tourism Organization, as established under the United States Tourism Organization Act; and''.

SEC. 7. SUNSET.

If, by the date that is 2 years after the date of incorporation of the Organization, a plan for the long-term financing of the Organization has not been implemented, the Organization and the Board shall terminate.

MEASURE PLACED ON CALENDAR—S. 1965

Mr. STEVENS. Mr. President, I ask unanimous consent that S. 1965 be placed on the calendar.

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

L. CLURE MORTON POST OFFICE AND COURTHOUSE LEGISLATION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 549, S. 1931.

The PRESIDING OFFICER. Without objection, so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1931) to provide that the U.S. Post Office building that is to be located at 9 East Broad Street, Cookeville, Tennessee, shall be known and designated as the ''L. Clure Morton Post Office and Courthouse.''

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. STEVENS. Mr. President, I ask unanimous consent that the committee substitute be agreed to, the bill be deemed read the third time and passed, the motion to reconsider be laid upon the table, the amendment to the title be agreed to, and that any statements relating to the bill appear at this point in the RECORD.

The committee amendment was agreed to.

The bill was deemed read the third time, and passed, as follows:

S. 1931

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

SECTION 1. DESIGNATION OF L. CLURE MORTON UNITED STATES POST OFFICE AND COURTHOUSE.

The United States Post Office and Courthouse building located at 9 East Broad Street, Cookeville, Tennessee, shall be known and designated as the ''L. Clure Morton United States Post Office and Courthouse''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States Post Office and Courthouse building referred to in section 1 shall be deemed to be a reference to the ''L. Clure Morton United States Post Office and Courthouse''.

The title was amended so as to read: ''A bill to provide that the United States Post Office and Courthouse building located at 9 East Broad Street, Cookeville, Tennessee, shall be known and designated as the 'L. Clure Morton United States Post Office and Courthouse'.''.

ROSE Y. CARACAPPA UNITED STATES POST OFFICE BUILDING

Mr. STEVENS. I ask unanimous consent that the Senate now proceed to the consideration of H.R. 3139, which was received from the House.

The PRESIDING OFFICER. Without objection, so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3139) to redesignate the United States Post Office Building located at 245 Centereach Mall on Middle Country Road in Centereach, New York, as the ''Rose Y. Caracappa United States Post Office Building.''

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. STEVENS. Mr. President, I ask unanimous consent that the bill be deemed read the third time, and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at this point in the RECORD.

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

The bill (H.R. 3139) was deemed read the third time, and passed.

ROGER P. McAULIFFE POST OFFICE

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate now proceed to consideration of the House bill H.R. 3834, which was received from the House.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3834) to redesignate the Dunning Post Office in Chicago, Illinois, as the ''Roger P. McAuliffe Post Office.''

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. STEVENS. I ask unanimous consent that the bill be deemed read a third time and passed, the motion to reconsider be laid upon the table, and that any statements appear at this point in the RECORD.

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

The bill (H.R. 3834) was deemed read the third time and passed.

FEDERAL OIL AND GAS ROYALTY SIMPLIFICATION AND FAIRNESS ACT OF 1995

Mr. STEVENS. I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 500, which is House bill H.R. 1975.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1975) to improve the management of royalties from Federal and Outer Continental Shelf oil and gas leases, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MURKOWSKI. Mr. President, I rise to urge my Senate colleagues to support H.R. 1975, the Federal Oil and Gas Royalty Fairness and Simplification Act, also known as the ''royalty fairness'' bill, which passed the House of Representatives on July 16, 1996. H.R. 1975 is identical in every respect to S. 1014, reported to the Senate by the Committee on Energy and Natural Resources on May 1 by a unanimous voice vote, with one exception: It makes a technical amendment in the effective date section that was not made in S. 1014. The technical amendment was included at the urging of the administration and, as a result, the Clinton administration strongly supports H.R. 1975. The bill also is supported by the governors of fourteen States.

This is historic legislation, Mr. President. It is the only legislative initiative taken in the last 14 years to cost effectively increase the Nation's third largest source of revenue—mineral royalties from Federal lands, more specifically, oil and gas royalties. This legislation would establish a comprehensive statutory plan to increase the collection of royalty receipts due the United States. Those receipts will help reduce our budget deficit. Without this legislation, an ineffective and costly royalty collection system will continue, perpetuating long delays and uncollected royalties.

Let me make clear, Mr. President: This legislation does not apply to Indian lands. It applies only to royalties from oil and gas production on Federal lands.

Let me also make absolutely clear that this bill does not—repeat, does not—provide royalty relief or lower royalty rates for oil and gas producers who operate on Federal onshore lands or the Outer Continental Shelf. H.R. 1975 is about royalty collection, not royalty rates. This bill is about improving government efficiency, not about increasing government bureaucracy. And this bill is about increasing

revenues to the Federal Treasury, not about giving money away.

This legislation is historic for another reason, Mr. President: It would empower States to perform oil and gas royalty management functions, such as auditing and collecting, that are essential to bringing additional receipts to the Treasury and the States within a 7-year limitation period established by this legislation. By expanding the States' role in performing Federal oil and gas royalty management and collection functions consistent with Federal law and regulation, States will be given a great economic incentive that will benefit the Federal Treasury. The more aggressive States are in performing delegated functions, the greater their share of net receipts under the Mineral Leasing Act. That act requires 50 percent of all royalties from Federal onshore oil and gas production to be shared with the States from which that production comes.

H.R. 1975 establishes a framework for the federal oil and gas royalty collection program that will accelerate the collection of offsetting receipts to the Treasury by $80 million in the 1997–2002 period, half of which moneys would be shared with the States. These receipts result primarily from: (1) requiring the Secretary of the Interior and delegated States to timely collect all claims within 7 years rather than allow the claims to become stale and uncollectible; (2) requiring early resolution and collection of disputed claims before their value diminishes; (3) requiring federal and State resources to be used in a manner that maximizes receipts through more aggressive collection activities; and (4) increasing production on federal lands by creating economic and regulatory incentives. Without the statutory framework of this legislation, the Nation's third largest revenue source (the Interior Department's Minerals Management Service is the third largest source of revenue behind the IRS and Customs Service) will continue to be subject to greatly delayed collections and the risk of reduced receipts due to non-collection over time.

To achieve the goal of maximizing collections through more timely and aggressive collection efforts, this legislation would do the following specific things. It would require the Secretary, delegated States, and lessees to take action respecting a royalty obligation within seven years from the date that obligation became due. The provisions require that judicial proceedings or demands (*e.g.*, orders to pay) be commenced or issued within seven years of the date when the obligation became due or be barred. Lessees would be required to maintain their records during the 7-year period in order to verify production volumes.

H.R. 1975 would expedite the administrative appeals process at the Interior Department by establishing a 33-month limitation on appeals. Presently, over $450 million in disputed claims languish in a bureaucratic appeals process and continue to lose value. By speeding up the appeals process, the Secretary would increase the value of those obligations and collections to the Treasury.

The legislation also would level the playing field for royalty payors by authorizing the payment of interest on overpayments. Present law requires lessees to pay interest on late payments and underpayments as a disincentive for being tardy or underpaying royalties, but does not compensate lessees who overpay royalties and who lose the time value of that money through some legitimate error.

And finally, Mr. President, the legislation would authorize the Secretary to allow prepayment of royalties and to provide other regulatory relief for ''marginal properties,'' and require that adjustments or requests for refunds for underpayments or overpayments be pursued within a 6-year window coinciding with the 7-year limitation period.

Mr. President, I want to thank my colleague, Senator NICKLES, for introducing the Senate companion to H.R. 1975, S. 1014, last June. Senator DOMENICI and I joined Senator NICKLES as sponsors of this historic bill, and Senator THOMAS has been deeply involved as well. I want to thank Senators NICKLES, DOMENICI, and THOMAS for their efforts in regard to the royalty fairness legislation.

Mr. President, the fact that S. 1014 was reported from the Committee on Energy and Natural Resources on May 1 by a unanimous voice vote and subsequently drew the support of the Clinton administration, and the fact that the House swiftly passed H.R. 1975, speaks to the merits of this legislation, the lengths to which we have gone to resolve differences with the administration over the language of the bill, and the fact that this legislation is not partisan legislation.

This is good-government legislation, and no mater what criticism we may hear of it, it will be good for the taxpayers, good for the States, and good for the energy producing sector of our economy.

Importantly, Mr. President, H.R. 1975 will empower States to join in partnership with the Federal Government in assuming certain royalty management functions pursuant to a delegation of authority. By providing States with a role in performing oil and gas royalty management functions, we will be giving States the economic incentive to perform those functions in a more cost effective manner. Aggressive pursuit of royalty obligations by States will be rewarded by higher net receipts shares for the States, because 50 percent of oil and gas receipts are shared with the States, and it will result in higher receipts to the federal treasury.

This is a fiscal ''win-win'' no matter how you view it. This is good public policy. I urge my colleagues to join me in supporting the Federal Oil and Gas Royalty Simplification and Fairness Act.

Mr. President, I ask unanimous consent that a letter dated June 6, 1996, from the Department of the Interior; a statement of administration policy, dated July 16, 1996, from OMB; a letter dated May 30, 1996, from Leon Panetta; and a DOE news release dated July 16, 1996, be printed in the RECORD.

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

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, DC, June 6, 1996.

Hon. FRANK MURKOWSKI,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to express the views of the Department of the Interior on S. 1014, the ''Federal Oil and Gas Royalty Simplification and Fairness Act of 1996.'' As you are aware, we have conducted extensive discussions with the staff of the Senate Energy and Natural Resources Committee in an effort to address concerns and resolve differences raised by both parties.

S. 1014, as marked up and passed by the full Committee on May 1, incorporated negotiated language that is acceptable to the Department. After marking up the bill, the Committee staff and the Minerals Management Service identified a technical error, and the Committee has developed an amendment for Senate floor consideration. The amendment would correct an error in section 11, so that the effective date exception will apply to the appeals provision in section 115(h) and not to the records retention provision in section 115(f). The Department supports S. 1014 as reported out of the Committee, with the adoption of the pending technical amendment.

In general, S. 1014 would amend the Federal Oil and Gas Royalty Management Act, the Outer Continental Shelf Lands Act, and the Mineral Leasing Act. The amendments change the requirements that govern how the Secretary of the Interior manages royalty payments from Federal oil and gas leases onshore and on the OCS. The bill would limit the persons that can be held liable for royalty payments; establish a 7-year statute of limitations and detail the circumstances under which the statute of limitations can be tolled; establish time limits for administrative appeals decisions; require the Secretary to pay interest on all overpayments; process OCS refunds and credits in the same manner as onshore leases; undertake measures to encourage efficiency and reduce duplicate reporting; and relax reporting and payment requirements on marginal producing leases, including accepting prepayments of future royalties. Lastly, S. 1014 would change existing statutory authority for the Secretary to delegate royalty management activities to States.

This delegation issue has been of particular interest to the Department. Our priority has been to ensure that the delegation provision does not contain unacceptable bars to the exercise of Secretarial discretion. We believe that the language contained in the current version of S. 1014 provides new benefits for states by expanding the list of delegable authorities which a state may seek and requiring the Secretary, to make a decision regarding any pending state application for delegation within 90 days of its submission. At the same time, however, the bill preserves the Secretary's discretion regarding important decisions affecting public lands, unlike similar language in the companion House

bill (H.R. 1975) which unacceptably diminishes the Secretary's discretionary authority. Certainly, we could not accept any amendments that would weaken the Secretary's authority as currently provided in S. 1014.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

SYLVIA V. BACA,
Acting Assistant Secretary for Land and Minerals Management.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, July 16, 1996.

STATEMENT OF ADMINISTRATION POLICY

(This statement has been coordinated by OMB with the concerned agencies.)

H.R. 1975—FEDERAL OIL AND GAS ROYALTY SIMPLIFICATION/FAIRNESS

(Calvert (R) CA) and 10 cosponsors)

The Administration is committed to ensuring the efficient management of the Federal oil and gas program and to finding new ways for the States to work cooperatively and creatively with the Federal Government. Accordingly, the Administration strongly supports enactment of H.R. 1975 if amended to adopt the language of S. 1014, as reported by the Senate, with the technical amendment agreed upon by the Administration and the Senate Energy and Natural Resources Committee. The Senate reported bill maintains Federal discretion in delegating royalty collection and other duties to States while expanding the list of delegable authorities that a State may seek.

THE WHITE HOUSE,
Washington, DC, May 30, 1996.

Hon. FRANK H. MURKOWSKI,
U.S. Senate,
Washington, DC.

DEAR MR. MURKOWSKI: I am writing to inform you of the Administration's position regarding the pending Oil and Gas Royalty Simplification and Fairness legislation (S. 1014). Let me assure you that the Administration remains committed to ensuring the efficient management of Federal lands and finding new ways for the States to work cooperatively and creatively with the Federal Government. The President shares your hope that an agreement can be reached on the State delegation issue.

In an effort to resolve this issue, Administration representatives, working with the staff of the Senate Energy Committee, were successful in reaching an agreement on language that would expand the list of delegable royalty management authorities, without reducing the Secretary of the Interior's responsibility with respect to the management of Federal lands. That language was included in S. 1014, which was reported out of the Senate Energy Committee on May 1st. The Administration supports S. 1014 as reported out of Committee, but will seek a minor technical amendment. The Administration believes this bill's State delegation language is acceptable, unlike the language included in H.R. 1975, the House Resources Committee bill on Royalty Simplification.

The Administration will continue to work with Congress as the legislative process moves forward, and stands ready to work in support of the language included in the Senate Energy Committee bill. I appreciate your interest and support in this important legislation.

Sincerely,

LEON E. PANETTA, *Chief of Staff.*

DOE NEWS

STATEMENT OF CHARLES B. CURTIS, DEPUTY SECRETARY, U.S. DEPARTMENT OF ENERGY ON ROYALTY FAIRNESS

''The Clinton Administration is extremely pleased by passage in the House today of H.R. 1975, the Federal Oil and Gas Royalty Simplification and Fairness Act. This legislation will improve the competitiveness of America's natural gas and oil industry by reducing red tape and making the federal regulatory structure more efficient and responsive.

''The Administration has worked hard to advance this legislation because we believe that simplifying royalty collection procedures will make it less costly for domestic energy producers to find and produce more natural gas and oil on federal lands. That, in turn, will reduce America's reliance on foreign oil. Furthermore, the Congressional Budget Office estimates that enactment of this measure will contribute an additional $51 million in federal revenues and $33 million in state revenues over seven years.

''The bipartisan support in the House for this bill is a major step forward in making government work for the American people. If the Senate also approves this legislation, it will be good news for American workers, good news for the U.S. Treasury and, most important, good news for our Nation's energy and National security.''

Mr. DOMENICI. Mr. President, I speak today about extremely important legislation that we will pass in the Senate: The Federal Oil and Gas Royalty Simplification and Fairness Act of 1996.

This bill is a win-win solution for our beleaguered domestic oil and gas industry, oil and gas-producing States like my State of New Mexico, and the Federal Treasury.

As one of the three cosponsors of this legislation, I wish to commend Senator NICKLES for introducing the bill, Senator MURKOWSKI for joining with me as a cosponsor, and Senator THOMAS for fighting hard with us to move this bill through committee and past initial administration objections.

The bill before us reflects solid bipartisan support and the hard work of the majority and the minority to narrow our differences and reach a good compromise.

The Royalty Fairness bill will generate more revenue for the State and Federal Government, which means more funding will be available for New Mexico schools and for other vital State programs that depend on revenues from oil and gas royalties.

According to CBO, the Royalty Fairness bill has the potential to save taxpayers more than $50 million over 7 years. States keep half of the oil and gas royalties, and because of our legislation will have the potential to receive over $30 million of additional royalty revenue into their State treasuries when this bill is enacted into law.

Let me remind my colleagues that the Federal royalty collection system is our Nation's third largest source of revenue, and this bill makes long-needed improvements to that system.

This bill will finally give the oil patch more consistency and less uncertainty in the royalty collection process, which will, in turn, give a much-needed boost to our domestic oil and gas industry and lessen our dependence on foreign imports.

This is a good-government bill, a win-win bill, and I urge the President to sign this bill into law as soon as possible.

Mr. NICKLES. Mr. President, today we have finally passed the Federal Oil and Gas Royalty Simplification and Fairness Act of 1996. I introduced this bill last year. It is a bipartisan bill that has the support of the administration as well as 14 State Governors who represent 99 percent of all Federal onshore production, the Interstate Oil and Gas Compact Commission and industry trade associations who represent virtually 100 percent of all Federal lessees.

This bill amends the Federal Oil and Gas Royalty Management Act of 1982 and applies to leases issued by the Secretary of the Interior on Federal onshore lands and the Outer Continental Shelf. The bill's objectives are to provide greater certainty, simplicity, fairness and administrative efficiencies in the laws that govern Federal royalties.

Over time, serious problems have developed with the ways courts and consequently the Minerals Management Service [MMS] have interpreted the Federal statute of limitations governing royalty collection. Basically the issue is: At what time does the statute of limitations begin to run on the underpayment of royalties?

Some courts claim that the statute of limitations does not begin to run until the MMS ''should have known about the deficiency'' in the amount the producer has paid [Mesa versus U.S. (10th Cir. 1994)]. Other courts have held that the current 6-year statute ''is tolled until such time as the government could reasonably have known about a fact material to its right of action.'' [Phillips versus Lujan (10th Cir. 1993)].

Either of the above interpretations subjects producers to unlimited liability—a period that well exceeds the statute of limitations on other agency actions regarding producers. This situation has created a climate of deep uncertainty in the payment of royalties that was not intended by Congress and that is not in the best interests of consumers, producers, or ultimately the U.S. Government.

Oil and gas producers pay billions of dollars every year for the opportunity to drill on Federal land. The payment of royalties is a routine part of doing business with the Federal Government. There is no attempt here to alter that obligation to pay.

However, as in all other businesses, oil and gas producers need certainty in their business relationships and in their business transactions with the Federal Government. That certainty is not now present in the MMS's regulations or in numerous court decisions interpreting the applicable statute of limitations. Certainty can be achieved

only through legislation. For that reason, I introduced the Royalty Fairness Act of 1995.

The main objective of this legislation is to establish a clear statute of limitations and identify the time when the statute of limitations begins to run on royalty payments. This bill establishes a 7-year statute of limitations and in most cases, the statute will begin to run when the obligation to pay the royalty begins.

In addition, this bill permits the Secretary of the Interior to delegate royalty collections and related activities to the States, it provides for adjustments or refund requests to correct underpayments or overpayments of obligations, it authorizes the payment of interest to lessees who make overpayments, and it provides alternatives for marginal properties including prepayment of royalties or regulatory relief.

In conclusion, the Congressional Budget Office estimates this bill would increase revenues to the U.S. Treasury by $36 million over 6 years, and cumulatively to the States by $9 million during the same interval. I am confident that passage of this bill is much needed to create a climate of certainty in the oil and gas industry as well as being very much in the national economic interest.

Mr. STEVENS. Mr. President, I ask unanimous consent that the bill be deemed read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (H.R. 1975) was deemed read the third time and passed.

TECHNICAL CORRECTIONS IN THE ENROLLMENT OF H.R. 1975

Mr. STEVENS. Mr. President, I now ask unanimous consent that the Senate proceed to the immediate consideration of Senate Concurrent Resolution 70 submitted earlier today by Senator MURKOWSKI; further, that the resolution be agreed to and the motion to reconsider be laid upon the table.

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

The concurrent resolution (S. Con. Res. 70) was agreed to, as follows:

S. CON. RES. 70

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill (H.R. 1975) to improve the management of royalties from Federal and Outer Continental Shelf oil and gas leases, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

(1) On page 5, line 23, strike the word ''provision'' and insert in lieu thereof the word ''provisions''.

(2) On page 29, line 23, insert the word ''so'' before the word ''demonstrate''.

(3) On page 36, line 2, insert the word ''not'' after the word ''shall''.

(4) On page 36, line 19, insert the word ''rate'' and insert in lieu thereof the word ''date''.

(5) On page 36, line 24, insert the word ''owned'' and insert in lieu thereof the word ''owed''.

(6) On page 39, line 8, insert the word ''dues'' and insert in lieu thereof the word ''due''.

(7) On page 44, line 24, insert the word ''it'' and insert in lieu thereof the word ''its''.

ORDERS FOR TUESDAY, SEPTEMBER 3, 1996

Mr. STEVENS. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 11 a.m. on Tuesday, September 3; 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, and the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and that there then be a period for morning business until the hour of 2 p.m. with the first 90 minutes under the control of Senator DASCHLE or his designee, and that the second 90 minutes be under the control of Senator COVERDELL or his designee.

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

Mr. STEVENS. I ask unanimous consent that following morning business on Tuesday, September 3, the Senate proceed to the consideration of House bill H.R. 3666, the VA-HUD appropriations bill.

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

PROGRAM

Mr. STEVENS. Mr. President, there will be no rollcall votes on September 3.

The Senate may also be asked to turn to consideration of any other executive or legislative items cleared for action. There are a number of available appropriations conference reports, such as the D.C. appropriations, military construction appropriations, legislative appropriations, as well as the defense authorization conference report. On Wednesday the Senate will resume consideration of the VA-HUD appropriations bill or any of the above mentioned reports with rollcall votes expected. On Thursday the Senate will consider the Defense of Marriage Act under a previous unanimous-consent agreement.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 104–132, appoints Robert M. Stewart, of South Carolina, as a member of the Commission on the Advancement of Federal Law Enforcement.

APPOINTMENT BY THE MINORITY LEADER

The PRESIDING OFFICER. The Chair, on behalf of the minority leader, pursuant to Public Law 104–132, appoints Donald C. Dahlin, of South Dakota, as a member of the Commission on the Advancement of Federal Law Enforcement.

ADJOURNMENT UNTIL 11 A.M., TUESDAY, SEPTEMBER 3, 1996

Mr. STEVENS. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in adjournment in accordance with House concurrent resolution 203.

There being no objection, the Senate, at 9:16 p.m., adjourned until Tuesday, September 3, 1996, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate August 2, 1996:

THE JUDICIARY

ROBERT W. PRATT, OF IOWA, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF IOWA VICE HAROLD D. VIETOR, RETIRED.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 2, 1996:

COMMODITY FUTURES TRADING COMMISSION

BROOKSLEY ELIZABETH BORN, OF THE DISTRICT OF COLUMBIA, TO BE A COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING APRIL 13, 1999.

BROOKSLEY ELIZABETH BORN, OF THE DISTRICT OF COLUMBIA, TO BE CHAIRMAN OF THE COMMODITY FUTURES TRADING COMMISSION.

DAVID D. SPEARS, OF KANSAS, TO BE A COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION FOR THE TERM EXPIRING APRIL 13, 2000.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

ANN D. MONTGOMERY, OF MINNESOTA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF MINNESOTA.

DEPARTMENT OF TRANSPORTATION

CHARLES A. HUNNICUTT, OF GEORGIA, TO BE AN ASSISTANT SECRETARY OF TRANSPORTATION.

UNITED STATES ENRICHMENT CORPORATION

CHARLES WILLIAM BURTON, OF TEXAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE U.S. ENRICHMENT CORPORATION FOR A TERM EXPIRING FEBRUARY 24, 2001.

CHRISTOPHER M. COBURN, OF OHIO, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE U.S. ENRICHMENT CORPORATION FOR A TERM EXPIRING FEBRUARY 24, 2000.

COMMODITY FUTURES TRADING COMMISSION

BROOKSLEY ELIZABETH BORN, OF THE DISTRICT OF COLUMBIA, TO BE A COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING APRIL 13, 1999.

BROOKSLEY ELIZABETH BORN, OF THE DISTRICT OF COLUMBIA, TO BE CHAIRMAN OF THE COMMODITY FUTURES TRADING COMMISSION.

DAVID D. SPEARS, OF KANSAS, TO BE A COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION FOR THE TERM EXPIRING APRIL 13, 2000.

PANAMA CANAL COMMISSION

ALBERTO ALEMAN ZUBIETA, A CITIZEN OF THE REPUBLIC OF PANAMA, TO BE ADMINISTRATOR OF THE PANAMA CANAL COMMISSION.

UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES

EVERETT ALVAREZ, JR., OF MARYLAND, TO BE A MEMBER OF THE BOARD OF REGENTS OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES FOR A TERM EXPIRING MAY 1, 1999.

CONSUMER PRODUCT SAFETY COMMISSION

THOMAS HILL MOORE, OF FLORIDA, TO BE A COMMISSIONER OF THE CONSUMER PRODUCT SAFETY COMMISSION FOR A TERM OF 7 YEARS FROM OCTOBER 26, 1996.

NUCLEAR REGULATORY COMMISSION

EDWARD MCGAFFIGAN, JR., OF VIRGINIA, TO BE A MEMBER OF THE NUCLEAR REGULATORY COMMISSION FOR THE TERM OF 5 YEARS EXPIRING JUNE 30, 2000.

NILS J. DIAZ, OF FLORIDA, TO BE A MEMBER OF THE NUCLEAR REGULATORY COMMISSION FOR THE TERM OF 5 YEARS EXPIRING JUNE 30, 2001.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

ANN D. MONTGOMERY, OF MINNESOTA, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF MINNESOTA.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER 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. GILBERT J. REGAN, 000–00–0000, U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE, TO THE GRADE INDICATED, UNDER TITLE 10, UNITED STATES CODE, SECTIONS 8374, 12201, AND 12212:

To be brigadier general

COL. CHRISTOPHER J. LUNA, 000–00–0000, AIR NATIONAL GUARD OF THE UNITED STATES.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. AIR FORCE WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. ROGER G. DEKOK, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. AIR FORCE WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. PATRICK K. GAMBLE, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. AIR FORCE WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. LESTER L. LYLES, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. AIR FORCE WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. JOHN B. SAMS, JR., 000–00–0000, U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT 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

LT. GEN. CHARLES T. ROBERTSON, 000–00–0000, U.S. 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

MAJ. GEN. FRANK B. CAMPBELL, 000–00–0000, U.S. AIR FORCE.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. ARMY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. DAVID L. BENTON, 000–00–0000.

THE FOLLOWING-NAMED ARMY MEDICAL SERVICE CORPS COMPETITIVE CATEGORY OFFICER FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE OF BRIGADIER GENERAL UNDER THE PROVISIONS OF THE TITLE 10, UNITED STATES CODE, SECTIONS 611(A) AND 624(C):

To be brigadier general

COL. MACK C. HILL, 000–00–0000, U.S. ARMY.

THE FOLLOWING-NAMED ARMY MEDICAL CORPS COMPETITIVE CATEGORY OFFICERS FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE OF BRIGADIER GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 611(A) AND 624(C):

To be brigadier general

COL. RALPH O. DEWITT, JR., 000–00–0000, U.S. ARMY.
COL. KEVIN C. KILEY, 000–00–0000, U.S. ARMY.
COL. MICHAEL J. KUSSMAN, 000–00–0000, U.S. ARMY.
COL. DARREL R. PORR, 000–00–0000, U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. ARMY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. ERIC K. SHINSEKI, 000–00–0000.

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 major general

BRIG. GEN. MICHAEL W. ACKERMAN, 000–00–0000.
BRIG. GEN. FRANK H. AKERS, JR., 000–00–0000.
BRIG. GEN. LEO J. BAXTER, 000–00–0000.
BRIG. GEN. ROY E. BEAUCHAMP, 000–00–0000.
BRIG. GEN. KENNETH R. BOWRA, 000–00–0000.
BRIG. GEN. KEVIN P. BYRNES, 000–00–0000.
BRIG. GEN. MICHAEL A. CANAVAN, 000–00–0000.
BRIG. GEN. ROBERT T. CLARK, 000–00–0000.
BRIG. GEN. MICHAEL L. DODSON, 000–00–0000.
BRIG. GEN. ROBERT B. FLOWERS, 000–00–0000.
BRIG. GEN. PETER C. FRANKLIN, 000–00–0000.
BRIG. GEN. THOMAS W. GARRETT, 000–00–0000.
BRIG. GEN. EMMITT E. GIBSON, 000–00–0000.
BRIG. GEN. DAVID L. GRANGE, 000–00–0000.
BRIG. GEN. DAVID R. GUST, 000–00–0000.
BRIG. GEN. MARK R. HAMILTON, 000–00–0000.
BRIG. GEN. PATRICIA R.P. HICKERSON, 000–00–0000.
BRIG. GEN. ROBERT R. IVANY, 000–00–0000.
BRIG. GEN. JOSEPH K. KELLOGG, JR., 000–00–0000.
BRIG. GEN. JOHN M. LEMOYNE, 000–00–0000.
BRIG. GEN. JOHN M. MCDUFFIE, 000–00–0000.
BRIG. GEN. FREDDY E. MCFARREN, 000–00–0000.
BRIG. GEN. MARIO F. MONTERO, JR., 000–00–0000.
BRIG. GEN. STEPHEN T. RIPPE, 000–00–0000.
BRIG. GEN. JOHN J. RYNESKA, 000–00–0000.
BRIG. GEN. ROBERT D. SHADLEY, 000–00–0000.
BRIG. GEN. EDWIN P. SMITH, 000–00–0000.
BRIG. GEN. JOHN B. SYLVESTER, 000–00–0000.
BRIG. GEN. RALPH G. WOOTEN, 000–00–0000

IN THE MARINE CORPS

THE FOLLOWING-NAMED BRIGADIER GENERALS OF THE U.S. MARINE CORPS RESERVE FOR PROMOTION TO THE GRADE OF MAJOR GENERAL, UNDER THE PROVISIONS OF SECTION 5898 OF TITLE 10, UNITED STATES CODE:

To be major general

BRIG. GEN. JOHN W. HILL, 000–00–0000, USMCR.
BRIG. GEN. DENNIS M. MCCARTHY, 000–00–0000, USMCR.

THE FOLLOWING-NAMED COLONELS OF THE U.S. MARINE CORPS FOR PROMOTION TO THE GRADE OF BRIGADIER GENERAL, UNDER THE PROVISIONS OF SECTION 624 OF TITLE 10, UNITED STATES CODE:

To be brigadier general

COL. ROBERT R. BLACKMAN, JR., 000–00–0000, USMC.
COL. WILLIAM G. BOWDON, III, 000–00–0000, USMC.
COL. JAMES T. CONWAY, 000–00–0000, USMC.
COL. KEITH T. HOLCOMB, 000–00–0000, USMC.
COL. HAROLD MASHBURN, JR., 000–00–0000, USMC.
COL. GREGORY S. NEWBOLD, 000–00–0000, USMC.

THE FOLLOWING-NAMED COLONEL OF THE U.S. MARINE CORPS FOR PROMOTION TO THE GRADE OF BRIGADIER GENERAL, UNDER THE PROVISIONS OF SECTION 624 OF TITLE 10, UNITED STATES CODE:

To be brigadier general

COL. GUY M. VANDERLINDEN, 000–00–0000, USMC.

THE FOLLOWING-NAMED COLONEL OF THE U.S. MARINE CORPS FOR PROMOTION TO THE GRADE OF BRIGADIER GENERAL, UNDER THE PROVISIONS OF SECTION 624 OF TITLE 10, UNITED STATES CODE:

To be brigadier general

COL. ARNOLD FIELDS, 000–00–0000, USMC.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER THE PROVISIONS OF SECTION 601(A), TITLE 10, UNITED STATES CODE:

To be lieutenant general

MAJ. GEN. CARLTON W. FULFORD, JR., 000–00–0000.

THE FOLLOWING-NAMED OFFICER, ON THE ACTIVE-DUTY LIST, FOR PROMOTION TO THE GRADE OF BRIGADIER GENERAL IN THE U.S. MARINE CORPS IN ACCORDANCE WITH SECTION 5046 OF TITLE 10, UNITED STATES CODE:

THEODORE G. HESS, 000–00–0000.

IN THE NAVY

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE NAVAL RESERVE OF THE UNITED STATES TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 5912:

UNRESTRICTED LINE

To be rear admiral

REAR ADM. (LH) JAMES WAYNE EASTWOOD, 000–00–0000, U.S. NAVAL RESERVE.

REAR ADM. (LH) JOHN EDWIN KERR, 000–00–0000, U.S. NAVAL RESERVE.

REAR ADM. (LH) JOHN BENJAMIN TOTUSHEK, 000–00–0000, U.S. NAVAL RESERVE.

RESTRICTED LINE

To be rear admiral

REAR ADM. (LH) ROBERT HULBURT WEIDMAN, JR., 000–00–0000, U.S. NAVAL RESERVE.

STAFF CORPS

To be rear admiral

REAR ADM. (LH) M. EUGENE FUSSELL, 000–00–0000, U.S. NAVAL RESERVE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10 U.S.C., SECTION 601:

To be vice admiral

REAR ADM. (SELECTEE) LYLE G. BIEN, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTIONS 601 AND 5033:

CHIEF OF NAVAL OPERATIONS

To be admiral

ADM. JAY L. JOHNSON, 000–00–0000.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL IN THE U.S. AIR FORCE WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10 UNITED STATES CODE, SECTION 601:

To be general

LT. GEN. HOWELL M. ESTES, III. 000–00–0000.

IN THE 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. GERALD A. RUDISILL, JR., 000–00–0000.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER 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. GARRY R. TREXLER, 000–00–0000.

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE, TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 8373, 8374, 12201, AND 12212:

To be major general

BRIG. GEN. KEITH D. BJERKE, 000–00–0000, AIR NATIONAL GUARD.
BRIG. GEN. EDMOND W. BOENISCH, JR., 000–00–0000, AIR NATIONAL GUARD.
BRIG. GEN. STEWART R. BYRNE, 000–00–0000, AIR NATIONAL GUARD.
BRIG. GEN. JOHN H. FENIMORE, V, 000–00–0000, AIR NATIONAL GUARD.
BRIG. GEN. JOHNNY J. HOBBS, 000–00–0000, AIR NATIONAL GUARD.
BRIG. GEN. STEPHEN G. KEARNEY, 000–00–0000, AIR NATIONAL GUARD.
BRIG. GEN. WILLIAM B. LYNCH, 000–00–0000, AIR NATIONAL GUARD.

To be brigadier general

COL. BRIAN E. BARENTS, 000–00–0000, AIR NATIONAL GUARD.
COL. GEORGE P. CHRISTAKOS, 000–00–0000, AIR NATIONAL GUARD.
COL. WALTER C. CORISH, JR., 000–00–0000, AIR NATIONAL GUARD.
COL. FRED E. ELLLIS, 000–00–0000, AIR NATIONAL GUARD.
COL. FREDERICK D. FEINSTEIN, 000–00–0000, AIR NATIONAL GUARD.
COL. WILLIAM P. GRALOW, 000–00–0000, AIR NATIONAL GUARD.
COL. DOUGLAS E. HENNEMAN, 000–00–0000, AIR NATIONAL GUARD.
COL. EDWARD R. JAYNE, II, 000–00–0000, AIR NATIONAL GUARD.
COL. RAYMOND T. KLOSOWSKI, 000–00–0000, AIR NATIONAL GUARD.
COL. FRED N. LARSON, 000–00–0000, AIR NATIONAL GUARD.
COL. BRUCE W. MACLANE, 000–00–0000, AIR NATIONAL GUARD.
COL. RONALD W. MIELKE, 000–00–0000, AIR NATIONAL GUARD.
COL. FRANK A. MITOLO, 000–00–0000, AIR NATIONAL GUARD.

COL. FRANK D. REZAC, 000–00–0000, AIR NATIONAL GUARD.
COL. JOHN P. SILLIMAN, JR., 000–00–0000, AIR NATIONAL GUARD.
COL. GEORGE E. WILSON, III, 000–00–0000, AIR NATIONAL GUARD.

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING GREGORY O. ALLEN, AND ENDING STEPHEN M. WOLFE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 3, 1996.

AIR FORCE NOMINATIONS BEGINNING DERRICK K. ANDERSON, AND ENDING JONI E. YOUNG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 3, 1996.

AIR FORCE NOMINATIONS BEGINNING STEPHEN D. CHIABOTTI, AND ENDING JOHN M. LOPARDI, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 9, 1996.

IN THE ARMY

ARMY NOMINATION OF WAYNE E. ANDERSON, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 18, 1996.

ARMY NOMINATIONS BEGINNING ANN L. BAGLEY, AND ENDING BURKHARDT H. ZORN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 11, 1996.

ARMY NOMINATIONS BEGINNING JAMES W. BAIK, AND ENDING PETER C. YOUNG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 11, 1996.

IN THE MARINE CORPS

MARINE CORPS NOMINATIONS BEGINNING RICHARD L. WEST, AND ENDING PAUL P. HARRIS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 9, 1996.

MARINE CORPS NOMINATIONS BEGINNING JOHN JOSPEH CANNEY, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 11, 1996.

IN THE NAVY

NAVY NOMINATIONS BEGINNING MICHAEL P. AGOR, AND ENDING DONALD H. FLOWERS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 17, 1996.

NAVY NOMINATIONS BEGINNING WILLIAM S. ADSIT, AND ENDING CRISPIN A. TOLEDO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 3, 1996.

NAVY NOMINATIONS BEGINNING JOHNNY P. ALBUS, AND ENDING MARK E. SCHULTZ, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 3, 1996.

NAVY NOMINATIONS BEGINNING ANTHONY L. EVANGELISTA, AND ENDING LAURA C. MCCLELLAND, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 9, 1996.

EXTENSIONS OF REMARKS

INSTITUTIONAL PERJURY

HON. DAVID FUNDERBURK
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. FUNDERBURK. Mr. Speaker, on October 18, 1995, Thomas A. Busey, then Chief of the National Firearms Act Branch of the Bureau of Alcohol, Tobacco and Firearms—hereafter BATF—made a videotaped training presentation to BATF headquarters personnel during a rollcall training session. Rollcall training is weekly or periodic in-house training for BATF officials—a routine show and tell whereby bureaucrats learn about each other's duties and functions.

Busey's National Firearms Act Branch administers the National Firearms Act of 1934,* the taxation and regulatory scheme governing machineguns, silencers, short-barreled rifles and shotguns, destructive devices, and so forth. In his capacity of NFA Branch, Chief Busey was the official custodian of the National Firearms Registration and Transfer Record—hereafter NFR&TR—mandated by 26 U.S.C. §5841.

Busey's presentation was anything but normal, routine, or customary. In describing the NFR&TR, Busey made the startling revelation that officials under his supervision routinely perjure themselves when testifying in court about the accuracy of the NFR&TR.

Every prosecution and forfeiture action brought by the United States and involving an allegedly unregistered NFA firearm requires testimony under oath by a duly authorized custodian of the NFR&TR that after a diligent search of the official records of which he/she is custodian, no record of the registration of the firearm in question was found—or was found but showed a different registrant than the person being prosecuted.[2] An alternative method of proving the same facts is by admission into evidence of a certified copy under official Treasury Department seal of a similar written declaration by the custodian.[3] This is a critical element of the Government's proof, and, according to Busey, occurred 880 times in 1995 alone, presumably fiscal year 1995.

Busey began his rollcall presentation by acknowledging that ''Our first and main responsibility is to make accurate entries and to maintain accuracy of the NFRTR.'' Moments later Busey makes the astonishing statement that ''when we testify in court, we testify that the data base is 100 percent accurate. That's what we testify to, and we will always testify to that. As you probably well know, that may not be 100 percent true.''

Busey then goes on for several minutes describing the types of errors which creep into the NFR&TR and then repeats his damning admission:

> So the information on the 728,000 weapons that are in the data base has to be 100 percent accurate. Like I told you before, we testify in court and, of course, our certifications testify to that, too, when we're not physically there to testify, that we are 100 percent accurate.

How bad was the error rate in the NFR&TR? Busey again:

> When I first came in a year ago, our error rate was between 49 and 50 percent, so you can imagine what the accuracy of the NFRTR could be, if your error rate's 49 to 50 percent.

Does anyone recall the phrase, ''Hey, close enough for government work''?

Consider this matter in its starkest terms: a senior BATF official lecturing other senior BATF officials at BATF national headquarters in Washington, DC, declares openly and without apparent embarrassment or hesitation that BATF officers testifying under oath in Federal—and State—courts have routinely perjured themselves about the accuracy of official government records in order to send gun-owning citizens to prison and/or deprive them of their property. Just who is the criminal in these cases?

All this was too brazen for even some BATF officials to stomach. Acting on tips from several BATF officials—there are honest men and women in government, even in BATF—I promptly filed a Freedom of Information Act[4] demand precisely describing the Busey tape. The first reaction was predictable. After reviewing the incriminating tape, BATF officials discussed whether they could get away with destroying it. Wiser heads prevailed; obviously any outsider who knew of the tape probably would learn of its destruction—and I would have. Or perhaps all the official shredders were on the loan to the White House.

After much tooing and froing with a dismayed Department of Justice a transcript of the Busey tape was sent to me in February 1996. The Department of Justice was dismayed because the Busey tape was clearly Brady material. Every defense lawyer knows that under the Supreme Court's 1963 decision in *Brady* v. *Maryland*, 373 U.S. 83, the government is required in all criminal prosecutions to provide the defense, in advance of trial, with any evidence tending to show the defendant's innocence. Failure to do so can result in dismissal of an indictment, reversal of a conviction, or other sanctions. Willful failure to produce Brady material can constitute contempt of court, professional misconduct or even a crime.

The Busey tape was clearly exculpatory and clearly implicated every National Firearms Act prosecution and forfeiture in living memory. Worse yet, Busey was only the tip of the iceberg. When the fog had cleared Justice learned that the NFR&TR inaccuracy problem had been the subject of internal BATF discussion since at least 1979. BATF's files were replete with minutes of meetings, statistical studies, memoranda, correspondence, et cetera, admiring the problem. The only thing missing was any attempt to correct the problem, or to reveal it to anyone outside the agency.[5]

Justice has now commenced the painful chore of advising every NFA defendant in the country of the situation. It did this with a recent mass mailing by U.S. attorneys to defense lawyers and defendants of relevant BATF documents, including the Busey transcript.

The direct consequences of this institutional perjury are just now beginning to occur. In Newport News, VA, on May 21, 1996, U.S. District Judge John A. MacKenzie, after reviewing the Busey transcript, promptly dismissed five counts of an indictment charging John D. LeaSure with possession of machineguns not registered to him.[6] LeaSure, a Class II NFA manufacturer, had received BATF transfer approval for the five guns, but then decided to void the transfers and keep the guns, as he was legally permitted to do. He promptly faxed the voided forms 3 to NFA Branch.[8]

BATF subsequently raided LeaSure and charged him with illegally possessing the five NFA firearms which, according to the NFR&TR, were registered to someone else. The Government ignored the fact that on the date LeaSure said he voided the transfers there was a 21-minute call on his toll records from his fax number to NFA Branch's fax number—at a time when he could have had no idea he would one day be prosecuted for continuing to possess the guns. Rather, the prosecution produced NFA Branch firearms specialist Gary Schaible to testify as custodian of the NFR&TR that the Government's official records did not show any voided transfers and therefore LeaSure was in illegal possession of the guns.[9]

In essence Schaible was testifying that ''We can't find an official record and therefore the defendant is guilty.'' What we now know is that Schaible should have testified that ''We can't find half our records—even when we know they're there—and therefore we're not sure if anyone is guilty.''

The Government's case was not aided when Schaible was forced to admit on cross-examination that two NFA Branch examiners were recently transferred because they had been caught shredding NFA registration documents in order to avoid having to work on them.[10] Note that they were transferred. Not disciplined. Not fired. Not prosecuted. Not destroyed in place. Transferred. Just who is the criminal in these cases?

It is too early to predict how many new trials, appeals and habeas corpus actions will result from this affair. Also of importance is the number of convicted felons presently suffering legal disabilities[11] from flawed firearms convictions and what effect the Busey disclosures will have on their situation.

The indirect consequences of BATF's conduct will not be so readily apparent but are potentially devastating. All across the country assistant U.S. attorneys, U.S. district judges, and other Federal and local law enforcement officials are going to learn what most defense

* Footnotes at end of article.

lawyers and gun dealers have known for years and what the aftermath of Waco and Ruby Ridge starkly illustrated: BATF officers and agents lie, dissemble, and cover up on an institutionalized basis. These are not aberrations; they are an institutional ethic, an organizational way of life. Just who is the criminal in these cases?

Lawyers and defendants in NFA cases who have not received the Busey package from the U.S. attorney should be making prompt demands—both for the package and for an explanation of why it was not timely produced. I am acting as an informal clearing house for these matters. Those lawyers or dealers with questions or problems, or with new information, involving the Busey phenomenon, or its continuing aftermath, are invited to contact me at (910) 282–6024.

[The author is a retired U.S. Department of Justice lawyer and a retired colonel in the marine Corps Reserve practicing firearms law in Greensboro, NC. He is a 1959 graduate of the University of Kentucky and a 1962 graduate of the UK College of Law, where he was note editor of the Kentucky Law Journal. He is a life member of the NRA and holds BATF in minimum high regard.]

FOOTNOTES

[1] Public Law No. 474, ch. 757, 48 Stat. 1236–1240 (Act of June 26, 1934), 26 U.S.C. §§1132–1132q; as amended by Act of April 10, 1936, ch. 169, 49 Stat. 1192; as codified by chap. 736, Act of August 16, 1954 (Internal Revenue Code of 1954), 68A Stat. 721–729; as amended by Public Law No. 85–859, Title II, §203, 72 Stat. 1427, 1428 (Act of September 2, 1958); as amended by Public Law No. 86–478, §§1–3, 74 Stat. 149 (Act of June 1, 1960); as amended by Public Law No. 90–618, Title II, §201, 82 Stat. 1227–1235 (Act of October 22, 1968); as amended by Public Law No. 94–455, 90 Stat. 1834 (Act of October 4, 1976); as amended by Public Law No. 99–308, §109, 100 Stat. 449, 460 (Act of May 19, 1986); and as amended by Public Law No. 100–203, 101 Stat. 1330 (Act of December 22, 1987); Internal Revenue Code of 1986, Title 26 United States Code, ch. 53, 26 U.S.C. §§5801–5872 Title II of the Gun Control Act of 1968).

[2] See Federal Rule of Criminal Procedure 27 and Federal Rule of Civil Procedure 44. See also rules 803(8), 901(b)(7), 902(1), (2), (4), and 1005 of the Federal Rules of Evidence.

[3] Ibid.

[4] 5 U.S.C. §552.

[5] The first rule of a bureaucrat is ''Never disturb a body at rest.'' The second, ''If I don't do anything, I can't do anything wrong.'' The third, ''When in doubt, mumble.''

[6] *United States* v. *LeaSure,* Criminal No. 4:95CR54 (E.D. Va. Newport News Div.).

[7] ''Special Occupational Taxpayers'' under 26 U.S.C. §5801 fall into one of three categories: Class III dealers can possess, sell, and transfer NFA firearms; class II manufacturers can, in addition, manufacture and register them; class I importers can, in addition to all the foregoing, import them. All SOTs are also required to possess Federal firearms licenses, which themselves come in six different classifications. Throw in the import and exports licenses and permits required, the various taxes imposed, and the State and local licensing and registration schemes involved, the mandatory recordkeeping required, and the shipping and transportation limitations concerned, and you have a lawyer's paradise.

[8] BATF forms 3 are used to authorize tax-exempt dealer-to-dealer transfers are to reregister the firearm(s) involved to the transferee. There are numerous other transfer and registration forms used depending upon the nature of the transaction, the status of the parties involved, and the type of firearm and its origin.

[9] Violations of the NFA are all 10-year, $10,000 felonies. See 26 U.S.C. §5871. NFA firearms, which carry some impressive sticker prices, are also forfeit if used in any violation of the NFA. See 26 U.S.C. §5872.

[10] We are left to conjecture where the NFA Branch shredder is located in relation to its fax machine.

[11] In addition to the loss of civil rights imposed on convicted felons by the laws of most States, felons permanently lose the right under federal law to possess firearms, as well as being potentially debarred from service in the armed forces, civil employment in government, receiving security clearances, bidding on Federal contracts, etc.

GOOD HUNTING, TIM PIFHER

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. BARCIA. Mr. Speaker, many people fail to appreciate the true therapeutic value of hunting. It sharpens the senses. It challenges the mind. It hones skills. For many people, hunting is the best activity that there can be. Tim Pifher, who has served for 2 years as the president of the Flint regional chapter of Safari Club International is such an individual.

What is particularly special about Tim Pifher's devout interest in hunting and the activities of Safari Club International is that he is thought to be physically challenged. Tim has never stricken me as limited in any way. He makes the most of each day and each activity. And he consistently obtains recognition for his accomplishments.

Tim has been named the ''Special Hunter of the Year'' by the Detroit chapter of the club. He has also been named ''Special Hunter of the Year'' by Safari Club International. This honor is given only to those individuals who have out-of-the-ordinary achievement in the sport of trophy hunting, including those individuals who have persevered against physical limitations despite overwhelming odds.

Many of us here know Safari Club International because of its efforts to conserve wildlife, protect hunters, and educate people. These national and international goals are achieved only through the dedicated local efforts of individuals like Tim Pifher who take their membership in the club seriously.

An avid sportsman, Tim has served as a speaker for many outdoor clubs and disability groups. He has testified at State Senate hearings for crossbows for the disabled. He has served as an archery and airgun instructor for various Cub Scout camps, and been involved with the Tall Pine Council of the Boy Scouts of America. He also is a past vice president of Outdoors Forever's Outdoor Disability Awareness effort.

Tim, his wife Sandy, and his son Matt, all deserve recognition for setting the example that the only limit which matters is that which we place upon ourselves. If we act unlimited, we are unlimited. Mr. Speaker, I urge you and all of our colleagues to join me in congratulating Tim Pifher on his accomplishments, and wishing him the very best for the year to come.

SUB-ACUTE CARE AT NURSING HOMES

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. ENGEL. Mr. Speaker, with more people living longer in our country, the care of the elderly ill is a growing concern. A new type of care among nursing homes and health care providers is called sub-acute care and is for otherwise seriously ill people needing such treatments as ventilator support, respiratory care, complex IV therapy, peritoneal dialysis, and pain management.

For relatively brief stays, these patients can be given constant and detailed attention in a nursing home to curtail overcrowding at hospitals.

The Split Rock Nursing Home and the Eastchester Park Nursing Home, both in the Bronx, are initiating this type of care, a first in the New York City area. Both facilities, which have 440 beds and are owned by the Zelmanowicz family, have been operating for 25 years and 30 years respectively.

They can provide this care for less than the cost in hospitals, saving money and other resources for the more gravely ill. It also makes life and treatment easier for these patients and their families to have this type of treatment in the usually friendlier confines of a nursing home.

The Split Rock and the Eastchester Nursing Homes are accredited and progressive long-term care facilities serving the diverse communities of the northeastern Bronx.

I want to use this opportunity to congratulate Naomi Zelmanowicz, M.D., Abe Zelmanowicz, and Rebecca Rich for the years they have spent making life more worth living for the elderly in the Bronx.

SALUTING RECENT GRADUATES OF GENERAL EDUCATION DEGREE PROGRAM

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. STOKES. Mr. Speaker, I rise today to salute the men and women in Ohio's 11th Congressional District who have recently completed their General Education Degrees [GED]. This honor confers on them the equivalence of a high school diploma, which is an important stepping stone to future success. This degree will enjoin them with the hundreds of thousands of GED recipients who have completed this program over its 54-year existence.

These students of the Cleveland Heights-University Heights school district have a wide range of ages and future plans. Many of them are pursuing further education at the college or vocational school level. Several may now pursue opportunities in the working world with their new degrees. Others will continue their lives with the satisfaction of fulfilling the standards of our rigorous school system.

These GED's represent the culmination of many hours of hard work, commitment, and motivation. I am also proud to note the continued support of the adult basic literary education teachers, staff, and volunteers throughout the community who gave their time and talents to prepare students for the demanding GED course.

Mr. Speaker, the GED program continues to bring pride and self-esteem to young adults and older students. These students have invested valuable time to obtain a crucial level of education that can help open doors to opportunity. I extend my warmest wishes to these determined men and women, and ask my colleagues to join me in wishing them all the best in their future endeavors. I ask that

their names now be entered into the CONGRESSIONAL RECORD.

Jason Franklin, 1992 Green Road, Cleveland, OH.

Ashirah Goldman, (helped tutor other students, also), 1643 Rydalmount Road, Cleveland, OH.

Marcia Green, 16321 Greyton Road, Cleveland, OH.

Aaron Gundersen, 1284 Argonne Road, Cleveland, OH.

Kaiser Hamelin, Jr., 20221 Blackfoot Drive, Euclid, OH.

Martha Jane Johnson, 19590 Euclid Avenue, Euclid, OH.

Susan Johnson, 1556 Ansel Road, Cleveland, OH.

Aron G. Kurlander, 3496 Bendemeer Road, Cleveland, OH.

Sarah Levensen, 14254 Cedar Road, Cleveland, OH.

Anna Lippman, 1411 Dill Road, Cleveland, OH.

Ellen Morrison, 931 Helmsdale Road, Cleveland, OH.

Angelo Nyiri, 1195 Monarch, Cleveland, OH.

Kim Ottino, 1549 Temple, Cleveland, OH.

Joseph Paszko, 4495 Ammon Road, Cleveland, OH.

Sarah Radcliffe, 2940 Washington Blvd., Cleveland, OH.

Arlana Robinson, 14009 Northfield Avenue, Cleveland, OH.

Solomon Rogers, Jr., 2452 Warrensville Center Road, Cleveland, OH.

Omar Santos, 13709 Blenheim, Cleveland, OH.

April Sellers, 11911 Browning Avenue, Cleveland, OH.

Carl Sims, 1687 Belmar Road, Cleveland, OH.

Stacy Spetrino, 995 Evangeline, Cleveland, OH.

Nellie Thomas, 1622 Coventry Road, Cleveland, OH.

Devorah Weisz, 3501 Bendemeer Road, Cleveland, OH.

INTRODUCTION OF H.R. 3952

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. WALKER. Mr. Speaker, today we are introducing a bill to broaden the interpretation of language contained in the Florence Agreement, a multilateral international agreement regarding the importation of educational, scientific, and cultural materials. Signed by the United States, it allows for the duty-free importation of scientific apparatus into the United States, if used by U.S. approved institutions for educational, scientific, and cultural purposes.

The problem which has raised this issue involves two large optical telescopes now under construction in Hawaii and Chile. The Gemini International Telescope Project, managed by the Association of Universities in Astronomy [AURA], involves the United States, the United Kingdom, Canada, Chile, Argentina, and Brazil. The U.S. Customs Service has narrowly defined the words ''scientific instruments or apparatus'' not to include components of these instruments or apparatus.

The telescopes contain several components, one of which is an eight meter mirror which was manufactured in the United States. The mirrors were shipped to France for polishing before being returned to Hawaii and Chile for final assembly. The U.S. Customs Service initially contended that the mirror was a component and that components are not eligible for duty-free entry. Chile, however, is not charging duties on the mirror destined for there. Following requests from Members of Congress and the administration, the U.S. Customs Service finally agreed to allow the duty-free import of the mirror, because it ruled that the mirror involved the essence of the telescopes. However, there are several other major components of the telescope that should receive duty free status. Separate legislation (H.R. 3951) has also been introduced to allow favorable treatment of these components.

While demonstrated by the difficulties encountered with the Gemini International Telescope Project, this bill addresses the broader problem of the interpretation of the words ''instruments or apparatus'' by the U.S. Customs Service. This bill states that separable components shall be included under the definition of ''instruments or apparatus'' and shall thus be eligible for duty-free import into the United States under the Harmonized Tariff Schedule of the United States. This bill will ensure that the United States fulfills the intent of the Florence Agreement.

TRIBUTE TO JUDGE MAYO MASHBURN

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. DUNCAN. Mr. Speaker, Judge Mayo Mashburn, a great Tennessee judge, recently passed away.

Judge Mashburn presided as a Criminal Court judge in McMinn County and the rest of the 10 Judicial District over the past decade. While Judge Mashburn was described as a ''no nonsense'' judge who was to the point, he was also a man who went out of his way to help people.

Judge Mashburn was one of the most respected citizens in east Tennessee and was loved by many people. A close friend, Dr. Bill Trotter was quoted in the Daily Post-Athenian saying, ''Our community will miss him both as a judge and a man who served the community in many ways.''

I request that a copy of the article which appeared in the Daily Post-Athenian be placed in the RECORD at this point. I would like to call it to the attention of my colleagues and other readers of the RECORD.

IN HONOR OF AMERICORPS GRADUATES FROM THE UNION CITY DAY CARE PROGRAM

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to an industrious group of individuals, the 1995–96 participants in the AmeriCorps Program of the Union City Day Care Program, Inc. and the Urban League of Hudson County who have chosen the selfless path of service to the community. A commencement ceremony for these graduates will be held on August 5 at the Urban Starting Points in Jersey City, NJ.

This joyous occasion marks the culmination of a extensive training program which prepares these men and women for careers attending to the needs of the children in their communities. When our honorees first entered the AmeriCorps Program, their expectations of success were modest. However, the educational experiences gained over the past year have tremendously increased their personal determination to handle any obstacle they may face.

The 1995–96 graduating AmeriCorps class consist of 22 dedicated individuals, including: Sabrina Arnold, Alberto Canal, Judith Concepcion, Yesenia Flores, Doreen Griffin, Waynette Harris, Luis Hernandez, Maria Hernandez, Tawanda Holmes, LaToya Leak, April Lewis, Brandi McCrea, Darcel McRae, Frank Meloi, Nicole Myrick, Lydia Nieves, Aida Paredes, Abdullah Payton, Dellar Reid, Wilma Sanchez, Yolanda Seruya, and Mylove Tetterton. The unique contributions these people will make in their neighborhoods will have an impact for generations to come.

Something as complex an undertaking as the AmeriCorps Program of the Urban League of Hudson County is never accomplished through the efforts of one person. This particular program has been successful due to the efforts of Elnora Watson, president and chief executive officer and her staff headed by director of the program Diane Fuller, Luis Mendez, Jeffrey, Lischin, Eloisa Lacson, and Richard Blas. They are exceptional community leaders.

The AmeriCorps graduates of the Union City Day Care Program exemplify the true meaning of community service. For their outstanding work and leadership, I ask my colleagues to join me in honoring these wonderful individuals. I am proud to have this valuable endeavor operating within my district.

INTRODUCTION OF THE FCC MODERNIZATION ACT OF 1996

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. FIELDS of Texas. Mr. Speaker, in February of this year, we passed, and the President signed, the most sweeping change to our Nation's telecommunications laws in over 62 years—the Telecommunications Act of 1996, Public Law 104–104.

Earlier this Congress, I promised that after we finished rewriting our telecommunications laws the Subcommittee on Telecommunications and Finance would then focus its efforts on downsizing and reducing unnecessary underbrush at the Federal Communications Commission. Today, I introduce the FCC Modernization Act of 1996 for just that purpose.

Mr. Speaker, the FCC Modernization Act of 1996 is not an effort to revolutionize the telecommunications industry. We already did that, and the industry and the Commission are still feeling the effects of our changes. In fact, yesterday the Commission adopted its report and order to implement the centerpiece of the 1996 act—bringing competition to the local telephone market. The Commission has been

working long and hard on this proposal, and I am interested in seeing their results.

The FCC Modernization Act of 1996, instead, is about further reducing the regulatory burdens on a competitive industry and streamlining the operations of the Commission. More important, this bill is about asking the Commission to plan for the future—the future of the Commission in a competitive world. Specifically, section 2 of the bill requires the Commission to prepare and submit a detailed report to Congress on exactly what the Commission should look like once the 1996 act is implemented.

Mr. Speaker, a fully competitive marketplace will ultimately decrease the role of a Federal regulator. In my opinion, competition, if we have done our jobs right, should develop very, very quickly. Section 2 forces the Commission to prepare for the moment when markets are ruled by competition rather than by regulation; it asks the important questions before that moment is upon us.

This bill also reduces what I call the regulatory underbrush, those provisions of telecommunications law that no longer are applicable in an information age. For example, this bill would eliminate the requirement that telephone companies file every contract, agreement, or arrangement with another telephone company with the Commission, section 4. Instead, my bill retains the Commission's authority to file such information when it deems necessary. Thus, the bill eliminates an unnecessary provision of law without harming the Commission's ability to protect the public interest, convenience, and necessity.

The FCC Modernization Act of 1996 is another step forward in this Congress' effort to prepare for a competitive telecommunications market. I believe that providing further regulatory relief to our Nation's fast growing, most important sector will help create more high-technology, high-paying jobs for American workers. Further, it will stir industry investment and innovation that will only benefit consumers in the long run.

Mr. Speaker, I am happy to have my good friend, Mr. DINGELL, join me as an original cosponsor of the legislation. It is my hope that we can move this bill quickly through the legislative process and make it law. I urge all Members to support this bill.

H.R. 3816, 1997 ENERGY AND WATER APPROPRIATIONS BILL

HON. DAVID E. SKAGGS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. SKAGGS. Mr. Speaker, when the House debated the 1997 energy and water appropriations bill, I voted against an amendment to kill funding for the Animas La Plata project, in Colorado and New Mexico. I want the RECORD to reflect my reasons for that vote.

Current law and legal agreements link the Animas La Plata project to settlement of long-standing Ute Indian water rights claims. These claims must be honored. The Federal Government must fulfill this obligation to native Americans. Voting now simply to kill the project would signal a default on that obligation, and I do not see that as a constructive or responsible step to take.

I am aware of the serious environmental and other problems of the project. That's why both last year and again this year, I made sure the legislative history of the appropriations bills clearly showed that all environmental laws will continue to apply to the project. There's been no decision on the adequacy of the latest supplemental environmental impact statement about the project, and I believe that there almost certainly will be a court challenge of that decision, whichever way it goes. Even with continued funding for the project, the environmental and other questions about it have to be and will be addressed and resolved—one way or another—before any significant construction can start.

Nonetheless, I think all parties should recognize that the House vote against funding Animas La Plata in 1997 clearly signals that it's increasingly unlikely that the project as now designed can be built or can assure resolution of the Indian water rights claims. The time has arrived for serious exploration of other ways to achieve that objective and to fulfill that commitment, ways that will be less problematic in terms of both environmental and money costs.

JIM DUNN: TWENTY YEARS AND COUNTING

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. BARCIA. Mr. Speaker, there is no substitute for experience when we want to get a job done, and get it done right. The Michigan Public Transit Association has for the past 20 years been ably represent by attorney James Dunn who has a stellar record of achievement in the area of transportation.

Jim Dunn started in public interest matters the way many accomplished people have: as a staff person. In his case, he served the Michigan Senate Transportation Committee for several years in the 1970's. His accomplishment allowed him to merit appointment by Governor Milliken in 1978 to the Michigan Transportation Needs Study Committee, and later by the Speaker of the House and the majority leader to the legislative ad hoc task force on transportation financing. His learned capabilities allow him to serve as an adjunct professor for Transportation Law at Thomas Cooley Law School in Lansing.

Along with these activities, since 1976 Jim Dunn has been with the Michigan Public Transportation Association, where he has participated in the development of public transit administrative legislation and funding proposals. As an individual who has worked with him as a member of the Michigan State House, the Michigan State Senate, and now as a Member of Congress particularly in my capacity as a member of the Transportation and Infrastructure Committee, I can tell you that Jim Dunn has always conducted himself in a thoroughly professional manner. He has always provided information that could be relied upon in critical situations.

It is no surprise to anyone that his arguments are always on target, with his having been trained at the U.S. Army Artillery and Missile Officer Candidate School. That discipline helps him recognize the objective, compute the proper solution, and implement the response most effectively.

I have had the good fortune to work with many skilled individuals during my time in public office. I rank James Dunn among the best. Mr. Speaker, I urge you and all of our colleagues to join me in wishing him the very best on his anniversary of representation, and wishing him every success in the years to come.

HONORING NELLIE A. THORNTON

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. ENGEL. Mr. Speaker, Nellie A. Thornton was a wonderful person who labored long and hard for her community and the people in it. Her influence and good works spread beyond the borders of Mount Vernon, where she lived and taught, to being named as one of the 100 most influential black leaders in the Nation.

She was the first black woman principal to be hired in Mount Vernon, NY, and she served as a principal there for 22 years. She was the organizer and first president of the Greater Hudson Valley Chapter of Links, Inc., where she was instrumental in organizing a program to bring children to visit parents in the Bedford Hills Correctional Center.

As a member of the Grace Baptist Church, she was selected by the church to the Wall of Honor for her faithfulness and dedication. She was also invited to the signing of the 1991 Civil Rights bill by then President Bush and by President Clinton to his Inauguration. The city of Mount Vernon declared March 29, 1989, as Nellie Thornton Day.

She is especially missed by her husband, Daniel Thornton, and their children, Danielle and Gabrielle, and by all of us who know of the great work she has done. To further honor her memory, Mount Vernon is renaming a school in her honor and on May 29, 1996, will officially open the Nellie Arzelia Thornton Elementary School. What she has done is an inspiration to all who want to further the goal of making America a truly equal home for all its peoples. Her name and her spirit lives on, and for this we should all be thankful.

A SPECIAL SALUTE TO JUDGE CARL J. CHARACTER

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. STOKES. Mr. Speaker, I rise to pay tribute to the Honorable Carl J. Character, judge of the Cuyahoga County Common Pleas Court. Judge Character will be retiring from the Court in January, 1997. As he prepares to depart his post, plans are underway for special ceremonies and other events to recognize Judge Character's commitment to public service and this Nation. I am proud to participate in the tribute to Judge Character. I want to share with my colleagues and the Nation some information regarding this distinguished member of the judiciary.

Carl J. Character was appointed to the Cuyahoga Court of Common Pleas in 1987 by

former Ohio Governor Richard Celeste. In 1990 he was elected to the bench and has served with distinction. His elevation to a judgeship in the Common Pleas Court represented the highlight of a 30-year career in the legal profession.

Judge Character attended Cleveland public schools and graduated from Glenville High School. He completed studies at Ohio State University and received his juris doctorate from the University of Michigan. He went on to earn a masters of law from Cleveland Marshall College of Law of Cleveland State University.

Prior to his appointment to the bench, Judge Character was a trial attorney. He represented a variety of clients, from Fortune 500 companies to welfare recipients and professional athletes. As a lawyer, Carl Character epitomized excellence in the courtroom. He and I were partners for a number of years in the law firm founded by my brother Carl Stokes, Carl Character, and myself. The law firm was known as Stokes, Character, Terry, Perry Whitehead, young and Davidson. It was during those years that I came to know Carl Character as an outstanding trial lawyer who was totally dedicated to his clients and the cause which he espoused. More than that, however, he was active in our community where he volunteered many hours of service. He was a leader and advocate in the civil rights movement in Cleveland.Whenever his community needed him, Carl Character was there. As a judge he has been compassionate and strong. He is highly respected by the bench and bar and leaves a legacy of excellence as a judge. Carl has been a role model for young lawyers and he has really enjoyed being a judge.

Mr. Speaker, Judge Character is a veteran of the United States Army, having served in the Korean war. He is a past president of the National Bar Association and a member of the American Bar Association. Other memberships include the World Association of Lawyers, American Trial Lawyers Association, National Conference of Black Lawyers, and the Cuyahoga County Bar Association, just to name a few.

In addition to his judicial duties, Judge Character is an integral part of the Cleveland community. He is active in the Cleveland NAACP, Alpha Phi Alpha Fraternity, the Ohio Commission on Racial Fairness, the American Legion, and the University Hospital Board of Trustees. I am also proud to note his membership in the Emmanuel Baptist Church.

Mr. Speaker, throughout his career, Judge Character has been recognized for his dedication and commitment to public service. He received the Distinguished Service Award from the Judicial Council of the National Bar Association. In addition, he received the organization's Presidential Award and C. Francis Strafford Award. Judge Character has been named ''Father of the Year'' by the Teen Father Program. Further, he received special recognition from the Legal Aid Society of Cleveland and has been honored by Beta Gamma Sigma and Beta Alpha Psi Fraternities.

Judge Character and his lovely wife, DeeAnn reside in Shaker Heights, OH. They are the proud parents of Darla and Dea Character. I know that members of Judge Character's family share our pride in his many accomplishments.

Mr. Speaker, I am proud to salute Judge Carl J. Character. He is a dedicated public servant who has fought to ensure justice and fairness in the legal system. I join his colleagues and others in congratulating him and wishing him well in the future.

INTRODUCTION OF H.R. 3951

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. WALKER. Mr. Speaker, today we are introducing a bill to clarify the interpretation of language contained in the Florence Agreement, a multilateral international agreement regarding the importation of educational, scientific, and cultural materials. It allows the duty-free importation of scientific apparatus into the United States, if used by U.S. approved institutions for educational, scientific, and cultural purposes.

This legislation specifically broadens the interpretation of the words ''scientific instruments or apparatus'' by the U.S. Customs Service as it pertains to the Gemini International Telescope Project. The U.S. Customs Service has narrowly defined these terms not to include ''components'' of these instruments or apparatus.

The present problem involved two large optical telescopes now under construction in Hawaii and Chile. The Gemini International Telescope Project, managed by the Association of Universities in Astronomy [AURA], involves the United States, the United Kingdom, Canada, Chile, Argentina, and Brazil. The telescopes contain several major components, one of which is an 8-meter mirror which was manufactured in the United States. The mirrors were shipped to France for polishing before being returned to Hawaii and Chile for final assembly. The U.S. Customs Service initially contended that the mirror was a component and that components are not eligible for duty-free entry. Chile, however, is not charging duties on the mirror destined for there.

Following requests from Members of Congress and the administration, the U.S. Customs Service finally agreed to allow the duty-free import of the mirror, because it ruled that the mirror involved the essence of the telescopes. However, there are several other major components of the telescope that should also receive duty-free status.

This bill addresses the specific problem being faced by the Gemini International Telescope Project by allowing the duty-free importation of major components of the telescope now under construction in Hawaii. The components are specifically listed in the legislation. This bill also addresses the issue of fairness under the United States obligations under the Florence Agreement. By allowing the duty-free importation of the components of the Gemini telescope, we are fulfilling an agreement we made with the international scientific community.

TRIBUTE TO DR. DAVID G. CRAIG

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. DUNCAN. Mr. Speaker, I want to congratulate Dr. David G. Craig, a University of Tennessee human ecology professor, for being named as the 1996 Higher Education Teacher of the Year. This indeed is a great honor and one which Dr. Craig should be very proud to receive.

The Tennessee Education Association selected Dr. Craig based on several criteria. He has demonstrated excellence in the classroom, professional merit, and participation in professional, community, and political activities at the University of Tennessee.

I request that a copy of the article ''Professor Distinguished as Teacher of Year'' which appeared in the University of Tennessee Daily Beacon be placed in the RECORD at this point. I would like to call it to the attention of my colleagues and other readers of the RECORD.

INTERNATIONAL TRADE PATENT AND ROYALTY ENFORCEMENT

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. MENENDEZ. Mr. Speaker, the current legal situation in the international trade arena, places small companies and American businesses in a position where they have little recourse against unfair trade acts, and where they are vulnerable to foreign predatory practices. The bill that I am introducing today would mandate that there be legislative change to enable small companies, who have endured unfair methods of competition by their foreign trading partners, to seek redress in a court of competent jurisdiction in the United States.

This legislation will help small business owners like Mr. Salvatore Monte. Mr. Monte is the president of Kenrich Petrochemical Inc., and an inventor in the proud New Jersey tradition of Thomas Edison. Mr. Monte holds numerous patents for organo-metallic compounds, which are used in everything from rocket fuels, to ammunition, to tires, to cars, to printed circuit boards, to photocopiers. In 1976, Mr. Monte signed a contract with Ajinomote Co. [AJICO] of Japan to import, and later, gave license to manufacture, his chemical products. Since that time, Mr. Monte has experienced extensive violation of his intellectual property rights, and questionable business practices—robbing him of millions of dollars. Mr. Monte has been faced with such anticompetitive business practices as:

Improper recordkeeping; so narrow an interpretation of Japanese patents as to be considered infringement—to the point that the Japanese manufacturer even copied his technical literature; patent flooding; and unauthorized sublicensing for the manufacture of his chemicals.

I believe Mr. Monte is not alone in his dilemma. The U.S. Trade Representative received numerous complaints about Japanese narrow patent interpretation and patent flooding practices. As a result, Japan remains on the special 301 priority watch list. Absent legislative change which gives U.S. courts jurisdiction over the unfair acts and unfair methods of competition in which foreign companies are engaging under the protection of their government, there is little recourse under law for small business owners, like Mr. Monte. The WTO has no jurisdiction over private actions.

One cannot proceed before the WTO except against a government action. For Mr. Monte, he is essentially condemned to bring an action before a Japanese tribunal. This is absurd. Japanese courts have been accused by both the European Union and the United States for their lack of enforcement of intellectual property laws, and for supporting the Japanese unfair patent system. Government enforcement agencies are no better. The Japanese Federal Trade Commission is notorious for tolerating anticompetitive and unfair trade practices.

Mr. Monte's situation raises fundamental questions about the role of our Federal Government in protecting the constitutional rights of our citizens in the context of international trade. Upholding the standard of free markets and free trade is not a license to do nothing. The price of freedom is not without cost for either personal liberties or economic freedom. It is a constitutional right under the first amendment that our citizens may petition the Government for redress of grievances. Also, it is a constitutional prerogative under article 1, section 8, clause 8 ''to promote the progress of science and useful arts, by securing for limited times to authors and inventors, the exclusive right of their respective writings and discoveries.''

Mr. Monte's case shows how defenseless American small business is in international trade and how little the Federal Government does to protect fair trade. As we enter the globalized marketplace of the 21st century, the U.S. Government must take action to ensure that we have policies and laws that support and enhance the position of our businesses. Unfair trade affects everyone—businesses, consumers, and workers. Predatory practices are actionable under U.S. law and we must continue to require that the rights of U.S. citizens are freely and fairly insured. The bill I am introducing today will do just that. I urge my colleagues to join me in cosponsoring this important piece of legislation. Free trade is irrelevant if the trade is not fair.

THANK YOU, NANCY SIMPSON, FOR YOUR LOYAL SERVICE

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. FIELDS of Texas. Mr. Speaker, it was with mixed emotions that I announced last December 11 my decision to retire from the House at the conclusion of my current term. As I explained at the time, the decision to retire was made more difficult because of the loyalty and dedication of my staff—and because of the genuine friendship I feel for them. Each one of them has served the men and women of Texas' Eighth Congressional District in an extraordinary way.

Today, I want to thank one member of my staff—Nancy Simpson, my director of casework—for everything she's done for me and my constituents in the 16 years that she has worked in my office.

Since January 1981, Nancy has handled more than 10,000 cases—helping constituents who were experiencing problems with Federal agencies. Whether the problem was a lost Social Security check, denial of a veteran's disability benefits claim, an immigration problem that defied easy resolution, or a request for aid as a result of a flood, hurricane, or other disaster, Nancy has been there day in and day out, helping the men and women of my district when Federal red tape seemed to be overwhelming.

Over the years, Nancy has managed to cut through that redtape on behalf of veterans, senior citizens, Americans seeking to bring family members to the United States, small business owners and many other of my constituents. She has earned their undying gratitude—and mine.

When constituents haven't come to Nancy for help, Nancy has gone to them. She has participated in outreach meetings, visiting communities throughout my district in order to be available to constituents who might not be able to travel to one of my local offices. She has also participated in many of my more than 500 town meetings, visiting communities throughout the district in order to help local residents experiencing problems with the Federal Government.

Her outstanding record of success and compassion has earned Nancy the respect of other caseworkers in other congressional offices. And her dedication and, yes, tenacity, have earned her the respect of officials in a variety of Federal agencies in Texas and Washington, DC.

In addition to helping individual men and women, Nancy has established casework procedures for my office—procedures that have been adopted by other congressional offices. Her training and supervisory skills have been recognized at several Federal agency training seminars.

In addition to her casework, Nancy has handled a variety of special projects in my district; helped conduct legislative research; and helped constituents, small businesses and other organizations in Texas obtain information related to doing business with the Federal Government and to obtaining Federal grants.

Nancy Simpson is one of those hardworking men and women who make all of us in this institution look better than we deserve. I know she has done that for me, and I appreciate this opportunity to publicly thank her for the dedication, loyalty, and professionalism she has exhibited throughout the years it has been my privilege to know and work with her.

Nancy has yet to make a definite decision about what she wants to do in the years ahead. But I am confident that the skills and the personal qualities she has demonstrated in my office will lead to continued success in the future.

Mr. Speaker, I know you join with me in saying thank you to Nancy Simpson for her years of loyal service to me, to the men and women of Texas' Eighth Congressional District, and to this great institution. And I know you join with me in wishing Nancy, and her husband, Richard, all the best in the years ahead.

BILL TO EXTEND WILDERNESS PROTECTION FOR SPANISH PEAKS AREA, CO

HON. DAVID E. SKAGGS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. SKAGGS. Mr. Speaker, I am today introducing a bill to continue the protection of wilderness values in the Spanish Peaks area in Colorado. The bill is cosponsored by my colleagues from Colorado, Mr. MCINNIS and Mrs. SCHROEDER.

The mountains now usually known as the Spanish Peaks are two volcanic peaks in Las Animas and Huerfano Counties whose native American name is Wayatoya. The eastern peak rises to 12,683 feet above sea level, while the summit of the western peak reaches 13,626 feet. The two served as landmarks not only for native Americans but also for some of Colorado's other early settlers and for travelers along the trail between Bent's Old Fort on the Arkansas River and Taos, NM. With this history, it's not surprising that the Spanish Peaks portion of the San Isabel National Forest was included in 1977 on the National Registry of Natural Landmarks.

The Spanish Peaks area has outstanding scenic, geologic, and wilderness values, including a spectacular system of over 250 freestanding dikes and ramps of volcanic materials radiating from the peaks. The State of Colorado has designated the Spanish Peaks as a Natural Area, and they are a popular destination for hikers seeking an opportunity to enjoy an unmatched vista of southeastern Colorado's mountains and plains.

The Spanish Peaks area was considered for possible wilderness designation in the 1970's, but the Colorado Wilderness Act of 1980 provided instead for its continued management as a wilderness study area. A decade later, the Colorado Wilderness Act of 1993 included provisions for long-term management of all the other wilderness study areas in our State's national forests, but questions about the landownership pattern in the Spanish Peaks area led to a decision to require continued management of that area as a wilderness study area for 3 years—until August 13, 1996. The 1993 Act also required the Forest Service to report to Congress concerning the extent of non-Federal holdings in the area and the likelihood of acquisition of those holdings by the United States with the owners' consent.

The required report was submitted last year. It indicated that within the approximately 20,825 acres being managed as a wilderness study area, there were about 825 acres where the United States owned neither the surface nor the mineral rights, and about 440 acres more where the United States owned the surface but not the minerals.

To date, through voluntary sales, the United States has acquired some of the non-Federal holdings in the Spanish Peaks area, and there are indications that others will or can be acquired in the same way.

I think there is every reason to believe that it will soon be possible to designate lands within the Spanish Peaks area as part of the National Wilderness Preservation System. Clearly, however, it will not be possible to achieve enactment of such legislation by the middle of next month.

Therefore, the bill we are introducing today simply provides that the Forest Service will continue to manage the Spanish Peaks as a wilderness study area until Congress determines otherwise. This will remove an artificial, arbitrary deadline and will ensure that decisions about the future management of this very special area will be made deliberately, through legislation, rather than by default.

I greatly appreciate the assistance and support of Representatives MCINNIS and SCHROEDER in connection with this legislation.

TRIBUTE TO STATE TROOPER BARRY WASHINGTON

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise to recognize the work that Trooper Barry Washington has done in curtailing drug trafficking in the State of Texas.

Trooper Washington is doing his part in helping Americans win the war on drugs. Each year, he hauls in more than 1,000 pounds of marijuana and 20,000 grams of cocaine according to the Texas Department of Public Safety. In an average week, Trooper Washington sends two drug-trafficking suspects through the local court system. As a result the system has become so taxed with drug arrests that the legislature granted a county court wider jurisdiction so that they could help handle the backlog. And drug smugglers, many of whom depend on the stretch of U.S. 59 that Trooper Washington patrols, have noticed. Authorities say the smugglers are finding other routes to get drugs from Houston to other parts of the Nation.

Some have suggested that Trooper Washington finds drugs only because he is allergic to them; however, he would need more than an allergic reaction to start a search. He begins searches because he studies the fourth amendment and tries to read as many law cases that deal with searches and seizures as he can. He has taught classes on the subject to several city and county police departments. Additionally, he uses modern technology—his cruiser is equipped with a video recorder, and he wears a microphone on his uniform. During some of his travels up and down highway 59, he has found drugs inside tires, dashboards, headlights, doors, and just about every other part of a vehicle where something can be hidden.

I want to thank State Highway Patrol Trooper Barry Washington for his incredible record of service to our State and our community. I salute him for his commitment to keeping our streets safe from drugs and drug dealers. I congratulate him for a job well done and I hope he continues to match or beat his own records of bringing drug trafficking to an end.

TRIBUTE TO TEMPLE ADAS ISRAEL'S 100TH ANNIVERSARY

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. FORBES. Mr. Speaker, I rise today to pay tribute to Temple Adas Israel in Sag Harbor, NY, a cornerstone of the Jewish religious and cultural life on Long Island's East End that is celebrating its 100th anniversary this year.

From its early days as the Temple Mishkan Israel, Adas Israel has been the focal point of the Jewish experience on Eastern Long Island. Not only has it served the spiritual and cultural needs of its congregants, but the temple has fortified the cultural diversity of our entire East End community.

The history of Temple Adas Israel in many ways illustrates the Jewish immigrant experience in the United States at the turn of the century. Like the vast majority of their compatriots, Sag Harbor's early immigrants established a toe-hold in the community, formed mutual-aid benefit societies, and founded cemeteries. As their numbers grew, they built a synagogue. They also struggled to redefine Jewish family life in a new world.

The first Jewish immigrants moved to Sag Harbor from New York City in the early 1880's when the Fahy watch factory moved to the former whaling port, bringing hundreds of good factory jobs. Jewish immigrants from Russia, Hungary, Poland, and Germany, drawn to America by this country's promise of religious and political freedom, flocked to Sag Harbor, attracted by the Fahy watch factory's promise of economic opportunity.

In 1896, when Nissan Myerson paid $350 for the land along Elizabeth Street where the temple was to be built, the 50 families of Sag Harbor's Jewish community established what would become Long Island's oldest Jewish house of worship in continuous use. The synagogue was built 2 years later and formally dedicated during the celebration of Rosh Hoshanah in 1898. Legend has it that Temple Mishkan Israel received its first Torah from Teddy Roosevelt when the Long Island native returned to America with the 1,200 Rough Riders he led up San Juan Hill during the Spanish-American War. Quarantined at Montauk, Jewish brigade members held services with a Torah they procured, the Torah that Roosevelt donated to the temple when the brigade departed.

A bedrock of Eastern Long Island's Jewish community, the temple attracted Jews from Montauk, East Hampton, Riverhead, and Westhampton. When Sag Harbor suffered economic decline after the watch factory was consumed by fire in 1925, many families moved from the village, and the temple saw a similar drop in its congregation.

In 1948, the year of modern Israel's birth, when the post-war boom began to regenerate Sag Harbor, descendants of Temple Mishkan Israel's founders revived the synagogue. Renamed Temple Adas Israel, the synagogue was soon again a vibrant focal point of the community. Leaving its Orthodox roots, for conservative then reform practices, the temple earned a reputation as a center of liberal Judaism, attracting hundreds of summer Hampton residents to high holy day services.

Throughout its 100 years, the temple has preserved its community's Jewish heritage, providing for its spiritual sustenance, and that commitment to cultural strength persists. Jewish community life on the East End has changed much since the founding of Temple Adas Israel 100 years ago. What remains constant is the temple community's commitment to maintain their religious and cultural heritage, while enriching the entire East End of Long Island. Congratulations to the Temple Adas Israel. Mazel Tov.

TRIBUTE TO KWABENA ADUTUWUN ADDEI, M.D.

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. TOWNS. Mr. Speaker, Dr. Kwabena Addei was born to Akua and the late Kwado Addei, an Ashanti chief, in Oyoko, near Kumasi, Ghana, in West Africa. He received his early education from the Achimota British Preparatory School in Accra, Ghana, graduated from Cambridge University in England, and received his medical degree from Columbia University's College of Physicians and Surgeons.

Following an internship at Metropolitan Hospital, Dr. Addei completed his residency in surgery at Nassau Hospital—now Winthrop University Hospital—in Mineola, NY. As an attending surgeon, he entered private practice, and assisted in establishing Winthrop Hospital's academic affiliation with the surgery department at State University of New York at Stony Brook Medical Center. In addition to private practice, Dr. Addei is the director of surgical education at Winthrop University Hospital and an associate professor of surgery at the State University of New York at Stony Brook School of Medicine.

He is a diplomat of the American Board of Surgery and a fellow of the American College of Surgeons and holds memberships in the American Medical Association, the National Medical Association, the Nassau Surgical Society, Alpha Omega Alpha—the medical honor society, One Hundred Black Men of Nassau/Suffolk, Inc., the National Society of Poets, and is a founding member of the American Association of the Clinical Anatomists. He has also served as the newsletter editor and co-chairman of the Scientific and Continuing Education Committee—Brooklyn, Long Island Chapter, American Medical Association; executive committee member of the board of directors, American Cancer Society, Long Island Division, Inc.; medical consultant, Sickle Cell Clinic of Nassau Hospital; and director of the Trauma Unit, Winthrop University Hospital. Dr. Addei has also published his research in many professional journals such as the Journal of Surgical Research and American Journal of Surgery.

Dr. Addei's community spirit has been honored by various groups: The Westbury Club of the National Association of Negro Business and Professional Women's Clubs, Inc.; the National Association for the Study of Black History and Life; the Long Island Black History Association; and the Mothers Group of Westbury. In addition, Dr. Addei has been selected, for 10 consecutive years, to receive the Award for Outstanding Teaching. Community School District 19 in East New York, Brooklyn, presented Dr. Addei with an award of appreciation for his dedication and concern for the welfare of the students in the district's seven middle schools. I am pleased to introduce him to my House colleagues.

ROBERT YOUNG, A MAN OF GREAT DISTINCTION

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. BARCIA. Mr. Speaker, those of us in public office know the value of representing the interests of our constituents. Some who have been in public service continue to distinguish themselves by using their skills to continue to work for people who need someone who can take the time to study the details of

proposals affecting their daily lives, and translate those concerns into effective solutions. Robert Young is one of these valuable individuals who has melded his public representation skills with effective leadership of the Great Lakes Sugar Beet Growers Association.

Robert Young has announced his retirement as executive vice president of the association, a position which he has held since 1983. Prior to that time, Bob served in the Michigan State Senate from 1974 to 1982, and the Michigan State House from 1970 to 1974. Rarely has there been an individual with whom I have worked that has been the wonderful combination of informed, helpful, and pleasant, as has been Bob Young.

Bob has worked most effectively for the thousands of sugar beet growers across our districts who know that our Federal sugar program is vital to their future. He has taken his concerns for Michigan's growers before the American Sugar Beet Growers Association. And he has certainly met with many of our colleagues as he and a number of our growers spent time earlier this year and last helping us understand the importance of the Federal sugar program.

His talents have been put to excellent use on behalf of his community, his church, and those matters in which he has a strong personal belief, including business development, agriculture, and fiscal responsibility.

His wife, Shirley, his children Mary Jo, Barbara, Gary, and their spouses Howard Ring, Gary Konuszewski, and Amy, and his grandchildren Ashley and Courtney Ring, Garret, Spencer, Mackenzie, and Hunter Konuszewski, and the forthcoming new Young, can all be proud to be members of a family where devotion to principle and support of what is needed are the hallmarks.

As Bob Young is honored on August 14 for his years of service to the Great Lakes Sugar Beet Growers Association, I urge you and all of our colleagues, Mr. Speaker, to join us in wishing the best to Bob Young, a man who has set an example worthy of following.

HONORING HERBERT WARSHAVSKY

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. ENGEL. Mr. Speaker, Herbert Warshavsky has been a leading member of the real estate profession in New York City and, for the past 20 years, has been executive director of the Associated Builders and Owners of Greater New York. His dynamism and ability has caused the organization to grow and prosper. Through his hard work and industry, the ABO trade show has become the largest business event for the buildings industry in the New York metropolitan area.

Mr. Warshavsky has also performed important civic duties in his hometown of Lawrence, NY, where he has served as an official with the United Fund and as president of the Lawrence Civic Association, as deputy mayor and, currently, as chairman of the Village Planning Board. In short, he has worked hard in his profession and in his civic life to bring prosperity to both. I wish all the best to Herb, his wife Rosita, and their children, Bruce, Alan, and Sharon.

SALUTING THE PUBLIC SERVICE OF HOWARD LANDAU

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. STOKES. Mr. Speaker, I rise today to salute the dedication and hard work of an active and caring citizen of Ohio's Eleventh Congressional District, Mr. Howard Landau. Mr. Landau is currently completing his third and final year as board chairman of the northern Ohio region of the Anti-Defamation League, where he has done an outstanding job. Mr. Landau's tenure as the region's ADL board chairman has been signified by the elevated level of activity within the agency and in ADL's role in the Greater Cleveland community. He has fostered committees to address intergroup relations, public relations, and civil rights. Howard has also shown the importance of leadership development by serving on ADL's Leadership Development Committee. He has executed this leadership further by magnifying the prominence of the northeast Ohio ADL at the national level.

Previous to assuming the regional chairmanship, Howard served as the first Chair of the agency's local ''A World of Difference'' diversity education program. This program has now trained more than 2,000 educators and community representatives, and thousands more students. This was the product of Mr. Landau's leadership.

Mr. Speaker, Mr. Landau, who has spent more than a quarter of a century as a public relations specialist for interesting and influential clients, has given greatly of his time to serve our community. Other organizations he has served include the Great Lakes Science Center in Cleveland, the boards of the Cleveland Restoration Society and Leadership Cleveland, and he is a former president of the Cleveland City Club. I ask my colleagues to join me in saluting Mr. Howard Landau's devotion to public service and efforts to further understanding, diversity, and civil rights.

ENERGY POLICY ACT OF 1992

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. WALKER. Mr. Speaker, I am introducing legislation requested by the administration that will amend the Energy Policy Act of 1992 [EPACT] by extending the Electric and Magnetic Fields Research and Public Information Dissemination [RAPID] Program by 1 year.

The RAPID Program was established under section 2118 of EPACT to expand and accelerate the research needed to address public concerns that electric and magnetic fields [EMF] might be a human health hazard. The program, authorized for a total of $65 million, was to run for 5 years and is scheduled to expire on December 31, 1997.

EPACT required the establishment of two advisory committees and 50 percent cost-sharing from non-Federal sources. The program schedule slipped by 1 year due to delays in establishing the advisory committees and in receiving appropriated funds. The bill would extend the RAPID Program until December 31, 1998, and all interim deadlines by 1 year, in order to complete the work mandated by EPACT. No additional funds beyond the $65 million authorized in EPACT are required to complete the program.

Mr. Speaker, I urge extension of the RAPID Program by 1 year; otherwise we will have wasted 4 years of Federal and utility funding and efforts to address the important public policy issue of the health effects of EMF.

GENETIC INFORMATION HEALTH INSURANCE NONDISCRIMINATION ACT OF 1996

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. SOLOMON. Mr. Speaker, the rapid advancement of gene discovery and molecular medicine are leading scientists and doctors to a future where information about genetic diseases will be readily available and easily assessable. Unfortunately, as knowledge in this area grows so does the potential for discrimination in health coverage for a number of Americans.

That is why I am introducing a bill today which will protect Americans from discrimination by health insurers based on their genetic makeup.

My bill was crafted to prevent health insurers from denying, limiting, refusing to renew, or canceling insurance coverage on the basis of genetic information or because the individual or family member has requested or received genetic testing information.

In addition, this legislation would prohibit insurers from varying the premiums, terms or conditions of coverage on the basis of genetic information.

Mr. Speaker, currently there are insufficient laws to protect not only the disclosure of genetic information but also its use, and we are beginning to hear frightening stories about discrimination against people who are perceived to be at risk in the future for certain diseases.

Certainly, it is a miracle of modern medicine that doctors and scientists can now screen for hundreds of genetic conditions including cystic fibrosis, sickle cell anemia, and muscular dystrophy and can save lives through early detection. It is not a miracle, however, for those who are subsequently denied coverage based on the detection of one of these genes, especially because we know that carrying a certain gene does not mean that a disease will ultimately become manifest.

At this time, 13 States have already enacted or are currently considering legislation to address the problem of genetic discrimination. However, Federal law is needed because employers that self-insure are exempt from State mandates due to ERISA preemption—which counts for 50 percent of all insured Americans.

Mr. Speaker, I would like to share a few stories with you which really illustrate the need for legislation. A pregnant woman whose fetus tested positive for cystic fibrosis was told that her HMO would be willing to cover the cost of abortion but would not cover the infant if she elected to carry it to term. In another instance, a healthy 5-month-old boy was denied health insurance because he had a gene that predisposed him to a heart attack, even though

the child was taking medication that eliminated the risk of cardiac problems.

Mr. Speaker, there are countless stories surfacing with equally horrific consequences. Yet, while genetic information may provide clues to future health risks, it is not the only factor in determining risk. No doubt there are countless stories of people overcoming these odds and leading perfectly healthy lives. Why should they have to function with a handicap which is completely out of their control when they are otherwise perfectly healthy? It is time for Congress to show our commitment to protecting the American people from this kind of discrimination.

HUNGARY'S RELATIONS WITH HER NEIGHBORS

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. SMITH of New Jersey. Mr. Speaker, I want to bring to the attention of my colleagues the joint declaration adopted in Budapest on July 5 by representatives of the Hungarian Government and by representatives of Hungarian communities abroad—the so-called Hungarian-Hungarian summit declaration. The status of the various and sizable Hungarian minority communities in Romania, Slovakia, and Serbia is of considerable interest to many in Congress. How governments treat their minority communities is often a significant barometer of how they will treat their citizens as a whole, and a strong indicator of the progress of democratization in countries in transition.

In fact, I remain concerned about the minority situation in each of these countries, and, as Chairman of the Helsinki Commission, have raised such concerns on a number of occasions. Many hoped the Hungarian-Hungarian summit document would provide some useful insight into the concrete concerns of Hungarian minorities.

Unfortunately, the summit document adopted in Budapest does not address the kind of specific and concrete issues that are usually raised with the Commission, such as minority language schooling or electoral districting. Instead, the declaration stands as a broad and somewhat ambiguous endorsement of ''autonomy'' and ''self-government.'' Those terms—guaranteed to alarm those already afraid of alleged Hungarian irredentism—were unfortunately left undefined, fostering the perception in some quarters that the declaration represents only a thinly veiled effort by Budapest to extend its influence beyond current Hungarian borders and, implicitly, to turn back the clock to the days when Hungarians were united in a single country.

I appreciate the Hungarian Embassy's willingness to clarify for the Commission the underlying intent of his declaration. In particular, the Embassy asserted that the word ''autonomy'' was in no way intended to signal ''territorial autonomy.'' I also believe the declaration's positive emphasis on the importance of the accession of all Hungary's neighbors into NATO and the European Union should not be overlooked and, indeed, is especially important in light of the recent congressional debate on NATO expansion.

Nevrtheless, I believe that the declaration, through the use of wording that is ambiguous at best and, at worst, predictably inflammatory, stands in contradiction to Hungary's stated goal of pursuing ''good neighbor'' policies. Surprisingly, Hungary implies that its goal of gaining admission to NATO and other European organizations should be dependent on ''the fundamental interests of Hungarian national communities abroad''—a message that suggests a qualified interest in accession to NATO.

Finally, I must note that concerns about this declaration were only heightened by the statement of the Hungarian representative to the OSCE in Vienna, Ambassador Martin Krasznai. In defending the use of the word ''autonomy,'' Ambassador Krasznai presented the Basques, Catalans, and South-Tyroleans as positive examples of Europe's experience with autonomous movements. The irony of these particular references was probably not lost on the representatives of Italy or Spain—especially in the wake of the numerous terrorist bombings attributed to Basque separatists last month.

Mr. Speaker, while a rare opportunity for discussion about real minority concerns may have been missed, I also see the Hungarian-Hungarian summit declaration as an aberration from the current government's usually constructive approach. I will continue to follow the situation of minority communities in central Europe and the inseparable issue of the progress of democratization in general. As I do so, I hope that Hungarian representatives will join with the Commission in seeking to promote democracy for all the citizens of all the countries of the OSCE.

TRIBUTE TO ANTHONY MARK HANKINS

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise to congratulate and recognize Mr. Anthony Mark Hankins who is being honored as a fashion designer in Washington, DC.

At the age of 7, Anthony Mark Hankins designed and stitched a suit for his mother which she actually wore to an important wedding—crooked seams and all. She bragged to her friends that ''little Anthony'' had made her suit. With this, a designer was born.

Mr. Hankins began his career designing and sewing clothes for other women in town, prom dresses for his peers, theatrical costumes, and marching band uniforms. He enrolled at Pratt Institute in Brooklyn, NY, then traveled to Paris to study at the Ecole de la Chambre Syndicale de la Couture. After returning to the United States, he worked for two seasons with Adrienne Vittadini before taking a job with the J.C. Penney Co. as a factory field inspector in their quality control division.

Anthony Mark Hankins is a consummate professional. He is a fashion designer who designs his clothes at a reasonable price so that those who might not otherwise be able to purchase quality clothing will be able to do so. Mr. Hankins was cited in the Wall Street Journal in a front page story as ''the Calvin Klein of the coupon clipping set.''

I would like to extend my heartfelt appreciation to Mr. Hankins and best wishes for continued success for all of his endeavors with his high-quality, price-conscious clothing line.

ASIAN GOVERNMENTS COLLUDE IN DRACONIAN CONSPIRACY

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. TOWNS. Mr. Speaker, I rise today to bring to my colleagues' attention that the Governments of India, Thailand, and Nepal have colluded to abduct Sikhs living abroad and transport them to India in complete violation of pertinent human rights treaty and customary law. Two cases highlight this alarming trend.

On July 16 at 6 a.m., about 20 Thai police officers surrounded a house owned by a Thai Sikh. Police entered the house and arrested the owner along with a Sikh independence activist named Nam Singh, a Pakistani passport holder who was working in Thailand on a valid Thai work permit. Although the owner of the house was eventually released, Nam Singh was detained and held without formal charge or access to loved ones and legal counsel. Twenty-four hours later, the owner of the house where Nam Singh was staying retained the help of a well-known Thai human rights activist, Mr. Thonghai Thongpao. But by then it was too late.

Mr. Singh had been secretly placed on flight TG3112 bound for Katmandu where Nepalese authorities transferred Mr. Singh to Indian authorities. It is my understanding that Mr. Singh has been brought before a Punjab court and has been charged. However, given the illegality of his abduction, I have no idea what the charge may be. I have enclosed a copy of a letter sent by Thai Sikhs to the Center for Human Rights in Geneva, the letter details Nam Singh's abduction.

The second case is with regard to Mr. Jagjit Singh Chohan, an elder Sikh independence leader from the United Kingdom. Mr. Chohan's story has already been presented, however, I want to highlight his inhumane treatment by Thai police officials. After Mr. Chohan was brutally beaten by Indian officials and placed back on the plane, and after he was assured by Thai Airways managers that he would receive medical treatment upon arrival in Bangkok, Mr. Chohan was instead placed in a detention center for 18 hours without access to medical treatment, he could not even make a telephone call. Mr. Chohan was lucky, he had his medication with him, without it, the beating which he suffered coupled with his detention may have resulted in his death.

Mr. Speaker, both Mr. Chohan and Nam Singh have been treated worse than animals, apparently as a result of some unspoken alliance between Thai, Indian, and in the case of Nam Singh, Nepalese authorities. If these two were bona fide suspects, surely some formal proceeding should have been undertaken. But I suspect that the rule of law was not foremost in the minds of the police and government officials who brutalized the two Sikhs. In little over 2 months, the Indian Government has illegally detained United States citizen Balbii Singh Dhillon in violation of United States sovereignty, brutalized an elder Sikh leader living in the United Kingdom for 18 years and apparently arranged the virtual kidnaping of a Sikh whose citizenship is Pakistani.

Secretary of State Christopher, recently and rightfully, attacked Indonesia's human rights record. However, the United States must employ a consistent standard of human rights for all countries, whether they are friends or foes. The United States should openly condemn these extrajudicial abductions and deportations by Indian, Thai, and Nepalese authorities. The current practice of condemning one country's human rights violations while ignoring others creates a double standard which leaves us open to accusations of racial and ethnic bias.

Copy of Fax received from: Sikh residents of Thailand. Dated: July 18, 1996. Addressed to: The Centre for Human Rights—Geneva. Copied to: Council of Khalistan—Washington, DC.

DEAR SIR: We the Sikh residents of Thailand solemnly affirm that on the 15th of July around 6:00 AM a house owned by a Thai Sikh was encircled and searched by about twenty fully armed Thai policemen. Nothing incriminating was found in the house. The police arrested and detained the owner of the house along with a pro-Khalistan activist named Mr. Nam Singh who is well known in the Indian Government circles as Kanwar Pal Singh Chawla of Amritsar who was holding a Pakistan passport and a Thai work permit.

The pro-Khalistani activist or the so-called extremist is reported to have been outside India for several years and was only attached to the political wing of the Khalistan movement and was not involved directly or indirectly in any kind of violent actions.

The owner of the house was cleared on bail around 6 o'clock on the same evening on the minor charge of harbouring an alien.

The pro-Khalistani or the so-called extremist was interrogated for long hours and forced to sign un-specified papers and was denied and deprived of his fundamental right to have an access to legal advice. No visitors were allowed to see or talk to him. On the following morning the owner of the house contacted in person a Thai Human Rights activist and Magsasay Award winner Mr. Thonghait Thongpao to seek his help in this matter. Before Mr. Thongpao could do anything about the so-called extremist the Thai police secretly put him on flight TG3112 to Katmandu to be handed over to the Indian authorities which is grossly against Human Rights. As he was a bona-fide Pakistan holder and had a legal and valid Thai work permit he should have either been deported to Pakistan or be allowed to fight his case in Thailand. We have no knowledge whatsoever whether this unwarranted action of the Thai police was taken with the knowledge of the Thai government or not. If he was on the so-called ''wanted'' list of the Indian government the Indian authorities should have gone through the proper and legal channels to have him deported directly to India instead of Nepal. The reason for deporting the ''extremist'' to Nepal and not India is an old Indian tact to fool the world that an armed militant was killed while trying to infiltrate into India using Pakistani passport via Nepal.

We the Sikh residents of Thailand would really appreciate if the Centre for Human Rights could look into this matter and take the necessary and urgent measures with the Indian government to ensure that the so-called extremist is humanely and well treated and justice is done with him. Please make sure that he is not subject to a third degree torture or killed in false encounter.

Thanking you in anticipation for your favorable and prompt action.

Truly Yours,

SIKH RESIDENTS OF THAILAND.

UNIVERSITY OF MARYLAND

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. HOYER. Mr. Speaker, we in Maryland are a proud lot. We take pride in the natural beauty of our State, in its diverse and flourishing business community, and in the variety and character of our citizens.

It is with this deeply instilled pride that I rise today to report the recent outstanding successes of one of the crown jewels in our State's educational system, the University of Maryland.

The University of Maryland at College Park is consistently noted as one of the finest institutions of higher learning in the country. To bolster this widely held view, the U.S. News and World Report's ''Graduate Rankings Issue'' hit the newsstands this spring to announce that an impressive number of the University of Maryland's graduate programs were ranked in the top tier. In fact, no university—public or private—in the mid-Atlantic region and few public universities in the country scored as consistently high as the University of Maryland in fields ranging from journalism, business, economics, and computer sciences to mathematics, physics, education, and engineering.

Specifically, the U.S. News and World Report survey ranked the public relations program in the college of journalism No. 1 in the Nation. The college of business and management was ranked in the top 25 in the country. The college of education and the A. James Clark School of Engineering, as well as the departments of computer science, mathematics and physics, were also highly ranked.

These achievements in excellence speak highly of the students and faculty thriving to achieve greatness and advance the threshold of knowledge.

But the excellence does not end there. It was nothing less than the national championship for the University of Maryland mock trial team. Competing with prestigious schools from across the country, including Yale, Cornell, Duke, Georgetown, and Carnegie Mellon, the Terps took home the top prize.

Not to be outdone, a team from the University of Maryland took top honors at this year's Texas Instruments DSP—digital signal processors—Solutions Challenge. The team of three beat out teams from MIT, Princeton, and the University of California-Berkley, among other schools to grab first prize. The team's successful design used a video compression system that compresses the large volume of data needed for the representation of video signals, making it possible to transmit video signals over communication channels, such as telephone lines.

And if Marylanders weren't already bursting with pride over these accomplishments, the Terps became the first ever back-to-back champions in women's division I lacrosse by defeating our neighbors, the Virginia Cavaliers. The win also extended their NCAA record for consecutive wins to 36.

Mr. Speaker, the University of Maryland is truly committed to excellence, both in the classroom and on the athletic field. These achievements make me extremely proud to have this fine institution in my district. I look forward to reporting further their scholastic and academic successes in the near future.

VISION IS MORE THAN SEEING

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. BARCIA. Mr. Speaker, many of us take our senses for granted, until some situation comes so close to us that we can no longer ignore the fact that some people cannot see, cannot hear, or cannot do some other thing that the rest of us do thousands of times each day.

Last year, the Saginaw News, under the editorial leadership of Paul Chaffee, the moving photography of Steve Jessmore, and the profound writing skills of Jean Spenner, published a wonderful story entitled ''Blind Faith.'' The story detailed how the more than 500 students of Carrollton Elementary School worked for 11 months to train Carl, a lovable puppy, into a leader dog who has become the source of sight for Gordon W. Bailey, a motorcycling minister from Kansas City, MO.

Steve Jessmore won several well deserved awards for his photography in this 24-page story. He was named the ''Midwestern Region Photographer of the Year'' by the National Press Photographers Association, the ''Michigan Photographer of the Year'' by the Michigan Press Photographers Association, and won the Barry Edmonds Michigan Understanding Award by the Michigan Association. It seems rather poignant that the story of a man who could no longer see without help was so strongly portrayed by Steve's moving photographs. Every shot served to remind us that we take for granted one of God's blessings. It also served to demonstrate that even though many of us can see, we can still be blind to what is in front of us without the skilled assistance of a photographer with a vision for the ordinary things around us that are so important.

The series itself also won the Robert F. Kennedy Journalism Award for Photo Journalism, the Detroit Press Club Foundation Award, the Women in Communications Great Lakes Regional Journalism Competition, and the Lincoln University Unity Award.

Chris Chambers, the fifth grade teacher at Carrollton Elementary, and her students learned about a puppy growing into a dog, leader dogs, and the very important training work done by Leader Dogs for the Blind in Rochester, MI. They also learned about holding fundraisers to pay for the expenses of their dreams.

After a year at Carrollton Elementary School, Carl goes on to Leader Dogs for the Blind where he becomes the 10,048th dog graduated from the organization since 1939. He met his new owner, Gordon Bailey, who continued training with him. Remarkably, Carl, as a puppy, made a difference in the lives of the students at Carrollton Elementary, and as a leader dog has restored a great freedom of mobility to Gordon Bailey.

There are times when many of us criticize the media for concentrating on bad news. This is one time when these proficient journalists have brought us a moving story of hope, of sacrifice, of need, and success. I commend

this story by the Saginaw News to you and our colleagues and urge all of you to look for these stories of worth from your own media. Let editors, reporters, and photographers know that we appreciate what they do, and want to see more of it.

HONORING THE BERLOFSKYS

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. ENGEL. Mr. Speaker, it is with great pleasure that I honor two good friends and neighbors, Miriam and Jerome Berlofsky, who are celebrating 35 years of marriage this November. The Berlofskys are active and vital citizens in my home community of Co-op City.

Since 1951, Jerome has been a knight in the Fraternal Order Knights of Phythias, Kingsbridge Lodge No. 810, and participated in many of the altruistic endeavors of that organization. Miriam joined the Pythias Sisters in 1960 and has worked tirelessly in many capacities, culminating in her election as grand chief of the State of New York in 1984. The Berlofskys have always been active in their faith as members of the Traditional Synagogue of Co-op City and holding several important positions. They are charter members of the AARP Co-op City chapter and they bring culture and entertainment to the community as members of the Bronx Concert Singers.

This is just a partial list of the many good deeds performed by the Berlofskys. Perhaps more than anything else, however, they are most proud of the enduring love and the joy they have had in raising their son, Rodger. On this special occasion I want to join with their family and friends in wishing them happiness and good health.

CONGRATULATING GERIC HOME HEALTH CARE, INC.

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. STOKES. Mr. Speaker, I rise to salute GERIC Home Health Care, Inc. This outstanding business which is located in my congressional district was recently selected to receive the Entrepreneur of the Year Award. I am proud to extend my congratulations to GERIC's founders, Gwen and Eric Johnson, as they mark this outstanding achievement.

The Entrepreneur of the Year program was founded by the professional services firm of Ernst & Young. The program recognizes entrepreneurs who have demonstrated excellence in such areas as innovation, financial performance, and personal commitment to their businesses and communities.

Mr. Speaker, I am pleased to note that GERIC Home Health Care received the Entrepreneur of the Year Award in the area of social responsibility. Since the company's inception 4 years ago, this mother and son team has demonstrated a sincere commitment to improving the Cleveland community.

GERIC is now the fastest growing home health care agency in northeast Ohio. The company provides services such as skilled nursing, physical therapy, occupational therapy, and social services. GERIC has been able to provide critical jobs and job training opportunities throughout the greater Cleveland area. Equally important, the company has provided high quality health care services to some of our most vulnerable populations.

Mr. Speaker, I hope that my colleagues will join me in saluting Gwen and Eric Johnson, and members of the GERIC Home Health Care family. I am proud of their selection for the Entrepreneur of the Year Award and I am pleased to recognize their efforts.

TRIBUTE TO SOUTH COUNTRY LIBRARY IN BELLPORT, NY

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. FORBES. Mr. Speaker, I rise before you today to pay tribute to the South Country Library in Bellport, Long Island, which is celebrating the centennial of its founding this year.

The Bellport Library was originally organized in 1897 because of the foresight and enthusiasm of 14 young women who called themselves the Entre Nous Club. Seeing the need for a library in their bustling seaside village, the Entre Nous Club raised money by sponsoring a reception in the home of one of its members, Mrs. Spencer S.W. Toms. Each member brought with them a book—60 books were collected that day—forming the nucleus of the Bellport Library.

In 1919, village residents met at the home of Mrs. Charles E. Osborn to plan a memorial in honor of local soldiers and sailors who sacrificed their lives in World War I. It was decided to build a new library building and dedicate it to the fallen soldiers. The seed money raised at a block party was used to incorporate the Bellport Memorial Library Association in 1920. Mrs. Frederick Edey opened her playhouse to hold benefits for the library, Mrs. Edward Bok of Philadelphia, a summer resident, gave $1,000 toward the library building, and Mrs. J.L.B. Mott donated the property.

The charming library building became a reality in 1923, at a cost of $8,000, and stood on the site of Capt. Thomas Bell's apple orchard. In 1924, the library was registered under the New York State Board of Regents. In 1926, the memorial tablet was dedicated and a portrait of Mrs. Mott was hung above the mantel.

During the 1950's the library association was extended to include all residents of the South Country School District. Then in 1986, the library moved to its modern building on Station Road and changed its name to the South Country Library to reflect its service to the entire school district.

In 1997, the library will celebrate the centennial of its organization and on August 17, 1996, a centennial fundraising event is being held to launch a season of celebratory programs at the library.

During the past 100 years, the South Country Library has maintained a strong commitment to scholarship. Occupying small quarters in its early days, the library has grown in both scope and size since 1897. With the dedication of its founders, the hard work of the board of trustees, librarians, and staff members, it has become a wonderful resource for the school district and entire community. We must continue to promote literacy and education throughout Long Island. With the help of the South Country Library, we can continue to achieve these goals as we move into the next century.

CLUSTER RULE STATEMENT

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. SOLOMON Mr. Speaker, I am pleased to speak today, along with many of my colleagues, regarding the cluster rule for the pulp and paper industry and specifically the EPA's July 15 Federal Register notice.

America's forest and paper industry ranges from state-of-the-art paper mills to small family-owned saw mills. In New York State, the industry plays an integral role in keeping and creating jobs. This industry ranks in the top half of manufacturing industries in the State, representing over 5 percent of the work force. Employing 62,300 workers, the timber business carries a payroll of $1.9 billion and will expend a total of $263 million for upgrading operations.

The original cluster rule, as proposed in 1993, would have jeopardized over 33 mills nationwide, the loss of 21,500 direct mill jobs and 86,000 additional jobs, for a total of 107,500 American jobs lost. This was clearly unacceptable.

Over the past 3 years since the cluster rule was proposed, many of us have closely monitored its development. I have always urged creation of an alternative approach that will not destroy jobs or the economic well-being of the vital timber industry. With the recognition of the need for this approach, I commend the EPA for the work which has been done to present a more balanced option of the cluster rule and urge quick approval of this alternative approach.

We must continue to support the pulp and paper industry in this country by encouraging the implementation of this fair cluster rule. Specifically, I support the option that allows the complete substitution of elemental chlorine with chlorine dioxide. This alternative, known as best available technology option A, will provide virtually the same level of environmental and health protection as the original approach the Environmental Protection Agency introduced in 1993.

The EPA's own research demonstrates that the main difference between these two options is the exorbitant costs associated with the earlier approach. Improving the environment remains an immediate concern. However, the original cluster rule proposal goes beyond what is necessary to protect the environment and the public. We must be careful not to endanger workers and their families. Option A protects both jobs and our environment.

Mr. Speaker, I strongly support option A and encourage using this opportunity to rectify the unnecessary costs associated with the original cluster rule proposal. This Government, with this Congress' support, must put forward a final regulation which will assure a more responsible approach to environmental health

and continued growth in the pulp and paper industry.

HAPPY BIRTHDAY TO MY MENTOR, FRED LANDOLPHI

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. PAYNE of New Jersey. Mr. Speaker, on August 18, during our August district work period, one of my mentors will celebrate his 88th birthday. This special person is Mr. Fred Landolphi. When I was a young teacher, Mr. Landolphi was the principal of my school, South Side High School in Newark, NJ. I learned a great deal from him. Today, several of my philosophies can be directly attributed to him.

I would like to share with my colleagues one of Mr. Landolphi's bright moments to illustrate why he has been such an influence on so many lives.

In 1960, Mr. Landolphi was selected Principal of the Year in the annual nationwide search for outstanding elementary and secondary school heads by Croft Publishers. The judges based their choice of Mr. Landolphi on the nominating statement submitted by his faculty. This statement read in part:

In justice, a manual on ideal school administration is necessary to convey the qualities of Fred Landolphi, for he is the creative center of the activities of South Side High School, both within the school's physical plant and in the community in general.

When he assumed the principalship of the school, morale, good manners, scholarship, loyalty and devotion had reached an unpleasant ebb. A fine by disunited faculty was valiantly, but aimlessly and dejectedly, trying to adjust to a complete turnover in the nature of the student body. An unhappy and rebellious student body was vociferously and, in some cases, violently reacting to the school situation because they were without clearly stated principles of behavior, without clearly stated scholastic aims, without leadership in the cohesive and inspiring aspects of school spirit.

This dismal situation has slowly, patiently, and decisively changed since Mr. Landolphi became our principal. He has accomplished the material rejuvenation of the structure and the revitalization of student-teacher-community morale.

At the time, Mr. Landolphi spoke of a principal that had guided him through this 29-year teaching career. He felt that you had to give the students a feeling of confidence. You had to let them know that you're interested in them and that you only bawl them out because you care for them.

Mr. Landolphi established the South Side Scholarship Fund because he noted that while the most gifted of his students were able to win scholarships, other youngsters with great potential were denied a college education because of poverty.

As a teacher and youth advocate, I have treated the thousands of young people with whom I have had contact just as Mr. Landolphi did. I treat them with respect and challenge them to plan and reach for the stars. For more than 20 years at high school seniors awards programs, I have presented the Donald M. Payne Award to seniors who are not the stars of the graduating classes but have done the best they can, sometimes under difficult circumstances, to become a productive member of our society. I want them to know that doing one's best is extremely important. That was something I learned from Mr. Landolphi.

I want to personally thank him for the confidence he showed me during my first teaching assignment. We had many discussions about my experience as a new teacher. He always put a positive spin on any dilemma. In 1970 I became president of the YMCA of the USA probably as a result of Mr. Landolphi's encouragement and support. He supported my concepts of after-school programs and encouraged me to continue to work with our young people through the ''Y'' experience.

Mr. Speaker, I am sure my colleagues will want to join me and many of Mr. Landolphi's former students as we wish him a happy birthday and wish him and his wife the best.

MEL RENFRO INDUCTED INTO PRO FOOTBALL HALL OF FAME

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise to recognize and congratulate a former Dallas Cowboy and good friend, Mr. Mel Renfro, for his induction into the Pro Football Hall of Fame. He is the seventh Cowboy to be inducted.

After leaving the Dallas Cowboys, Mel Renfro worked as a scout for the Cowboys and dabbled in various business deals. In 1983, Mr. Renfro began a sojourn that took him all over the United States until he settled in Portland, OR. He returned to Portland with a dream of revitalizing the northeast community where he grew up. He understood the importance of giving something back to his community.

From the very start of Mel Renfro's tenure with the Dallas Cowboys, he was known as an impact player. In the Cowboys' man-to-man scheme, Mr. Renfro eliminated receivers from the game. His long arms and instincts allowed him to anticipate routes and deflect or intercept passes. One of Mr. Renfro's biggest assets was his ability to sprint backward, meaning he didn't have to come out of his backpedal until late in the route. He was very much the Deion Sanders of the Cowboys for the seventies and early eighties.

Mel Renfro's induction into the Pro Football Hall of Fame is a well-deserved reward, and that is why, Mr. Speaker, I want to congratulate him for his well-deserved recognition. I urge my colleagues to join with me in thanking him for his work. He is proud to have been a Dallas Cowboy and he richly deserves his Pro Football Hall of Fame designation.

TRIBUTE TO DR. HECTOR P. GARCIA

HON. PETE GEREN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. PETE GEREN of Texas. Mr. Speaker, I rise to commemorate the life of an American hero who dedicated his life to others and whose actions advanced the lives of millions. He founded the G.I. Forum, he was a war hero, and he unselfishly devoted his professional life to providing health care to citizens of his community.

Dr. Hector P. Garcia, a friend and a resident of my home State of Texas, was mourned by thousands as he was laid to rest last week. An immigrant from Mexico, Hector Garcia was dedicated to education, as was his father, and received a medical degree from the University of Texas Medical Branch in Galveston after completing his undergraduate work at the University of Texas. He then volunteered for service in World War II and received a Bronze Star with six battle stars for his service.

Hector began his greatest work when he returned from the war and contracted with the Veterans Administration to treat veterans of World War I. When he learned that the Veterans Administration was not complying with the requirements of the GI bill of rights and was discriminating against Mexican-Americans, Dr. Garcia gave birth to the American G.I. Forum with a mission to fight racial discrimination.

Hector Garcia believed in the American dream and worked to help others live that dream, using the American G.I. Forum to advance equality for all Americans. Long before the civil rights movement of the sixties, Hector Garcia confronted segregation in south Texas and helped bring it to an end. In addition to his work with the G.I. Forum, Hector Garcia continued his practice of medicine, often providing free medical care to those who could not afford it.

Hector Garcia once said that he did not deserve the awards that he had received, but appreciate them. Certainly, we all appreciate what Hector Garcia did for Mexican-Americans, my State of Texas, and for America.

Mr. Speaker and my colleagues, please join me in celebrating the life of an American whose dedication and work for equal rights for all people will never be forgotten.

TRIBUTE TO HARDING N. BOWMAN

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. TOWNS. Mr. Speaker, since arriving in New York City during the African-American Renaissance period of the 1930's, Harding N. Bowman, a native of Bowman, SC, has dedicated his life to uplifting and empowering his community.

Most notably, in the 1950's, Mr. Bowman founded the Barbershop Owners Association while owning and operating three barbershops. In 1961, after moving to east New York, he was instrumental in organizing numerous community-based initiatives. Some of his key roles, to name a few, arising from such initiatives include: president, Council for a Better East New York; chairman, Community Redemption Foundation; treasurer, Citywide Council Against Poverty; director, United Negro and Puerto Rican Front; chairman, East New York Manpower; chairman, East New York Non-Profit Housing; executive director, East New York Community Corporation; and chairman, Jerome Street Block Association. In addition, for over 30 years, he has been an

active participant in various New York City political organizations that have produced electoral success. While participating in these activities, Mr. Bowman has managed to earn certificates and degrees from Goddard College, Pratt Institute, Staten Island Community College, and the New York Training Institute.

Married to Phyllis Bowman for 47 years, he is a father of seven, a grandfather, and a great grandfather. At age 75, Harding Bowman continues to help the community by staying active and admonishing elected officials ''not to forget where they came from.'' I am pleased to recognize his outstanding contributions and to introduce him to my colleagues.

THE 100TH ANNIVERSARY OF THE CHARLES COUNTY COURTHOUSE

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. HOYER. Mr. Speaker, It is a great pleasure to bring to the attention of my colleagues the celebration of the 100th anniversary of the Charles County Courthouse in Maryland. Located in the town of La Plata with a unique history, the Courthouse has special meaning to the entire region.

Court was convened for the first time at the Charles County Courthouse on May 25, 1658, in what is currently referred to as Port Tobacco. In 1674, a building was erected at Moore's Lodge about one mile from La Plata. This building was abandoned in 1728 and the courts moved back to original dwellings in Port Tobacco. This was one of the earliest known communities on the east coast and it later became the site of Charles County Colonial government.

The courthouse was completed in 1729 at a cost of 12,000 pounds of tobacco. Destroyed by a windstorm in the early 1800's, a brick structure was built on the same site and occupied by 1820. A suspicious fire completely destroyed the courthouse, reportedly due to the controversy surrounding the proposed move of the county seat to La Plata. In 1894, the legislature approved moving the county seat and provided for a special election to determine the site. On June 4, 1895 La Plata was picked to become the county seat. Completed in 1896 under architect Joseph C. Johnson, a brick Victorian Gothic edifice was built on the present site.

This new courthouse changed little over the years, until the completion of the south addition in 1954. This addition was actually much larger than the original courthouse, easily doubling the size. The courthouse was dedicated with fitting ceremonies on October 2, 1954. In the mid-1970's, the rear of the 1896 building was extended in a typical 18th century style, completely covering the old structure. Today the courthouse is in continuous use, serving as one of the focal points of the growing Charles County region.

Mr. Speaker, I ask my colleagues to join with me in congratulating the fine people of Charles County on this momentous occasion and in wishing the best of luck for the courthouse and its occupants over the next 100 years.

CONGRATULATIONS TO DECATUR AIRPORT

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. POSHARD. Mr. Speaker, I rise today to congratulate the Decatur Airport, owned and operated by the Decatur Park District, on the occasion of its 50th anniversary of service to the community. Since its inception in 1946, the Decatur Airport has provided an excellent facility as a gateway to the national air transportation system and a vital link to the rest of the globe. Due to the airport's emphasis of superior safety and maintenance, public relations, and Federal grant administration, it is not surprising that this facility earned the coveted Airport of the Year awards from the State of Illinois in 1988, 1994, and again in 1996, its golden anniversary year.

The Decatur Airport serves not only the various facets of aviation—general and corporate aviation, military, scheduled passenger, and air cargo carrier services—but also as an economic engine for the community. The airport and the various businesses and agencies that call it home generate in excess of $35 million in total economic impact for the community of Decatur and the surrounding area, as well as providing employment for over 400 of its citizens.

Mr. Speaker, on August 31, 1996, the Decatur Airport will offer a 50th Birthday Party for the community to celebrate this half-century of progress with special events both on the ground and in the air for all to enjoy. I am proud to join with the citizens of Decatur and other airport users in congratulating the Decatur Park District on their foresight and efforts in developing the Decatur Airport into the superior facility it has grown to be. It is an honor to represent the Decatur area in the U.S. Congress, and I wish the airport continued success as it ventures into the 21st century.

ESTABLISH A 3-YEAR PILOT PROGRAM FOR KOREAN NATIONALS

HON. JAY KIM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. KIM. Mr. Speaker, I rise today—along with my colleague Mr. ABERCROMBIE—to offer legislation which would establish a 3-year pilot program that would waive the visa requirement of Korean nationals who travel to the United States in tour groups.

While I still believe that a bill that includes Korea in the overall Visa Waiver Pilot Program is the best answer, I realize there are still some obstacles that need to be worked out. Therefore the bill we introduce today is a good first step and I commend the gentleman from Hawaii for it.

My reasons for cosponsoring this legislation are twofold: First, the current situation at the U.S. Embassy's Consular Affairs office in Seoul is embarrassing and unacceptable. The problem stems from two counteracting forces: the lack of sufficient space and personnel in the Consular Affairs office and the ever increasing number of South Koreans requesting nonimmigrant, visitor visas.

Currently, the Consular Affairs office in Seoul is understaffed, over-worked and unable to meet the demands of reviewing over 2,000 visa applications per day. This unfortunate situation has resulted in extremely long lines of potential tourists to the United States who are growing more and more impatient, annoyed and disheartened with the way they are being treated.

During a recent trip to South Korea, I personally witnessed the most shameful treatment of human beings. One potential tourist told me that he had been waiting in line for 3 days. Three days. He had come all the way from the southern end of South Korea, since the United States does not have any other Consular Affairs offices in Korea. Another woman, who appeared to be in her thirties, explained her frustration at having to stand outside during a thunderstorm because there is no shelter from the elements available. I was personally ashamed, as I suspect many of my colleagues would have been, by these tales of inhumane treatment.

These are but two examples of the growing frustration and disappointment many South Koreans are vocalizing. This has resulted in a growing sentiment of discontent with the United States. They rightly point out that this is no way for friends to treat friends. If we are to retain our place in the hearts of the Korean people we must do something to reverse this trend. While I have been able to persuade the State Department to focus more resources in this area, and while the worst of these situations have been resolved—at least for the time being—there remains a tremendous backlog and frequent examples of frustrating delays and arbitrary rejections. Providing a visa waiver for tour groups would alleviate some of this problem.

My second reason for cosponsoring this legislation is pure economics. Currently, South Korea is the sixth largest trading partner with the United States. This has resulted in total United States exports equalling over $14 billion with a cumulative direct investment of over $1 billion by United States companies in South Korea. This ever growing market has allowed for a continued growth in personal incomes for the South Korean people. The net result has been an increased demand by Korean tourists to visit the United States.

According to the Travel and Tourism Administration, South Korean arrivals were expected to reach over 600,000 in 1995, up an astonishing 900 percent from the 1987 levels. Of the over 400,000 South Korean travelers who came to the United States in 1993, 35 percent came for vacations or holidays with another 35 percent coming to visit friends or relatives. Most of such travel has been to California, New York, Hawaii, Arizona, and Florida. With an estimated $1 billion in potential tourism dollars to spend, it is easy to see the importance of promoting easier access to the U.S. tourist market which has experienced considerable losses over the past few years. Simply put, more Korean tourists equals more business and jobs in the United States.

My home State of California is a perfect example of how important tourism is to the United States. According to the California Division of Tourism, California's travel and tourism industry generates $55.7 billion annually, which is 6.5 percent of the Gross State Product. Overall, California would rank eighth in terms of international tourism as a separate nation,

ahead of Switzerland, Singapore, Mexico, Canada, and Japan.

On a more national front, travel and tourism is the third largest employer in the Nation after business and health services. In fact, travel exceeds the combined payrolls of the U.S. steel and motor vehicles manufacturing industries. Between 1983 and 1993, travel-related employment and payroll has steadily increase—with payrolls nearly doubling and the number of jobs rising 38 percent. These kinds of numbers only further the argument that travel and tourism will double in size over the next decade, resulting in more job opportunities for people throughout the world. The United States must work to ensure its place in the travel and tourism industry by opening our doors to an economy which has been growing continuously over the past decade—South Korea. America has always been the first choice of destination for almost all Koreans.

However, under the current situation of long lines and endless delays, many Koreans are fed up with waiting and are going instead to Canada—which has a waiver policy toward Korea—Europe or Australia. We stand to lose millions of dollars and thousands of American jobs because of our broken visa system.

The legislation we offer today would establish a 3-year pilot program that would waive the visa requirement for Korean nationals who travel to the United States in tour groups. Under the program, selected travel agencies in Korea would be allowed to issue temporary travel permits. The applicants would be required to meet the same prerequisites required by the U.S. Embassy.

This pilot program also includes additional restrictions to help prevent overstays. These include: The stay can be no longer than 15 days; The visitor must have a round-trip ticket; The visitor must pose no threat to the welfare, health, safety, or security of the United States; Tour operators must post a $200,000 bond with the Secretary of State, and will be penalized if a visitor fails to return on time; tour operators will be required to provide written certification of the on-time return of each visitor within the tour group; the Secretary of State or Attorney General can terminate the program if the overstay rate exceeds 2 percent.

This bill represents a strong first step in solving the visa backlog in Seoul.

I urge my colleagues to join Mr. ABERCROMBIE and me and cosponsor this legislation.

JOINT COMMISSION ON POLICIES AND PROGRAMS AFFECTING ALASKA NATIVES

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. YOUNG of Alaska. Mr. Speaker, I am pleased to offer legislation which will authorize a study to assist in the implementation of the recommendation of the Joint Federal/State Commission on Policies and Programs affecting Alaska Natives. This legislation is needed to address the social and economic crisis status of Alaska Natives.

In 1990, President Bush signed Public Law 101–379 which created a public commission funded jointly by Federal and State appropriations to complete a comprehensive study on the social and economic conditions of Alaska Natives and the effectiveness of programs and policies of the United States and the State of Alaska which provide services to the Alaska Native communities. This was in response to the 1989 report ''Report on the Status of Alaska Natives: A Call for Action'' published in cooperation by the Alaska Federation of Natives and the University of Alaska's Institute for Social and Economic Research. A 14-member commission was formed, half of whom were appointed by the President of the United States and the remainder of whom were appointed by the Governor of the State of Alaska.

The primary focus of the study was to provide an in-depth analysis, with specific recommendations to Congress, the President of the United States, the Alaska Legislature, the Governor of the State of Alaska, and the Native community on the social and economic conditions of Alaska Natives. The commission completed 2 years of research, public hearings, and task force discussions, and submitted its report to the Congress, the President of the United States, the Alaska Legislature, and the Governor of Alaska in May 1994.

Volume one of a three-volume report provides an overview and summary of 22 months of hearings, research, and deliberations. ''Native Self-Reliance,'' ''Native Self-Determination,'' and the ''Integrity of Alaska Native Cultures'' are the central fundamentals of the first volume. It also provides the historical causes of Native personal and cultural breakdowns. Also include in this first volume are statistics on Native social/cultural, judicial/correctional, economic, educational, physical/behavioral health problems. Finally, 34 main policy recommendations—plus an additional 76 recommendations—was submitted to the United States, and State of Alaska, the Alaska Native community and the general public.

Volume two provides a narrative text, data, and recommendations of five separate studies of Native problems conducted by the Commission's task forces: ''Alaska Native Physical Health,'' ''Social/Cultural Issues and the Alcohol Crisis,'' ''Economic Issues and Rural Development; Alaska Native Education,'' and ''Self-Governance & Self-Determination.''

The final volume provides a full narrative text, data, and recommendations of two separate studies of Native public policy issues conducted by the Commission: ''Alaska Native Subsistence,'' and ''Alaska Native Tribal Government.''

The Committee on Resources held a joint oversight hearing with the Senate Energy and Natural Resources Committee and the Senate Indian Affairs Committee to accept testimony on the Alaska Native Commission report dated May 1994 from the Alaska Native Community, the Governor of the State of Alaska, industry representatives and from the administration. Their testimony focused on recommendations provided by the Commission report on how to address the extremely volatile social and economic conditions of Alaska Natives. This legislation is the outcome of the testimony accepted by all entities in the first step of addressing the crisis status of the Alaska Natives.

NATIONAL GUARD'S ROLE IN THE FIGHT AGAINST DRUGS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. GILMAN. Mr. Speaker, the illegal production, transportation, sale and use of drugs has caused widespread concern both in domestic and international circles. Unfortunately, illicit drugs are a lucrative business, with the total volume of drug trading estimated by some at many billions each and every year. Indeed, according to data released by the National Guard, the retail value of illegal drugs may now exceed international trade in oil, and is second only to the arms trade. The complex problems arising from drug abuse cannot be underestimated, and we need all of our government entities to unite in fighting this scourge.

The National Guard Bureau's Counterdrug Directorate is one entity that has done excellent work in combatting the spread of illicit substances in our schools and on the streets. Its citizen soldiers in our local communities, play a key role in support of local law enforcement, and local community action to battle illicit drugs and drug abuse, especially by our young.

The National Guard's supportive role is essential. They provide direct support to local and Federal law enforcement agencies, along with drug reduction activities in our schools, and in over 3,700 communities in the United States.

The National Guard Bureau Counterdrug Directorate serves to provide world-class counterdrug support to local, State, and Federal drug law enforcement agencies. Their expertise in the field of counter drug production, smuggling, and sale is being increasingly relied upon, not only by domestic agencies, but also by international law enforcement agencies as well.

Perhaps the National Guard's success lies in the premise that the Bureau permits civilian citizen soldiers to take a proactive role in confronting one of our greatest social problems, and thus contributing toward the quality of life in their local communities, and in our society overall.

The National Interagency Counterdrug Institute [NICI] is just a small example of the efforts made by the National Guard to train military organizations, civilian agencies, and community organizations in coordinated, and effective counter drug efforts. The goal is to improve the efficiency of support for civil authorities, and the National Guard has proven itself to be more than equal to this important challenge.

Indeed, the National Guard also provides critical, technical, and general support to law enforcement agencies, such as intelligence analysis, engineering support, language assistance, and cargo inspection. Their function does not end there, for the Guard will assist with aerial reconnaissance, and drug education efforts as well.

My own bill—H.R. 3524—introduced on May 23, 1996, would expand the role of the National Guard in helping the Immigration and Naturalization Service [INS] to efficiently and economically transport for eventual deportation, those criminal aliens who have violated a

Federal or State law prohibiting or regulating illegal substances. In instances such as these, the National Guard must be legally authorized by Congress when the desire arises, to fly these convicted illegal immigrants, linked to drugs, to Federal deportation centers for the processing out of our Nation. My bill will allow the National Guard to complete this necessary and essential job, and thus expediting the process of ridding our society of those who engage in the trade or promotion of illicit drugs, which threaten our communities and future generations.

TRIBUTE TO DR. HECTOR GARCIA

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise in remembrance of a great man of Texas. The passing of Mr. Hector P. Garcia of Corpus Christi was a significant loss to the State of Texas and to Mexican-Americans throughout the Southwest.

Dr. Garcia was a caring physician and a leader in the postwar struggle for Hispanic civil rights. He was the first Mexican-American appointed to serve on the U.S. Commission on Civil Rights. In 1984, he was awarded the Presidential Medal of Freedom.

In 1954, the American GI Forum, of which he was the founder, joined with the League of United Latin American Citizens to send a team of attorneys to successfully argue a case before the U.S. Supreme Court. The decision cleared the way for Hispanics to serve on trial juries.

A veteran of World War II campaigns in North Africa and Italy, Dr. Garcia always held America to its promises. He first gained national prominence because of a civil rights case in Three Rivers, TX. A funeral home there denied the use of its chapel to the family of a Mexican-American soldier who had been killed in the Philippines 4 years earlier and whose remains had just been transported to Texas for burial. Through the efforts of Dr. Garcia and then Senator Lyndon Johnson, the young Mexican-American was buried with full honors in Arlington National Cemetery.

With his passing, Texas has lost a great civil rights leader, and a great man.

HAPPY 50TH WEDDING ANNIVERSARY TO MR. AND MRS. FRANK FARRELL

HON. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. COX of California. Mr. Speaker, today I rise in celebration of the 50th wedding anniversary of Mr. and Mrs. Frank Farrell of Naples, FL.

Frank and Floria were both born and raised in Minnesota. Frank, a native of Duluth, and Floria, a native of Hibbing, were married in 1946.

During World War II, Frank served as a fighter pilot in the southern Pacific theater. Altogether, he flew 33 combat missions in his P–51 Mustang.

After the war, Frank returned to school and graduated from the University of Minnesota Law School in 1948. Upon graduation, he went to work for what was then the Northern Pacific Railroad and would later become the Burlington/Northern Railroad. During his long and distinguished career, he ran the law department and eventually retired as senior vice president of law in the early 1980's.

Frank and Floria were active in Minnesota politics for many years. Frank served as a member of the Minnesota GOP State Central Committee and eventually ran for the Minnesota House of Representatives in 1956 and the U.S. Congress in 1958.

In addition to his work in party politics, Frank led the fight to get the Minnesota State Legislature to reapportion itself. At the time, the metropolitan areas of Minnesota were growing rapidly. Yet, the State legislature was apportioned so that the per capita representation of the metropolitan areas was about one-third to one-half of the rest of the State. The legislators from the nonmetro areas refused to change the apportionment. This decision was a severe drain on the higher tax-assessed and underrepresented Twin Cities metro area counties. Frank's case, McGraw versus Donovan, eventually was instrumental in forcing the legislature to reapportion itself. A group in Tennessee later used Frank's briefs and strategy in their own case, Baker versus Carr, which went all the way to the U.S. Supreme Court. For his work on reapportionment, Frank was nominated for a Lasker Award.

Throughout the years, Frank and Floria have also been very active members in the community. Frank served on the board of directors of the Minnesota Chapter of the American Red Cross and on the board of the directors of Alina, one of the largest health maintenance organizations in Minnesota. In addition, he was chairman of the St. Paul Civic Center Authority which built the multimillion-dollar civic center in St. Paul. He also served as vice president of Junior Achievement in St. Paul and as president of the Ramsey County Bar Association.

Upon retirement, Frank and Floria moved to Naples, FL, where they have both remained active in community affairs.

Frank and Floria raised their three children, Frank, Mary Jane, and Alfred. They also are the proud grandparents of five grandchildren.

Mr. Speaker, on behalf of their children, grandchildren, and many friends, I wish Frank and Floria a happy golden wedding anniversary in the hopes of many more to come.

JAMES FRED BOONE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. RICHARDSON. Mr. Speaker, it is with great respect and admiration that I honor today a fellow New Mexican and great American, James Fred Boone of Portales.

Fred Boone greatly distinguished himself during World War II in connection with military operations against an armed enemy of the United States on the Kumagaya, Japan, raid of August 15, 1945. Then Lieutenant Boone demonstrated an exceptional act of courage by putting himself in an extremely dangerous position, including risking his life. To assure the safety of his entire bomber group, he attempted to trigger electronically some of the bombs that failed to release in an aircraft. When Lieutenant Boone attempted to go through the bulkhead door, the wind blast was so strong that he opted to go to the front of the aircraft. In order to accomplish this, he had to cross over the mid-window section which he could not do with his parachute on. He, therefore, removed his parachute and entered the forward bay with the bomb bay doors open. Lieutenant Boone then pried the bombs loose with a screw driver, in an awkward position of practically standing on his head, while the crew watched in suspense. His valor and courage will never be forgotten.

I invite my colleagues, all New Mexicans and the entire Nation, to join me in paying tribute to this very great America. His valor and courage will never be forgotten.

TRIBUTE TO FOUR PILLARS OF THE ART COMMUNITY

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise to recognize four pillars of the local art community who were honored by the Dallas Visual Art Center. This distinction was presented by the Dallas Visual Art Center to individuals who have contributed to the advancement of the visual arts in Texas. The four recipients of this award are: Mr. Raymond D. Nasher, art collector; Mr. Barney Delabano and Mr. Octavio Medellin, both artists; and Patricia Meadows, the center's cofounder—who received special recognition.

In Dallas, we enjoy a rich heritage of philanthropy. We live in a giving community, and all four of these gifted individuals believe in giving back to the community. Together, the honorees represent the necessary components of a cultural community—the teacher, the artist, the patron, and the promoter.

PASTOR TO MANY, FRIEND TO ALL

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. STUPAK. Mr. Speaker, it is with great pride that I bring to the attention to the U.S. House of Representatives and this Nation not just the announcement of the retirement of an outstanding member of the clergy in my Northern Michigan congressional district, but that I have the opportunity to relay to you the many contributions that Reverend Edwin J. Frederick has made to his faith, community, and priesthood.

Most affectionately known to all as Father Fred, he attended grade school and high school in his home town of Grand Rapids and later earned a Bachelor's degree at Sacred Heart in Detroit. Post graduate work earned him a Masters degree in Philosophy and Theology at Grand Seminary, Montreal, Quebec, Canada. On June 3, 1950, he was ordained a Roman Catholic priest.

During the 1950's, Father Fred was assigned to various churches in Michigan including Sacred Heart in Mt. Pleasant, St. Joseph's Church in Manistee, St. Michael's in Muskegon, and Our Lady of Assumption in Rothbury. After completing one year at the Carmelite Monastery in Traverse City in 1960, Father Fred was then assigned to the Traverse City Regional Psychiatric Hospital where he remained from 1959 until the hospital closed in 1989.

For the past six years, Father Fred has served as Pastor of St. Joseph's parish in Mapleton, MI. It has been at St. Joseph's Parish where Father Fred has done his best work. As pastor, he has made numerous physical improvements to the parish and provided accessibility to the facilities for the physically impaired.

Father Fred has touched many, many people over the years, but no one will question the tremendous influence he has had on and the love he has for children. He has baptized over 200 children in his last six years at St. Joseph's and truly considers them to be the lifeblood of the church and her future. The children of the parish, like the adults there and elsewhere, consider Father Fred to be more than their priest: they think of him as their friend.

Father Fred has truly made his mark on society with his extensive work and effort on behalf of the needy. After the hospital closed in 1989, he founded the Father Fred Foundation, an organization that provides food and clothing to those in need. The foundation has gown from what was a very small office to what is now a large building with over 100 volunteers. Fortunately for the foundation, he will continue to serve as its director after his retirement.

Father Fred reminds us every Thanksgiving that it is better ''to serve than to receive'' by hosting dinner at one of the area's finest restaurants, not for his parishioners, but for the needy. Father Fred recruits elected government leaders, community and business leaders as servers for his guests.

Father Fred has been recognized by numerous organizations for his work, including the Traverse City Chamber of Commerce who presented him in 1991 with the Distinguished Service Award. He is also the recipient of the Sara Hardy Memorial Award in recognition of his work on behalf of human rights.

In the book of Hebrews it states, ''one does not take this honor on his own initiative, but only when called upon by God, as Aaron was * * * you are a priest forever.'' Father Fred has been called by God to be a spiritual leader and a humanitarian and has fulfilled each of those callings now and forever.

Mr. Speaker, Father Fred will be honored at a retirement dinner on August 11, 1996 at the Grand Traverse Resort in Traverse City, Michigan. At that time, past and present parishioners, friends and family will thank him for all that he has done for them and so many others. On behalf of northern Michigan, the entire State and this House, I thank Father Fred for his contributions to so many causes and extend to him best wishes for an enjoyable retirement from the church and for many years to come as Director of the Father Fred Foundation.

ENGLISH LANGUAGE EMPOWERMENT ACT OF 1996

SPEECH OF

HON. JOSE E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1996

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 123) to amend title 4, United States Code, to declare English as the official language of the Government of the United States.

Mr. SERRANO. Mr. Chairman, I stand in strong opposition to H.R. 123, the English Language Empowerment Act and in support of the Serrano English Plus substitute. H.R. 123 is devisive, unconstitutional, and unnecessary.

Supporters of this legislation say that it simply declares English as the official language. I contend that that is not true and that that bill's reach is far-reaching. Section 163(b) of the legislation states that ''No person should be denied services, assistance, or facilities either directly or indirectly provided by the Federal Government solely because the person communicates in English.'' H.R. 123 provides an entitlement for those that speak English and permits citizens to sue. But what does that really mean? Well, at federally sponsored programs or benefits would have to be in English. If the Federal Government directly or indirectly supports opera, community cultural festivals, and even sports events like the Olympics, taxpayers are entitled to receive all federally sponsored services in English or they can sue.

The English-only requirement also would place restrictions on Internet communication. Because the Federal Government operates Internet servers, a Federal Web site that links into multilingual or non-English pages would indirectly provide services in other languages—depriving citizens of their right to English services—and would subject the Federal Government to frivolous lawsuits.

Telecommunications and broadcasting are not exempt from the bill's provisions. The Federal Government regulates telecommunications and grants, sells and regulates broadcasting licenses. Under the requirement of this bill, the Government would be prohibited from granting licenses to foreign language stations without the threat of a suit.

Even law enforcement could be handicapped by H.R. 123. While non-English languages may be used for reasons of public safety and to protect the rights of victims of crime or criminal defendants, what about the work that is done where neither the criminal nor the victim is identifiable? Much of the investigative work done by the FBI, DEA, and ISN falls into this category.

The substitute I will offer is the modified text of a bill of which I am the primary sponsor, House Concurrent Resolution 83, the English Plus resolution. It states the Government's policy should be to encourage English as our common language, to empower its citizens by encouraging multilingualism, and to promote English proficiency through educational opportunities; but also to avoid infringing on indigenous languages; and to oppose measures that place undue burdens on one's ability to obtain services, representation or protection from the Federal Government because of limited English proficiency.

English Plus maintains that the primary language of the United States is English and that all members of our society should recognize its importance. It proclaims that our Nation's strength lies in its pursuit of justice, opportunity, and diversity. It is unnecessary to legislate what we have established by custom and tradition. Clearly there's no threat to our common language. According to the 1990 census report, 97 percent of the American population speaks English. Of those who speak Spanish at home, 80 percent indicated that they speak English ''well'' or ''very well.''

English Plus recognizes that multilingualism is an asset, not a liability to our competitiveness in our global economy. Multilingualism encourages global competitiveness and better international relations. In fact, now more than ever Americans are learning foreign languages. According to a report by the American Council on the Teaching of Foreign Languages, there has been a 5-percent increase in the number of high school students who take foreign language classes and more colleague students are taking an interest in foreign language classes.

We are a nation of immigrants and have built our culture upon that diversity. In fact, the authors of the Constitution drafted the document in both English and German. During World War II, the Korean war, and the Vietnam war, the military used speakers of native American languages to communicate in a sort of unbreakable code. You can see an indication of the history of diversity in this nation if you look around at the names of cities like Los Angeles which is Spanish for ''the angels'' and Pueblo, CO, which is ''City, Red'' in English and the Rio Grande, ''Big River,'' one of our natural resources. We have always been a nation with diverse languages and learning other languages should be encouraged.

My substitute opposes the imposition of unconstitutional language polices on the Federal Government and the American people. In 1923, the Supreme Court declared that restrictionist language policies like those in H.R. 123 were unconstitutional. In addition, the Ninth Circuit Court of Appeals reaffirmed that view by nullifying Arizona's English-only policy. While we want everyone to be able to be proficient in English, we must not employ measures that are inconsistent with the Constitution's guarantees of freedom of speech, representative democracy, due process, and equal protection under the law.

The Serrano substitute supports the view that our Nation's strength lies in its pursuit of justice, freedom and opportunity. English-only supporters say that the common bond of our Nation is our language. Nothing can be further from the truth. Democracy—not religious, ethnic, or linguistic uniformity—is what holds this country together. Extremist language policies like H.R. 123 are devisive and racist, uniting people behind misplaced patriotism. Just think of the hardship that it would place on athletes and tourists at the Olympics if services and information were only provided in English. Inhumane policies like those found in H.R. 123, will only encourage divisiveness and resentment and delay full participation of all people in our society.

The Serrano substitute promotes the view that English proficiency is achieved through educational opportunities. Denying services and information will not help one single person learn English. Immigrants and new arrivals

want to learn English—I cannot stress that enough. Studies indicate that current immigrants are learning English faster than they did 100 years ago. In California, classes operate 24 hours a day and, in New York, some immigrants must wait up to 18 months to take classes to learn English. In response to that, Republicans in the House passed the Labor, Health and Human Services, and Education appropriations bill which cut bilingual education, the program that teaches children information in their language and gradually makes the transition into completely English language classes. The House also cut the adult education program which provides funds for English as a Second Language classes.

The English Plus substitute maintains that services, information, and government protection should not be denied because of limited English proficiency. Among H.R. 123's provisions is the repeal of bilingual voting ballot requirement. It infringes on citizen's ability to receive information about elections and ballots in a language that they are comfortable with and violates the equal protection clause of the Constitution. In 1993, when I served as chairman of the Congressional Hispanic Caucus, I authored legislation to broaden the requirements under section 203 of the Voting Rights Act, which apply to bilingual voting ballots, which Congress passed with bipartisan support. Even Presidential hopeful Bob Dole supported it. Under H.R. 123 citizens from American territories like Guam and Puerto Rico—who are born U.S. citizens—would be exempt from the bill only while they live in those jurisdictions. Once they move to the States, as many of my constituents did, they will not be able to receive information or services from the Government in Spanish.

My substitute maintains the belief that our democratic process demands the highest level of speech protection. As Members of Congress, it is essential that we be able to communicate, whether in writing or orally, with constituents, colleagues, and other government officials. It is not uncommon to receive requests for information in other languages. H.R. 123 would literally prohibit representatives from communicating in writing through correspondence, press releases, and newsletters, unless it is in English.

While I think that both our bills aim to strengthen our country, the English Plus substitute empowers by encouraging opportunity and diversity while H.R. 123 imposes divisive and restrictive policies that infringe on constitutional rights. My bill affirms that English is the common language of the United States and encourages citizens to learn it. I urge my colleagues to support the English Plus substitute and if it fails, vote ''no'' on H.R. 123, the English Language Empowerment Act.

HONORING RAUL S. VARGAS

HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. PASTOR. Mr. Speaker, it is with great pleasure that I rise today to pay special tribute to a lifelong friend and colleague, Mr. Raul S. Vargas, director of the University of Southern California Mexican American Alumni Association as we celebrate 25 years of his valuable service to Hispanic students pursuing a higher level of education.

Born on May 21, 1939 in Lordsburg, NM, to a family of coppermine workers, Mr. Vargas lost his father at the age of 2 in a tragic underground mining accident. His mother remarried and in 1944, his family resettled in a low-income complex in Miami, AZ—the place where he and his five siblings were raised. After his early years of schooling in Miami, his family relocated to San Manuel, AZ, in 1957. While in high school, he played the trombone, served as student body vice president, and was also a star basketball player for the Miami Vandals. After graduating high school, he moved on to Arizona State University where he received a degree in business administration in 1961.

Shortly after graduating from ASU, he served a 3-year tour of duty with the U.S. Army in Berlin. He returned to Arizona State University during 1964 to complete his teaching credentials. He obtained his teaching credentials in 1966 and began a distinguished career teaching in math and Spanish at the junior high school level in Ontario, CA.

In 1970, Mr. Vargas witnessed the Vietnam antiwar demonstrations and the East Los Angeles riots which inspired him to pursue social causes at the community level. His passion for fostering better relations between civic leaders and community members led him to work at the Rio Hondo Area Action Council [RHAAC] where he handled community action programs. However, his yearning to teach and work one-on-one with students led him back to the education sector where in 1971, he joined the faculty and staff of the University of Southern California.

It was at USC where he began working at the department of student affairs and services as director of the USC Mexican American Alumni Association. Mr. Vargas began primarily as an academic adviser providing guidance and counsel to students, who were primarily first-time college graduates of their respective families. He found these college students to be talented and hardworking who were often hampered by the financial constraints of a college education. Recognizing the impact of such constraints, he concluded that this was the source of high college dropout rates for Hispanic students.

Realizing the issue was not being addressed, Mr. Vargas decided to do something about the situation. In 1974, he set up a series of meetings with USC alumni, faculty, business and civic leaders, and students which established the foundation of the USC Mexican American Alumni Association Scholarship Fund. Today, the USC–MAAA Scholarship Fund exceeds $5.0 million dollars and has assisted over 3,500 students at both undergraduate and graduate levels. Because of his determination and hard work, Mr. Vargas did much more than fulfill his desire to help young students pursuing higher education—he committed his life to it and has changed peoples lives forever.

It was at Arizona State University where I met and shared a room with Mr. Vargas. Gradually, we developed a friendship that has grown and strengthened throughout the years on both a professional and personal level. As a former teacher myself, I commend Mr. Raul Vargas for having the vision to change individual lives, the courage to make his dreams a reality, and the commitment to follow through with this plan for the past 25 years. I commend Raul Vargas for his hard work, determination, and invaluable contribution to our Nation's youth.

THE ECONOMY IS STRONG AND GROWING

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mrs. MALONEY. Mr. Speaker, this morning we were going to hold a hearing of the Joint Economic Committee to hear the July jobs report. It was canceled. And that's a shame—because the President has an economic record any President could be proud of.

After 3½ years of President Clinton, the economy continues to grow stronger and stronger. We've created more than 10 million new jobs—a faster rate of job growth than under any Republican administration since the 1920's. In our global economy, job creating exports have increased by one-third—up $162 billion. And today's job report, issued by the Bureau of Labor Statistics shows that we added 193,000 more jobs in July.

We have the highest rate of new business incorporations since World War II, with the Commerce Department reporting that our Nation's economy grew at an extremely healthy 4.2-percent annual rate from April through June, and with the lowest combined rates of unemployment, inflation, and mortgage rates since the 1960's.

Best of all for both working Americans and our fixed-income retirees under President Clinton we've sustained this growth while keeping inflation stable and low.

Mortgage rates are the lowest they've been in 30 years. The result: Millions of Americans have been able to purchase their first home, giving us the highest homeownership rate in 15 years.

Mr. Speaker, the current issue of Money Magazine reports: ''The majority of Americans are better off on most pocketbook issues after 3½ years under [President] Clinton, who's presided over the kind of economic progress any Republican would be proud to post.''

Barron's reports ''In short, Clinton's economic record is remarkable. Clinton also rightfully boasted that, 'our economy is the healthiest that it has been in 30 years.' ''

This record is no mere happenstance. It is the result of tough decisions. Under President Clinton, the deficit has been cut to $117 billion this year—the lowest deficit as a percentage of GDP of any major economy—and less than half of what it was when he took office.

In fact, were it not for the interest on the debt accumulated during the Reagan and Bush years, we would be running a surplus. Alan Greenspan said earlier this year that the deficit reduction in President Clinton's 1993 Economic Plan was ''an unquestioned factor in contributing to the improvement in economic activity that occurred thereafter.''

On that other side, some are still talking about hundreds of billions of dollars in tax cuts for the wealthiest. President Clinton has proven that responsible deficit reduction that maintains our investments in research and development, in our cities, our kids, our schools, and infrastructure can work.

I do not believe the American people want a return to the pie-in-the-sky promises that built up this deficit in the first place. Today's jobs report is another indication that the President's economic plan is working.

The question the American people are facing is do we stay the course, or do we go back to the budget-busting policies of the 1980's. I, for one, truly believe the American people are beyond being fooled by false promises. Yes, there is work to be done, but they know we are headed in the right direction.

CONFERENCE REPORT ON H.R. 3754, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1997

SPEECH OF

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1996

Mr. HOYER. Mr. Speaker, I rise in support of the conference report today. I want to thank the chairman and the ranking member for their concern about a provision that was of particular concern to me.

This House is obviously undergoing a change in management. As a result, many of our hardworking, loyal, nonlegislative House employees have been through a period of great unrest and unease.

As passed by this House, this bill originally contained language regarding the privatization of certain aspects of the Architect of the Capitol, including the maintenance workers. I am pleased that as a result of the work of the conference, and particularly Mr. SERRANO, that the report before us today now contains language protecting the current employees so that they will not be displaced by an privatization.

The bulk of this work force are older, minority employees who would be hard pressed to find new jobs at this stage in their careers. They have served this institution and its particular needs well. It would have been unfair at this time to proceed with privatization without properly protecting these employees. I am glad that the conference report now contains language providing that important protection.

Furthermore, as the Architect studies further privatization options, which I hope are not proceeded with, I believe it is important that we continue to consider the unique nature of the congressional buildings, the loyalty of the existing work force and the particular needs of our institution. I do not believe all the answers lie in outsourcing these services and will continue to work with the members of the subcommittee and on the House Oversight Committee on which I serve, to ensure fair and reasonable treatment for our hardworking employees.

Mr. Speaker, again, I thank the members of the conference for their sensitivity to these concerns and look forward to continuing to work with them.

TIME FOR CONGRESS TO SPEAK OUT ABOUT THE PERSECUTION OF CHRISTIANS

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. WOLF. Mr. Speaker, in many countries of the world today, Christians live in fear. Fear for their lives and fear for their livelihood.

Worldwide persecution and martyrdom of Christians has increased and intensified to such an extent that more Christians have died for their faith in the 20th century than in all prior 19 centuries combined.

In some parts of the world, Christians are forbidden to practice their faith and are victimized by religious apartheid which subjects them to discrimination as well as inhumane and humiliating treatment. In several Islamic countries, converting to Christianity from Islam is punishable by death. In many countries today, Christians are imprisoned, enslaved, tortured, and killed simply because of their faith.

The Government of Sudan is waging a jihad against the Christian southern part of the country, enforcing Sharia'—Islamic law—against non-Muslim African Sudanese—torturing, starving, killing, and displacing over 1 million people and enslaving tens of thousands of its women and children. Today in Sudan, a human being can be bought for as little as $15.

Christians in China have experienced the worst persecution since the pre-Deng period in the 1970's. There are more documented cases of Christians in prison or in some form of detention in China than in any other country. Both Evangelical Protestant house church groups and Roman Catholics have been targeted and named ''a principal threat to political stability'' by the Central Committee of China's Communist Party. In recent months, in three separate incidents, three Chinese Christian leaders were beaten to death by Chinese authorities simply because of their religious activities.

In Pakistan last year, a 13-year-old boy was forced to flee the country after he was convicted under Pakistan's blasphemy law. His uncle, who was also convicted, was shot dead by someone in the angry mob that swarmed outside the courtroom.

In 1994, three Christians in Iran were kidnaped and murdered during 1994 as part of a crackdown on the Iranian Christian community.

In Vietnam and other countries, Catholic bishops and priests and Protestant pastors are routinely imprisoned, Bibles are confiscated and churches are raided.

There is also severe persecution of Christians in North Korea, Cuba, and some countries in the Middle East.

Leaders of the international Christian community have begun to speak out about this serious and growing problem. Pope John Paul II recently sounded a call against regimes that ''practice discrimination against Jews, Christians, and other religious groups, going even so far as to refuse the right to meet in private for prayer,'' declaring that ''this is an intolerable and unjustifiable violation not only of all the norms of current international law, but of the most fundamental human freedom, that of practicing one's faith openly.''

The National Association of Evangelicals in January 1996 issued a ''Statement of Conscience and Call to Action'' subsequently endorsed by the Southern Baptist Convention, the executive council of the Episcopal Church, and the general assembly of the Presbyterian Church, United States of America. It pledged to ''do what is in our power to the end that the Government of the United States will take appropriate action to combat the intolerable religious persecution now victimizing fellow believers and those of other faiths.''

The World Evangelical Fellowship has declared September 29, 1996, and each annual last Sunday in September, as an international day of prayer on behalf of persecuted Christians. That day will be observed by numerous churches and human rights groups around the world.

Mr. Speaker, its time for Congress to speak out. I am introducing a resolution that would condemn the human rights abuses and denials of religious liberty to Christians around the world; strongly recommend that the President expand and reinvigorate United States international advocacy on behalf of persecuted Christians; encourage a reexamination of all U.S. policies that affect persecuted Christians; encourage the President to appoint a White House special adviser on religious persecution; and applauds the actions of the World Evangelical Fellowship in designating an annual day of prayer on behalf of persecuted Christians.

The United States has forcefully taken up the cause of other persecuted religious minorities. During the cold war, we repeatedly passed resolutions condemning the persecution of the Soviet Jews. In recent years, we have passed resolutions condemning the persecution of people of the Baha'i faith.

We have the ability to intervene in a similar manner for persecuted Christians. I urge my colleagues to cosponsor this important resolution.

H. RES. —

Whereas the worldwide persecution and martyrdom of Christians has increased and intensified to such an extent that more Christians have died for their faith in the 20th century than in all prior 19 centuries combined;

Whereas in many places throughout the world, Christians are restricted in or forbidden from practicing their faith, victimized by a ''religious apartheid'' that subjects them to inhumane, humiliating treatment, and are imprisoned, tortured, enslaved, and killed;

Whereas in some countries proselytism is forbidden, and extremist elements persist unchecked by the government in their campaigns to eradicate Christians and force conversions through intimidation, rape, and forced marriage;

Whereas in several Islamic countries conversion to Christianity from Islam is a crime punishable by death;

Whereas the militant Muslim Government of Sudan is waging a jihad (religious war) against the Christian southern part of the country, enforcing Shari'a (Islamic law) against non-Muslim African Sudanese, torturing, starving, killing, and displacing over 1,000,000 people, and enslaving tens of thousands of women and children. Today in Sudan, a human being can be bought for as little as $15;

Whereas Christians in China have experienced the worst persecution since the pre-Deng period in the 1970s. There are more documented cases of Christians in prison or in

some form of detention in China than in any other country. Both Evangelical Protestant house church groups and Roman Catholics have been targeted and named ''a principal threat to political stability'' by the Central Committee of China's Communist party. In recent months, in separate incidents 3 Chinese Christian leaders were beaten to death by Chinese authorities simply for their religious activities;

Whereas an Islamic court in Kuwait has denied religious liberty to a convert from Islam to Christianity, and the judge recommended that he be put to death;

Whereas 3 Christian leaders in Iran were kidnapped and murdered during 1994 as part of a crackdown on the Iranian Christian community;

Whereas severe persecution of Christians is also occurring in North Korea, Cuba, Vietnam, and certain countries in the Middle East, to name merely a few;

Whereas religious liberty is a universal right explicitly recognized in numerous international agreements, including the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights;

Whereas Pope John Paul II recently sounded a call against regimes that ''practice discrimination against Jews, Christians, and other religious groups, going even so far as to refuse them the right to meet in private for prayer,'' declaring that ''this is an intolerable and unjustifiable violation not only of all the norms of current international law, but of the most fundamental human freedom, that of practicing one's faith openly,'' stating that this is for human beings ''their reason for living'';

Whereas the National Association of Evangelicals in January 1996 issued a ''Statement of Conscience and Call to Action,'' subsequently commended or endorsed by the Southern Baptist Convention, the Executive Council of the Episcopal Church, and the General Assembly of the Presbyterian Church, United States of America. They pledged to end their ''silence in the face of the suffering of all those persecuted for their religious faith'' and ''to do what is in our power to the end that the Government of the United States will take appropriate action to combat the intolerable religious persecution now victimizing fellow believers and those of other faiths'';

Whereas the World Evangelical Fellowship has declared September 29, 1996, and each annual last Sunday in September, as an international day of prayer on behalf of persecuted Christians. That day will be observed by numerous churches and human rights groups around the world;

Whereas the United States of America since its founding has been a harbor of refuge and freedom to worship for believers from John Winthrop to Roger Williams to William Penn, and a haven for the oppressed, and has guaranteed freedom of worship in this country for people of all faiths;

Whereas, unfortunately, the United States has in many instances failed to raise forcefully the issue of anti-Christian and other religious persecution and international conventions and in bilateral relations with offending countries; and

Whereas, however, in the past the United States has forcefully taken up the cause of other persecuted religious minorities, and the United States has the ability to intervene in a similar manner for persecuted Christians throughout the world: Now, therefore, be it

Resolved, That the House of Representatives—

(1) unequivocally condemns the egregious human rights abuses and denials of religious liberty to Christians around the world, and calls upon the responsible regimes to cease such abuses;

(2) strongly recommends that the President expand and invigorate United States international advocacy on behalf of persecuted Christians, and initiate a thorough examination of all United States policies that affect persecuted Christians;

(3) encourages the President to proceed as expeditiously as possible in appointing a White House special advisor on religious persecution; and

(4) applauds the actions of the World Evangelical Fellowship in declaring an annual international day of prayer on behalf of persecuted Christians.

GENERALIZED SYSTEM OF PREFERENCES

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. NEY. Mr. Speaker, when the House debated budget reconciliation last October, I submitted a statement for the RECORD in support of the provisions in the bill to reauthorize the generalized system of preferences [GSP] duty-free import program. Today, the House will again debate this issue as part of a larger bill to raise the minimum wage. I would like to again reaffirm my support for the reauthorization of the GSP Program. This program was designed as a way to help less developed nations export into the U.S. market. The GSP Program allows duty-free imports of certain products into the United States from over 100 GSP-eligible countries. The bill wisely provides that import-sensitive products are not to be subject to GSP treatment. Ceramic tile is a clear example of an import-sensitive product and is exactly the type of product which should not be subject to lower tariffs under the GSP Program.

Imports have dominated the U.S. ceramic tile market for the last decade and they currently capture nearly 60 percent of the market. This extraordinary level of import penetration is a result, in part, of over 30 years of documented unfair predatory foreign trade practices including dumping, subsidies, Customs fraud, import diversion, and abuse of a loophole in the GSP. The American ceramic tile industry, though relatively small, is efficient and competitive at normal tariff levels.

From its inception in the Trade Act of 1974, the GSP Program has provided for the exemption of ''articles which the President determines to be import-sensitive.'' In light of the history of unfair trade in ceramic tile and the significant and growing import participation in the U.S. ceramic tile market, the U.S. industry has been recognized by successive Congresses and administrations as import sensitive, dating back to the Dillion and Kennedy rounds of the General Agreement on Tariffs and Trade [GATT]. During this period the American ceramic tile also has been forced to defend itself from over a dozen petitions filed by various designed GSP-eligible counties seeking duty-free treatment for ceramic tile into this market. If just one petitioning nation succeeds in gaining GSP benefits for ceramic tile, then by law, every GSP beneficiary country is also entitled to GSP duty-free benefits for ceramic tile. If any of these petitions were granted, it would eliminate American tile jobs and could destroy the industry.

A major guiding principle of the GSP Program has been reciprocal market access. Current GSP eligible beneficiary countries supply almost one-third of the U.S. ceramic tile imports and they are increasing their sales and market shares. U.S. ceramic tile manufacturers, however, are still denied access to many of these foreign markets. Many developing counties maintain exclusionary tariff and nontariff mechanisms which serve to block the entry of U.S. ceramic tile exports into these markets. Industrial countries, including the European Union [EU], may use less transparent methods such as discriminatory product standards and testing methods to control their ceramic tile imports and, in some cases, to divert ceramic tile manufactured in third countries over to the U.S. market by imposing restrictions on those third-country exports to the EU.

I am in support of the reauthorization of the GSP Program and trust that import-sensitive products such as tile will not be subject to GSP.

PERSONAL EXPLANATION

HON. HELEN CHENOWETH

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mrs. CHENOWETH. Mr. Speaker, on Thursday, August 1, I was unavoidably detained and missed rollcall votes 379 and 380.

Had I been here, I would have voted: ''yea'' on rollcall 379 and ''yea'' on rollcall 380.

PITTSBURGH'S CONTRIBUTION TO THE 1996 OLYMPICS

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. COYNE. Mr. Speaker, I rise to call attention to the contribution that one of my constituents, Mr. Peter Calaboyias, has made to the 1996 Centennial Olympic games in Atlanta.

Mr. Calaboyias, a resident of the Shadyside neighborhood in Pittsburgh, created the sculpture ''Tribute'' that adorns Centennial Park in Atlanta. Mr. Calaboyias, who is also an art instructor at Grove City College, is a very talented sculptor. He has spent years designing and creating this beautiful bronze sculpture, which features three Olympic athletes.

In this work, Calaboyias has highlighted the unchanging spirit of the Olympic games over the last 2,700 years by incorporating three separate athletes—one from ancient Greece, one from the first modern Olympic games in 1896, and one representing the present and future games—into his composition. The modern figure, incidentally, is a woman—to reflect the changing nature of the games as well as the values they share in common.

This outstanding sculpture is located in Centennial Plaza, the emotional focal point of the Olympic games. Consequently, it will be seen by millions of visitors—and by millions of television viewers—in the course of the games. After the games are over, ''Tribute'' will remain as a lasting reminder of the glory and human drama of the Centennial Olympics.

Mr. Speaker, this statue is a fitting tribute to the spirit of the Olympic games, and to the determination, skill, and camaraderie of the athletes who have competed in the Olympics over the millennia. I am honored that one of my constituents has made such an outstanding contribution to the Centennial Olympic games in Atlanta. I want to recognize Peter Calaboyias today on the House floor and commend him for creating this remarkable work of art.

BILL TO AMEND THE RESOURCE CONSERVATION AND RECOVERY ACT

HON. JOHN M. SPRATT, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. SPRATT. Mr. Speaker, I rise today to inform my colleagues of a bill I'm introducing to toughen Federal laws regulating hazardous waste facilities. Hazardous waste treatment and disposal is regulated by the Resource Conservation and Recovery Act [RCRA]. Since RCRA was enacted in 1976, we have made dramatic progress in improving oversight of hazardous waste though a flexible regulatory structure in which States have the primary role in enforcing the statute. The bill I introduce today takes three simple, but powerful, further steps to assist State environmental agencies in protecting the environment from hazardous wastes.

First, the bill requires the Administrator of the EPA to certify that authorized State RCRA programs include standards for the siting of hazardous waste facilities. Currently, a number of States have no regular standards which guard against the placement of hazardous waste facilities in environmentally sensitive or unstable areas. These States operate on an ad hoc basis when making permitting decisions. But the ad hoc approach has two weaknesses. The public is left with little to no information to judge whether a particular site represents a true danger to public health, and business is left with little certainty as to which sites are likely to garner approval. Standards which preclude siting in places like flood plains, karst terrain, or over important aquifers will clear up this confusion for both parties. And the bill allows each State the flexibility to tailor standards to its own needs and conditions.

Second, it authorizes the States to fund their RCRA programs through permit fees, and requires the EPA to determine for each State the cost of fully maintaining its program. In many States, taxpayers are funding RCRA programs from general revenues. Not only is this unfair, since the burden of supporting oversight functions properly belongs to those who treat and dispose of the waste, but it often leads to underfunding of State programs. This bill provides every State the opportunity and the ability to recover these costs through permits fees in accordance with the polluter pays principle.

Third, the bill corrects the problem that owners of hazardous waste facilities who are currently violating State or Federal environmental laws are still legally eligible to receive and do receive new operating permits. The third part of my bill, called a good-guy provision, prevents any company which is violating State or Federal environmental laws from obtaining a permit for a hazardous waste facility. This provision provides a strong incentive for operators to obey laws designed to protect public safety and minimize environmental risks.

I have a particular interest in ensuring that hazardous waste facilities are safe because my congressional district is adjacent to a hazardous waste landfill in Sumter County, SC—the second largest hazardous waste landfill in the Southeast, and my district formerly hosted a hazardous waste incinerator in Rock Hill, SC, which is now a reprocessing facility. Both have experienced problems, and I believe facilities of this kind would benefit from stricter Federal laws. I know the general public would benefit. Similar situations exist in almost every congressional district in the country. That's why this legislation is appropriate and deserves the support of the entire Congress.

I believe this bill represents modest but important change in environmental law. Hazardous waste facilities will continue to pose a danger to our health and the environment, but this legislation can help minimize that risk.

ABANDONED AND DERELICT VESSEL REMOVAL ACT OF 1996

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. STARK. Mr. Speaker, today I am introducing the Abandoned and Derelict Vessel Removal Act of 1996. This act will provide the necessary tools to encourage the cleanup of a long-term public nuisance resulting from abandoned boats and barges found in the navigable waters of many communities in this country.

This issue centers on dozens of abandoned boats and other debris which has accumulated along the Guadalupe Channel, which surrounds the community of Alviso, CA. This concern was first brought to my attention by members of the San Jose City Council, the Alviso Master Plan Task Force and, most important, members of the Alviso community. These abandoned vessels have become a public health and safety hazard to both the community as well as to those that use the adjacent public waterways. Unfortunately, Alviso is far from the only community that suffers from this problem.

The Abandoned and Derelict Vessel Removal Act also make sense economically. Abandoned vessels do not just sit harmlessly by—these vessels are often used as an illegal dumping ground for hazardous materials. Cleaning up this mess is both expensive, time consuming, and places the health of the community in jeopardy. Between January 1988 and September 1991, the Federal Government spent $5.2 million to remove 282 abandoned vessels that blocked waterways. In that same time, Government spent nearly $5.7 million to clean up pollutants from just 96 abandoned vessels. This legislation would cut cleanup costs to the Government by more than 300 percent.

This legislation will establish clear authority to remove vessels left unattended in a public waterway that has not been designated as a harbor or marina for more than 45 days or those left unattended in an approved harbor or marina for more than 60 days. There are approximately 17 million recreational boaters using public waterways nationwide. It is estimated that this number will increase, on average, 4 percent per year. Given this substantial increase in waterway users, regulation becomes necessary.

This legislation empowers local authorities to keep public waterways clear while allowing boat or barge owners the opportunity to repair and remove vessels that are not actually abandoned. In addition, the removal of these derelict vessels will alleviate concerns regarding water quality and its impact on the public health of the local community.

This legislation will promote cooperation between interested local citizens, community groups, and government agencies in their joint efforts to preserve and protect the navigable waters of the United States, and it will return the power to take action to the communities and force boat owners to take responsibility for their vessels. A community could instigate action simply by petitioning a local elected official to notify the Secretary of the Army of the problem. Proceedings to notify the boat owner, and ultimately to remove the boat, would then be taken by the Secretary.

I urge my colleagues to support this legislation.

H.R. —

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 ''Abandoned and Derelict Vessel Removal Act of 1995''.

SEC. 2. DEFINITIONS.

In this Act, the following definitions apply:

(1) ABANDON.—The term ''abandon'' means to moor, strand, wreck, sink, or leave a vessel unattended for longer than 45 days.

(2) NAVIGABLE WATERS OF THE UNITED STATES.—The term ''navigable waters of the United States'' means waters of the United States, including the territorial sea.

(3) REMOVAL; REMOVE.—The term ''removal'' or ''remove'' means relocation, sale, scrapping, or other method of disposal.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Army.

(5) VESSEL.—The term ''vessel'' includes recreational, commercial, and government-owned vessels but does not include vessels operated by the Coast Guard or the Navy.

(6) VESSEL REMOVAL CONTRACTOR.—The term ''vessel removal contractor'' means a person that enters into a contract with the United States to remove an abandoned vessel under this Act.

SEC. 3. ABANDONMENT OF VESSEL PROHIBITED.

An owner or operator of a vessel may not abandon it on the navigable waters of the United States. A vessel is deemed not to be abandoned if—

(1) it is located at a federally or State-approved mooring area;

(2) it is on private property with the permission of the owner of the property; or

(3) the owner or operator notifies the Secretary that the vessel is not abandoned and the location of the vessel.

SEC. 4. PENALTY FOR UNLAWFUL ABANDONMENT OF VESSEL.

Thirty days after the notification procedures under section 5(a)(1) are completed, the Secretary may assess a civil penalty of not more than $500 for each day of the violation against an owner or operator that violates section 3. A vessel with respect to which a penalty is assessed under this Act is liable in rem for the penalty.

SEC. 5. REMOVAL OF ABANDONED VESSELS.

(a) PROCEDURES.—

(1) IN GENERAL.—The Secretary, in cooperation with the Commandant of the Coast Guard, may remove a vessel that is abandoned if—

(A) an elected official of a local government has notified the Secretary of the vessel and requested that the Secretary remove the vessel; and

(B) the Secretary has provided notice to the owner or operator—

(i) that if the vessel is not removed it will be removed at the owner or operator's expense; and

(ii) of the penalty under section 4.

(2) FORM OF NOTICE.—The notice to be provided to an owner or operator under paragraph (1)(B) shall be—

(A) if the identity of the owner or operator can be determined, via certified mail; and

(B) if the identity of the owner or operator cannot be determined, via an announcement in a notice to mariners and in an official journal of the county (or other equivalent political subdivision) in which the vessel is located.

(3) LIMITATION ON LIABILITY OF UNITED STATES.—The United States, and any officer or employee of the United States is not liable to an owner or operator for damages resulting from removal of an abandoned vessel under this Act.

(b) LIABILITY OF OWNER OR OPERATOR.—The owner or operator of an abandoned vessel is liable, and an abandoned vessel is liable in rem, for all expenses that the United States incurs in removing the abandoned vessel under this Act.

(c) CONTRACTING OUT.—

(1) SOLICITATION OF BIDS.—The Secretary may, after providing notice under subsection (a)(1), solicit by public advertisement sealed bids for the removal of an abandoned vessel.

(2) CONTRACT.—After solicitation under paragraph (1) the Secretary may award a contract. The contract—

(A) may be subject to the condition that the vessel and all property on the vessel is the property of the vessel removal contractor; and

(B) must require the vessel removal contractor to submit to the Secretary a plan for the removal.

(3) COMMENCEMENT DATE FOR REMOVAL.—Removal of an abandoned vessel may begin 30 days after the Secretary completes the procedures under subsection (a)(1).

SEC. 6. LIABILITY OF VESSEL REMOVAL CONTRACTORS.

A vessel removal contractor and its subcontractor are not liable for damages that result from actions taken or omitted to be taken in the course of removing a vessel under this Act. This section does not apply—

(1) with respect to personal injury or wrongful death; or

(2) if the contractor or subcontractor is grossly negligent or engages in willful misconduct.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act such sums as may be necessary for fiscal years beginning after September 30, 1996. Such funds shall remain available until expended.

CONFERENCE REPORT ON H.R. 3230, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

SPEECH OF

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1996

Mr. WALKER. Mr. Speaker, the Defense Authorization bill agreed to by conferees is a solid piece of legislation, which represents an honest effort to reach compromise among all parties, and I will vote for final passage. Nevertheless, there is one provision in the bill that concerns me, and which I feel obligated to address. There is a section in the bill entitled, ''Prohibition of Collection and Release of Detailed Satellite Imagery Relating to Israel,'' which, from the time of enactment on, will prohibit the United States Government from licensing American commercial remote sensing companies to collect or disseminate imagery of Israel that is more detailed than imagery that is available from other, non-American commercial sources. This provision contradicts bipartisan efforts by Congress and the executive branch since 1984 to promote commercial remote sensing as a leading sector of the American aerospace industry. Ultimately, I believe this provision is bad for both the United States and Israel.

This provision was offered as an amendment to the Senate defense authorization bill without hearings, debate, or any other public discussion. Originally, it was considerably more restrictive, but conferees were able to address some of my specific concerns. Nevertheless, this prohibition remains unnecessary and counterproductive. It sets back our efforts to reinvigorate the U.S. aerospace industry through commercialization, and contradicts traditional American principles such as open skies and freedom of information.

I believe that the sponsors of this provision are concerned with Israeli national security, which is a concern that I share. Israel has always had a special place in American policy and always will. But, this provision does nothing to improve Israeli security. Aircraft flying in international airspace can already image Israel in greater detail than that licensed by commercial satellites, which the United States Government cannot prevent and which this measure does not address.

In the long run, by forcing United States industry to surrender its advantage to foreign entities, this amendment will take control over the shutters of commercial remote sensing satellites out of the hands of the United States Government and place it in the hands of the French, Russians, Chinese, Indians, Brazilians, and any other number of countries that are working on commercial remote sensing satellites. None of these countries is likely to be as sensitive to Israeli security as we are, but this provision will place more power over imaging Israel in their hands. Consequently, this will undermine Israeli security in the long run.

Some might believe that we should accept this measure as a symbol of the United States commitment to Israeli security. Symbols have a place, but not when they do real harm to our national interests, in this case, our interest in promoting commercial space development and U.S. global leadership. The commercial remote sensing industry is in its infancy; like a newborn, it is highly vulnerable to sudden changes in its environment. The simple fact is that business can't flourish if we keep changing the rules, and this provision changes the rules. There are measures in current law, policy, and regulation that enable the U.S. Government to restrict the operations of U.S. commercial remote sensing satellites if needed for U.S. national security, foreign policy, or international obligations. This provision essentially throws that rational process out the window and provides a predetermined answer. Under such capricious Government action, it will become increasingly difficult, if not impossible, for private American firms to raise investment capital, and so the section threatens the entire industry. That's bad for American aerospace workers, who have suffered enormously under defense cuts in the last few years.

The U.S. Government has gone through the process of considering U.S. and allied security interests when it issued nine licenses to U.S. companies for commercial remote sensing as detailed as one meter. None of those licenses places restrictions on imaging Israel. So, the Government has already been through a rational policymaking process which found no interests were served by prohibitions on imaging Israel. Furthermore, this section of the bill only calls on the Government to place possible restrictions on licenses issued in the future, after it becomes law. It does nothing to retroactively affect the United States companies for whom the Government has already issued licenses, and on which the Government placed no restrictions about imaging Israel.

I fear that this provision will constrain U.S. industry in the future and give its competition a commercial advantage. The Wall Street Journal reported in February that organizations owned by the Israeli Government were going to partner with United States firms to offer commercial remote sensing services similar to those offered by American companies. The trade weekly Space News printed an interview with the head of the Israeli Space Agency on July 29 in which he said that the state of Israel was trying to enter the commercial remote sensing market in partnership with Germany and Ukraine. If we believe the head of the Israeli Space Agency, then the result was be a protected market for Israel at the expense of United States aerospace workers and companies.

In general, this provision demonstrates an inadequate understanding of our contemporary times. It seeks to prohibit the creation and distribution of information, which authoritarian governments have tried and failed to do for decades. The genius of our system, and one reason our economy continues to grow, is that Americans believe in the wide exchange of information. In the Information Age, that gives us natural advantages because information naturally spreads. One builds economic strength and protects national security in the information age by winning technological competitions and staying at the forefront of technological change. This section of the bill seeks to prevent that and takes us in the wrong direction. It is a well-meant, but misplaced effort that I hope we will not repeat in the future.

INTRODUCTION OF 50/50 WAIVER FOR THE WELLNESS PLAN

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. CONYERS. Mr. Speaker, I am pleased to join my colleagues from Michigan in sponsoring legislation which will provide an opportunity for The Wellness Plan, a well-established HMO headquartered in Detroit, to enroll Medicare beneficiaries. This plan inadvertently has been frozen out of enrolling Medicare beneficiaries since January 1996 through a health care prepayment plan contract because of a technical change in the Social Security and Technical Corrections Act of 1994.

State-licensed as a 501(c)(3) not-for-profit HMO since 1975, and federally qualified since 1979, The Wellness Plan has been recognized as a model quality Medicaid managed care plan by national leaders, including President Bush and two former secretaries of the Department of Health and Human Services. The Wellness Plan is a model of the type of HMO into which our Government would like Medicare beneficiaries enrolled because it has a proven record with both the Medicaid and Medicare Programs. I urge that the House leadership advance this bill in this Congress so that we do not delay any further the enrollment beneficiaries into this plan.

THE GAMES WOMEN WIN

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mrs. COLLINS of Illinois. Mr. Speaker, I have been watching the 1996 Summer Olympics with a great deal of pride and admiration. I might even say that I have swelled with pride at the marvelous athletic ability demonstrated by all the athletes from the United States. I have almost burst with pride for the women athletes who have risen to the rolls of honor among athletes. We are a little over halfway through the events for these 1996 Summer Olympics and I would like to read the names of the medal-winning women athletes representing the United States through July 30, 1996:

Angel Martino, 2 bronzes; Allison Wagner, silver; Amanda Beard, 2 silvers; Beth Botsford, gold; Whitney Hedgepeth, 2 silvers; Kim Rhode, 2 golds; Amy Van Dyken, 2 golds; Brooke Bennett, gold; Dana Chladek, silver; Mary Ellen Clark, bronze; Gail Devers, gold; Gwen Torrence, bronze; Amy Chow, silver; Shannon Miller, gold; and Dominique Dawes, bronze.

U.S. women's team—swimming: 400-meter freestyle relay, gold; 400-meter medley relay, gold; and 800-meter freestyle relay, gold.

U.S. women's gymnastics team, gold.

U.S. equestrian team—women: Team 3-day event, silver.

Team dressage, bronze.

U.S. women's rowing team—four without coxswain, silver.

Lightweight double sculls, silver.

These medal winners are representative of the women athletes that make up 42.4 percent of the U.S. competitors at the 1996 Summer Olympics. Imagine 42.4 percent, almost as many women as men competing in the Olympics on U.S. soil. Many of us know that there were fewer events available in which women could participate during most of Olympic history. In fact, until the passage of title IX in 1972, there were fewer women athletes to compete. These 1996 Summer Olympics are a tribute to all the dreams, sweat, and tears of all athletes, their parents, partners, and coaches. I stand today to honor all that these medals represent.

ENGLISH LANGUAGE EMPOWERMENT ACT OF 1996

SPEECH OF

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1996

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 123) to amend title 4, United States Code, to declare English as the official language of the Government of the United States:

Mr. STOKES. Mr. Chairman, I rise today to express my strong opposition to H.R. 123, the English Language Empowerment Act. I am deeply concerned with the impact that this bill would have on the cultural fabric of our Nation.

Mr. Chairman, this bill contains provisions which would not only require Federal documents to be written in English only, but also repeals the current requirement that bilingual ballots be provided in areas with large numbers of non-English-speaking voters. By including this provision, my Republican colleagues are making blatant intrusion into the constitutionally given right to vote.

Mr. Chairman, the proceedings of our legislatures, our courts, our city councils, and the majority of our day-to-day business is conducted in English. Therefore the value of fluency in English is indisputable. Both immigrants and nonimmigrants alike acknowledge the importance of learning the English language. The long waiting lists for English classes at community colleges and adult schools are a testament to this.

Mr. Chairman, instead of isolating immigrants and impeding their integration into society by declaring English as a official language, we should devote our efforts to teaching people English in order for them to become fully participatory members of society. Unfortunately, this bill does nothing to improve immigrants' ability to be educated in the English language. In fact, as Congress pushes to pass this law, it also has slashed essential funding for bilingual education.

Mr. Chairman, the United States has always been a nation which is rich in its blend of cultural and ethnic backgrounds. This bill which seeks to mandate English as an official language misrepresents our Nation's multicultural history by implying that this Nation has always been unilingual in character. Moreover, this legislation fails to recognize the varied needs of our changing population.

Mr. Chairman, I urge my colleagues to oppose H.R. 123 and support giving immigrants the freedom to communicate in their native language.

RESTORING FAIRNESS TO BARLEY PRODUCERS

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. POMEROY. Mr. Speaker, I rise today to introduce necessary legislation to correct a grave error in the 1996 farm bill. The bill I am introducing today will make good on the promises made to barley producers during the farm bill debate earlier this year. North Dakota barley growers were promised a transition payment of 46 cents per bushel under the production flexibility contracts. From November until April this estimate stood as the payment barley producers expected from participation in the new program. Many made financial and planting plans based on this figure.

Once the new farm bill was signed into law, however, barley producers discovered an error had been made in estimating the payments. Barley producers found they would now be eligible for a 32-cent payment, over a 30-percent decrease from the promised amount, and a much steeper decrease from the estimates promised to producers of other commodities. In my State of North Dakota, the Nation's leading barley producing State, this error will cost farmers $13 million. Nationwide, this error amounts to over $30 million in lost income to barley producers.

The bill I am introducing today along with Representatives JOHNSON of South Dakota and WILLIAMS of Montana will increase the amount allotted for barley contract payments by $35 million. This is the amount necessary to fulfill the promises made and restore equity to barley producers. We do not reduce the amounts available to other commodities through this action. We only increase the amount available to our Nation's barley putting them on even footing with their counterparts who grow other commodities.

The new farm bill promised 7 years of payments in exchange for the elimination of the historical safetynet. We are beginning to find out now what those promises were worth. I urge my colleagues to support this measure which forces Congress to make good on its promises to the American barley grower.

EXPLOSIVES FINGERPRINTING ACT

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. MANTON. Mr. Speaker, I rise today to voice my sadness and outrage over the bombing at the Centennial Park in Atlanta. My thoughts and prayers are with the families and friends of those injured or killed in the blast.

Living in fear of random acts of terrorism is relatively new for Americans, but sadly, it has become a reality. After a series of terrorist attacks, we can no longer presume our safety is guaranteed.

Mr. Speaker, while comprehensive terrorism legislation has passed Congress and been signed into law by President Clinton, we must take additional steps to prevent future terrorist acts from occurring. In 1993, I introduced the

Explosives Fingerprinting Act in response to the World Trade Center bombing. This bill would require that explosive manufacturers introduce high-technology additives into explosives that will give them identifying ''signatures'' which would tell our law enforcement officials when and where they were made. President Clinton has expressed his support for the use of these chemical taggants in explosive material.

Mr. Speaker, Americans are being murdered. Our citizenry is at risk. We must not let the gun lobby or any other special interest groups deny our law enforcement agents powerful antiterrorism tools.

[From the Daily News, July 30, 1996]

TRACING GUNPOWDER BOMBS WITH GOP POLS

(By Jim Dwyer)

You may not realize the sacred status of the black gunpowder that was stuffed into pipes and exploded in front of the world this weekend. But black powder is holy stuff, by decree of Congress.

Even though it is possible to put chemical ''tags'' into black powder so it can be traced back to the seller, it is against the law for the government to even study using those tags.

That makes the average pipe bomb into an American sacrament.

And if you thought one bomb in Atlanta might change that, check out yesterday's White House meeting on terrorism.

Minutes after the TV cameras were turned off, it became clear that the Republican leaership—Newt Gingrich, Trent Lott and elder statesman Orrin Hatch—would not yield an inch on tags for black powder, a source at the meeting said.

I have to go back to the members who didn't want tags before, said Gingrich, who lives in Georgia, home of the world's most famous pipe bomb.

The tags may not be safe, said Lott, the Senate majority leader.

Meanwhile, Hatch, from Utah but apparently lost in space, thought the key to stopping terrorism was not tracing explosives, but cutting back a defendant's right to an attorney during questioning.

Here are the facts.

For nearly two decades, it has been possible to place tiny chemical tags, known as taggants, into explosive materials as they are being manufactured. The tags are like the lot numbers on a package of aspirin. They show the name of the company that made them, and what batch they came from.

The chemical tags are not destroyed by the explosion, so investigators could use them to trace the bomb material to the place where it was sold.

A few months ago, a major anti-terrorism law was passed by Congress and signed by President Clinton. It included money to study the chemical tags used in identifying some explosives—like TNT and plastic.

But the far right of the Republican Party flat-out refused to permit the study of tagging black powder. Why? The National Rifle Association is absolutely opposed to tagging black powder because it is used by sports shooters to pack their own shotgun shells. For the NRA, tagging powder is a half-step away from bullet control, and then we would hurtle down the slippery slope to more gun control.

The NRA has a freshman congressman named Robert Barr of Georgia to defend it on every issue.

For months, Barr wrestled with Henry Hyde, a veteran and very conservative Republican congressman, on the issue of tags. At one point, Hyde blurted out that tags were being blocked by ''arch-conservatives . . . who seemed insensitive to the advances [of terrorists] and are unwilling to let our law enforcement people catch up to them.

''I want my party to be the party of law and order, as it always has been, and not the party of the militias.''

In the end, Hyde was defeated on a study of tags for black powder.

Right now, black powder is the explosive material in more than half of the bombs investigated by the Federal Bureau of Alcohol, Tobacco and Firearms. So refusing even to study tags for black powder is a big victory for dangerous psychos. But it is also a win for the militia-type extremists who view ATF agents as jackbooted thugs bent on destroying the constitutional right to bear arms.

In the last hours of the debate on the terrorism bill, Rep. Charles Schumer, a Brooklyn Democrat, was able to include language that permitted a study of tagging other explosives—like dynamite and plastics.

The Republicans went along with the idea of a study, as long as it excluded black powder—although they provided a total of zero ($00.00) dollars for the study in the federal budget.

Yesterday, the NRA and the Republican leadership stuck with their line that tags in black powder might make them unsafe. ''We do not believe you're going to achieve public safety by introducing a safety hazard into millions of U.S. homes,'' said NRA spokesman Tom Wyld.

''There isn't a reliable piece of evidence that shows the taggants are unsafe,'' said Richard Livesay, their inventor.

''If the tags aren't safe, a study will show that,'' said Schumer. ''But when the right-wing rabid forces don't want something in, this Congress just bows and scrapes and goes along.''

This is not only catching bomb nuts—it's about making it just a little more difficult for them.

''If taggants applied to black powder, it would have been a real deterrent to those who set off this pipe bomb in Atlanta,'' said Schumer.

[From the Wall Street Journal, July 31, 1996]

TRACING EXPLOSIVES THROUGH TAGGANTS DRAWS HEAVY FIRE FROM GUN LOBBIES

(By John J. Fialka)

WASHINGTON.—The nation's gun lobbies are blazing away at one of President Clinton's new antiterrorist proposals—to put tiny plastic markers called taggants in explosives and gunpowder.

Taggants are color-coded identifiers that allow authorities to trace explosives back to the retailer, which could ultimately lead to the buyer. Originally developed in the U.S., taggants have been used for 11 years in Switzerland. According to Microtrace Inc. of Minneapolis, Minn., which manufactures them, Swiss police have used the microscopic markers to trace the source of explosives in more than 500 cases of bombing or illegal possession of explosives.

The gun lobbies, however, consider taggants an invasion of privacy as well as a potential safety hazard.

''We need to be registering politicians, not citizens,'' asserts Larry Pratt, executive director of 150,000-member Gun Owners of America. He claims the use of the markers is a hidden form of gun registration that won't thwart terrorists.

''I don't believe you achieve safety by introducing hazards into the homes of millions of Americans,'' argues Tom Wyld, a spokesman for the National Rifle Association, which claims three million members.

The gun owners' chief concern is putting taggants into two types of gunpowder, smokeless and black powder, which are used by some three million hunters and marksmen who buy powder in bulk to load their own ammunition. There are also a small group of hunters and war re-enactors who use black powder in antique rifles. As in last weekend's terrorist incident at the Olympics in Atlanta, which killed one person and injured more than a hundred, gunpowder can also be used to make crude pipe bombs.

According to Mr. Wyld of the NRA powder containing the taggants could cause a ''catastrophic failure'' in some guns, causing bullets not to explode properly. But Charles Faulkner, general counsel of privately held Microtrace, said: ''We don't know of any case where a premature explosion was caused by taggants.''

The NRA, one of the strongest and most free-spending lobbies in Congress, wants an independent study of taggants before any commitment is made. Taggants have been under consideration since the late 1970s.

On Monday, President Clinton proposed a $25 million, six-month Treasury Department study of the taggants, which are designed to survive an explosion. If found to be safe, the Treasury would order manufacturers to put them in all explosives, including black and smokeless powder. Mr. Clinton said yesterday, however, that if lawmakers can't agree on the taggant issue, he would be willing to put it aside for now.

Taggants, which are also opposed by the Institute of Makers of Explosives, were tested by Congress' former Office of Technology Assessment in 1980 and found to be ''compatible'' with most explosives. The OTA, however, found they could cause ''increased reactivity'' with at least one form of smokeless powder.

The markers were also studied by Aerospace Corp., an Air Force-funded research company, which found they caused no hazard to explosives or gunpowder. Referring to the explosive manufacturers' opposition, Gerald H. Fuller, a physicist who worked on the Aerospace study, called it ''pure bunk, pure smoke screen.'' He asserted that the real reason companies that make and use explosives oppose taggants is the legal liability they could incur if explosives are traced back to them.

''If their products are stolen and used in bombings and can be traced back, they're going to be subject to lawsuits, and this bugs them,'' he said.

J. Christopher Ronay, president of the Institute of Makers÷ of Explosives, couldn't be reached for comment. Mr. Ronay, who formerly headed the Federal Bureau of Investigation's bomb laboratory, has claimed that the industry is opposed to the addition of taggants because it will drive up manufacturing costs and amount to a ''hidden tax'' of $700 million a year on the products of mining and quarrying industries—the primary users of explosives.

PERSONAL EXPLANATION

HON. CHAKA FATTAH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. FATTAH. Mr. Speaker, I request that you please record my vote for final passage of H.R. 123, during the markup of the Language of Government Act on Wednesday, July 24, 1996. I was unavoidably detained at a prior commitment, and when I returned, the final vote had been taken.

Had I been present, I would have voted ''no'' on final passage.

TRIBUTE TO ROBERT FOERSTER ON HIS RETIREMENT

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. GILLMOR. Mr. Speaker, I rise today to pay tribute to Colonel Robert Y. Foerster, an outstanding individual and a fine soldier, who is entering civilian life after a distinguished career in the United States Air Force.

Since August of 1990, Robert Foerster has served as Director of Admissions for the United States Air Force Academy in Colorado Springs. Robert has worked tirelessly assisting candidates and their families as well as Congressional staff members to work within the USAFA Admissions process to identify, nominate and offer appointments to a select few of the best and the brightest of our high school seniors.

Robert Foerster is a Baltimore native. Robert graduated from University Military School in Mobile, AL in 1960 and after one year at Michigan State, entered the U.S. Air Force Academy. Upon graduation from the Academy, he was commissioned a second lieutenant and entered pilot training in Texas. Colonel Foerster earned a master's degree in business administration from Inter American University, Puerto Rico, in 1971. He attended Squadron Officer School in 1972, the Naval College of Command and Staff in 1976, and the National War College in 1980.

Robert Foerster has received numerous military decorations, including the Legion of Merit with three oak leaf clusters, Distinguished Flying Cross with oak leaf cluster, Meritorious Service Medal with oak leaf cluster, Air Medal with five oak leaf clusters, and Air Force Commendation Medal with oak leaf cluster.

Mr. Speaker, Robert Foerster's distinguished military service is a model of patriotism and citizenship. I ask my colleagues to join me in wishing Robert, his wife Sheila, his daughters Janet, Leslie, Katrina and his son Mark well as the Foerster family begins this new chapter in their lives.

May they fully enjoy the blessings of peace and freedom that Robert Foerster has so ably defended as an officer in the United States Air Force.

SALUTE TO GIRL SCOUT CHRISTY WILLEY

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. BOEHLERT. Mr. Speaker, today I would like to salute an outstanding young woman who has been honored with the Girl Scout Gold Award by Foothills Girl Scout Council in Utica, New York. She is Christy Willey of Girl Scout Troop 429. She is being honored on August 1, 1996 for earning the highest achievement award in U.S. Girl Scouting. The Girl Scout Gold Award symbolizes outstanding accomplishments in the areas of leadership, community service, career planning, and personal development. The award can be earned by a girl aged 14–17, or in grades 9–12.

Girl Scouts of the U.S.A., an organization serving over 2.5 million girls, has awarded more than 20,000 Girl Scout Gold Awards to Senior Girl Scouts since the inception of the program in 1980. To receive the award, a Girl Scout must earn four interest project patches, the Career Exploration Pin, the Senior Girl Scout Leadership Award, and the Senior Girl Scout Challenge, as well as design and implement a Girl Scout Gold Award project. A plan for fulfilling these requirements is created by the Senior Girl Scout and is carried out through close cooperation between the girl and an adult Girl Scout volunteer.

As a member of Foothills Girl Scout Council, Christy began working toward the Girl Scout Gold Award in 1994. She completed her project in the areas of Adapted Aquatics and Water Safety, and I believe she should receive the public recognition due her for this significant service to her community and her country.

MAHARISHI UNIVERSITY OF MANAGEMENT CELEBRATES 25TH ANNIVERSARY

HON. JIM LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. LIGHTFOOT. Mr. Speaker, this year the Maharishi University of Management in Fairfield, IA, is celebrating its Silver Jubilee. The University was founded in 1971 by Maharishi Mahesh Yogi as Maharishi International University. In 1995, the original name was changed to Maharishi University of Management ''to emphasize the importance of students' gaining the complete knowledge and experience of how to successfully manage all areas of life, both personal and professional.'' I congratulate the university on this milestone and as requested ask that the following be placed in the CONGRESSIONAL RECORD.

HIGHLIGHTS AND ACHIEVEMENTS

Maharishi University of Management was granted bachelor's and master's accreditation from the North Central Association of Colleges and Schools (NCACS) in 1980, and doctoral accreditation in 1982. Now, in its Silver Jubilee Year, the University is establishing itself as a truly global institution.

The rigorous and innovative curriculum offers academic excellence, development of consciousness and creativity, and a high quality of life, preparing students from all over the world to be leaders of their professions and their nations—competent to manage any challenge and to create a prosperous, progressive and peaceful world.

The research of its distinguished faculty has gained international recognition; faculty publish or present over 100 papers a year, many in prestigious referred journals. The University and faculty have received over 155 grants and contact totaling $18.3 million since 1977 from federal, state, and private sources, supporting research, development of new academic programs and infrastructure, endowment, and fellowships.

Graduates are enjoying successful careers in business, education, law, high technology, the health care professions, the arts, and the sciences. Of its 2,888 graduates, alumni have been accepted by over 130 graduate and professional schools, and have been hired by many leading corporations and institutions, or have become entrepreneurs founding their own highly successful companies. Many have established businesses in Iowa, contributing to the economic development of the state. Alumni are achieving a level of success higher than national norms as measured by their salaries.

Students achieve high scores on national examinations, and awards and prizes in competitions in art, literature, computer science, writing, management, and mathematics. The University's internship programs give students practical, professional training as part of their academic studies.

Consciousness Based Approach to Education. While students excel in a full range of traditional academic disciplines, they also develop their consciousness and unfold their full creative potential through systematic programs including the Maharishi Transcendental Meditation® and TM-Sidhi® program, including Yogic Flying. Research finds that, as a result of this unique educational system, students grow in intelligence, orderliness in brain functioning, self-development and creativity. Their physical and mental health improves, and they display high moral development.

One of Maharishi University of Management's greatest and ongoing achievements is to create a measurable influence of coherence, harmony and peace for the U.S. and the world, through Maharishi's technologies of consciousness. The University is the world's leading center of research on this phenomenon, which is known as the Maharishi Effect.

The University has pioneered in the development, application, and research on prevention-oriented health approaches for maintaining good physical and mental health throughout life.

Hundreds of students in India are currently enrolling in the University's distance education MBA programs, via videotaped courses, telephone conferencing, and the Internet.

Students at Maharishi School of the Age of Enlightenment, Maharishi University of Management's successful primary and secondary school, have won many Iowa state championships and awards in drama, history, science, creativity, spelling, and tennis; the school's classes characteristically score in the 95th percentile and above on standardized tests.

Since 1974, the Maharishi University of Management has been fortunate to find a home in the City of Fairfield, IA, a community rich in the natural beauty, dynamism, and good-heartedness typical of America's heartland. People from all over the world have been drawn to Fairfield because of the University's academic excellence, quality of life, and unique programs for the development of consciousness. The University has promoted very fruitful partnerships for progress in the community, working with the Fairfield Area Chamber of Commerce and the Fairfield Economic Development Association to attract and develop new businesses in the area, especially in high tech areas such as computer software and communications. Maharishi University of Management has contributed greatly to this vital and growing community, which the Honorable Terry Branstad, Governor of Iowa, has called the ''economic superstar of Iowa.''

It is evident by the above that the faculty, students, alumni, and community are proud of their contribution to our State, Nation, and world. I hope all will join me in offering warmest congratulations to Maharishi University of Management and to its founder, Maharishi Mahesh Yogi, on its upcoming Silver Jubilee celebration on September 12, 1996.

CONFERENCE REPORT ON H.R. 3103, HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996

SPEECH OF

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1996

Mr. BENTSEN. Mr. Speaker, I rise in strong support of this health insurance reform conference report. I am pleased that Congress has put aside partisan politics and found agreement on these commonsense steps that will help millions of people to buy and keep health insurance.

This legislation is exactly the kind of assistance the American people want and need from Congress to address the challenges they face in their daily lives.

It will help employees who change or lose jobs to continue to buy health insurance for themselves and their families. It will help people with preexisting health conditions—those are most likely to need health care—to buy insurance. It will help self-employed people to buy health insurance by increasing the tax deduction for the self-employed from 30 to 80 percent. And it will help senior citizens and others needing long-term care to afford these very expensive services by providing necessary tax relief.

These modest reforms will give peace of mind to millions of families without imposing new costs on businesses and government and without adding to the bureaucracy. This is an example of what Congress can do when we put common sense and the public interest first.

As a sponsor of the Democratic version of this legislation, I am pleased that the conference agreement closely reflects the priorities that we offered earlier this year. It focuses on reforms that do have broad, bipartisan support and that will make an immediate, positive difference for millions of people and it takes a responsible, slower approach to testing new approaches such as medical savings accounts. I applaud those who developed the compromise on MSA's and their willingness not to let this controversy hold up other provisions in this legislation.

I want to highlight several provisions of this conference report.

This conference report will increase the tax deduction for the health insurance for the self-employed from 30 to 80 percent, a critical provision in the Democratic substitute that affords the same treatment to the self-employed as we do to corporations. For many self-employed people, this tax deduction will make health insurance more affordable and cost-effective.

The conference report prohibits discrimination against people with preexisting health conditions and guarantees that workers can keep their health insurance if they change or lose their jobs. No longer will Americans fear losing their insurance due to a medical condition such as diabetes or breast cancer. Health insurance companies would be prohibited from excluding coverage of a preexisting condition for more than 12 months. This 12-month period would be reduced by the time period for which the individual was covered under a previous group-based plan. For individuals who lose their jobs, health insurance companies would be required to offer the choice of two plans. To protect individuals, these plans would have to be priced at a level similar to other popular individual plans.

This conference agreement requires the renewal of health insurance coverage for those Americans who pay their premiums. This consumer protection will ensure that families can continue to keep their health insurance as long as they continue to pay premiums for this coverage.

This conference report also provides new incentives for Americans to provide for their long-term care. With the average cost of $40,000 per person for long-term care services, it is critical that we provide relief for American families. This legislation allows taxpayers to deduct qualified long-term care expenses, including premiums for long-term-care insurance, as an itemized medical deduction. This legislation also permits terminally ill and chronically ill patients to receive their life insurance benefits prior to death without paying taxes on such benefits. Both of the tax provisions should help American families to deal with the costs of medical treatments.

The conference legislation includes provisions to discourage fraud. I strongly believe we should not tolerate fraud and abuse in our medical system. This section ensures that medical professionals who commit fraud will be prosecuted for these acts, without imposing unnecessary burdens on medical providers.

Mr. Speaker, I urge approval of this commonsense, bipartisan, and long-overdue legislation.

ENGLISH LANGUAGE EMPOWERMENT ACT OF 1996

SPEECH OF

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1996

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 123) to amend title 4, United States Code, to declare English as the official language of the Government of the United States:

Mrs. COLLINS of Illinois. Mr. Chairman, the Gingrich Republicans have now apparently adopted the carrot and the stick concept of legislative strategy and behavior. The Gingrich Republicans would rather wield the stick at people who are different and punish them because they are non-English speaking. The stick: read like me, talk like me, or don't try to be like me—successful, confident, self-sufficient. Not a carrot, learn the English language as well as your native language, then you can be more economically competitively because I don't speak your language. Republican stick: I don't want to compete with you on a level playing field and I am in control, so I will make a rule that says you will not ever have a chance to catch up with me.

As if the major political parties of America needed any further demonstration of their differences, H.R. 123 is another prime example from its intend to its description. The Gingrich Republicans labeled it the English Language Empowerment Act, but to the Democrats it is the English-only bill. When we look at the differences in the political parties, this can be another prime example of the arrogant, elitist demeanor of the Gingrich Republicans who do not subscribe to the basic principles of polite society and guaranteed under the U.S. Constitution that we don't all have to be the same to be acceptable.

I support programs to assist immigrants and other non-English-speaking persons to learn the English language. Furthermore, I believe it is important that our Government provide these individuals every opportunity to achieve this goal. However, at the same time, we must remain respectful of the traditions and cultures of those who came to America in search of safety, economic opportunity, a new life. No law should ever be passed which states, or even implies, that immigrants to the United States must give up their native language or traditions. It is, in fact, the intermingling of such diverse peoples which has made our country so great and this must be remembered. I am one of the fortunate Members who is privileged in representing a district that is diverse with a multi-ethnic and multi-lingual constituency. We celebrate our diversity in all things and oppose any efforts to impose a one-size-fits-all mentality for language.

One example of the ill-conceived results of this bill would be to discontinue bilingual ballots. As the cultural makeup of our Nation continually changes, so too must the Government adapt to most effectively serve the needs of all its citizens. In 1992, when Congress passed the Voting Rights Improvement Act authorizing bilingual registration forms and ballots to communities with bilingual populations, there were over 88,000 people in Cook County, IL, who had not previously been able to vote because they were not fluent in the English language. One of the most fundamental rights that we Americans are guaranteed under the U.S. Constitution is the right to vote.

Voting, justice, education, economics, and safety are just some of the areas where language should not be a barrier to access or equality. This bill, in attempting to discriminate against non-English-speaking persons, begins an unfortunate precedent.

I urge my colleagues to defeat this legislation.

PREVENT TEEN PREGNANCY

HON. EVA M. CLAYTON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mrs. CLAYTON. Mr. Speaker, I am pleased that we have established a congressional advisory panel to the National Campaign to Prevent Teen Pregnancy. This bipartisan, multiidealogical panel is an important step. During the 104th Congress, I have spoken out often and devoted more time and energy to teen pregnancy prevention.

The ''Kids Having Kids'' report recently released by the Robinhood Foundation gives the alarming costs and consequences of teenage childbearing. It shows that teenage childbearing costs U.S. taxpayers a staggering $6.9 billion per year and the cost to the Nation in lost productivity rises to as much as $29 billion annually. The consequences to the families and the children of these teen parents in health, social, and economic development are devastating.

Let me just list a few of the report's findings about children born to teenage mothers:

They are more likely to be born prematurely and 50 percent more likely to be born low birthweight than if their mothers had waited 4 years to bear them.

They are twice as likely to be abused or neglected.

They are 50 percent more likely to repeat a grade and perform significantly worse on cognitive development tests.

The girls born to adolescent moms are up to 83 percent more likely to become teenage moms themselves.

The sons of adolescent mothers are up to 2.7 times more likely to land in prison than their counterparts in the comparison group. By extension, adolescent childbearing in and of itself costs taxpayers roughly $1 billion each year to build and maintain prisons for the sons of young mothers.

''Kids Having Kids'' is the most comprehensive report done on the costs and consequences of teenage pregnancy to parents, children, and society. This groundbreaking report graphically illustrates this financial loss in terms of social and economic costs to our Nation.

I commend this report to all of my colleagues as essential reading.

Yesterday, the House passed the welfare reform conference agreement, with the Senate expected to vote on it today. This welfare reform legislation will then be signed into law by the President. However, we should realize that this alone will not prevent or drastically reduce teenage pregnancy. A far more expansive effort will be required to motivate and encourage young people to take positive development options rather than the negative options that result in teen pregnancy.

We, in the House, missed an opportunity to make a statement about teen pregnancy prevention and to provide funding for the $30 million Teen Pregnancy Prevention Initiative requested in the Labor, Health and Human Services and Education appropriations bill. Thirty million dollars is less than one-half of 1 percent of the 6.9 billion tax dollars per year spent on teenagers once they become pregnant and give birth.

Each year approximately 1 million teenagers become pregnant. Once a teenager becomes pregnant there simply is no good solution to the problem. The best solution is to prevent the pregnancy in the first place.

Teenage pregnancy is a condition that can be prevented. It is critical that this Nation take a clear stand against teenage pregnancy. Devoting more energy, resources, and funding to preventing teen pregnancy will not only save us money in the long run, but it will also improve the health, education and economic opportunities of our Nation's youth.

The situation is urgent. I encourage other House Members and Senators and all Americans to unite in a sustained, comprehensive effort to prevent teen pregnancy.

MANDATORY ARBITRATION VIOLATES CIVIL RIGHTS

HON. PATRICIA SCHROEDER
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mrs. SCHROEDER. Mr. Speaker, many employers are forcing their employees to relinquish their civil rights by requiring them to sign contracts mandating arbitration under the employers' terms.

This past week, the New York Times told about another victim of mandatory arbitration—a woman named Michele Peacock.

As the July 28 article points out, Ms. Peacock's sexual harassment case against Great Western Mortgage Corporation was compelling, but she will probably never be able to take her case to court because her company required her to agree, as a condition of her employment, to mandatory arbitration under terms that were highly advantageous to her employer. I ask that this article be included in the RECORD.

Members of this body have the opportunity to ensure that employees don't sign away their civil rights at the corporate door by cosponsoring a bill introduced by myself and Mr. MARKEY, the Civil Rights Procedures Protection Act, H.R. 3748.

H.R. 3748 would prevent the involuntary application of arbitration to claims that arise from unlawful employment discrimination. It would amend seven federal statutes to make it clear that the powers and procedures provided under those laws are the exclusive ones that apply when a case arises.

This bill would also invalidate existing agreements between employers and employees that require employment discrimination claims be submitted to mandatory, binding arbitration, while allowing employees who want to resolve their claim under arbitration to elect to do so voluntarily.

I urge Members to support this bill.

[From the New York Times, July 28, 1996]

WORKERS WHO SIGN AWAY A DAY IN COURT

(By Roy Furchgott)

When Michele Peacock left the Great Western Mortgage Corporation in January 1996, she and her lawyers thought they had an ironclad sexual harassment suit, one rife with examples of on-the-job innuendo. At an Atlantic City convention, she said, one executive tried to maneuver her into bed as a chance ''to get to know you better.'' Ms. Peacock sued. ''I wanted my trial by jury,'' she said. ''There is no doubt in my mind that I would win. None.''

But like an increasing number of American workers, she will probably never have her day in court. When Ms. Peacock, 31, joined Great Western she was required to sign a contract that mandated that any dispute with the company would be settled through binding arbitration. The human resources manual contained the rules for arbitration: the company would pick the arbitrator, whose fees would largely be paid by Great Western; Ms. Peacock could not win punitive damages or recover lawyers' fees; her lawyers could not question opponents and she would get no documents before the hearing. Ms. Peacock is now suing for the right to take her case to court. Tim McGarry, a spokesman for Great Western, said the company did not comment on pending litigation.

Ms. Peacock is not alone. Employers increasingly use employment contracts not only for traditional purposes—protecting trade secrets and limiting competition from former employees—but to be able to dismiss employees without being sued and to insulate themselves from discrimination suits. A poll commissioned in 1995 by Robert Half International, a headhunting firm, found that 30 percent of United States companies with 20 or more employees planned to increase their use of employment contracts, compared with 17 percent that said they would decrease the use of the contracts.

These contracts for lower-level workers are a far cry from what ''employment contract'' often brings to mind when applied to top executives—million-dollar bonuses and golden parachute severance agreements. ''People are signing away their right to take their claims to Federal court, and they are signing away their right not to be discriminated against,'' said Ellen J. Vargyas, a lawyer for the Equal Employment Opportunity Commission.

Employers counter that employees have abused rights granted under a 1991 amendment to the Civil Rights Act of 1964. The law, called Title VII, provides for jury trials and allows punitive damages in discrimination cases. But dismissed workers, employers say, often claim sex, age, race and religious discrimination unfairly.

''An employee who loses a job just has to find one of those cubbyholes to fit their claim in,'' said John Robinson, the chairman of the American Bar Association's Employment and Labor Relations Litigation Committee in Tampa, Fla. ''Everyone is a protected something. Even a white male can claim reverse discrimination.''

Employers says that without mandating arbitration, employees would choose jury trials, which are expensive for both parties. ''Arbitration brings the recurring costs of discovery and appeals under control,'' said Mr. McGarry of Great Western. He also said arbitration ''levels the playing field.''

''A company with vast resources can't wear down an opponent with fewer resources,'' he said.

Lawyers say courts have been blurring distinctions between ''at will'' employees, who can be dismissed without being told a reason, and ''just cause'' employees, who can be let go only for poor work or misconduct. ''What's changed is courts in several states find bland statements in handbooks, comments on growing up together and making lots of money in the future, two good reviews and a comment at the company Christmas party'' and accept these as a contract, said William F. Highberger, a lawyer at Gibson, Dunn & Crutcher, which often represents employers.

Such contracts were born in the securities industry, which has long required all employees to sign an arbitration agreement. This practice has withstood several attacks in court, forcing employees into arbitration, where they frequently fare less well than before a jury.

Paul De Nisco of Staten Island is a former trader for Merrill Lynch who signed a mandatory arbitration agreement in 1990. He wanted to sue his employer for age discrimination in 1991 when, at 48, despite years of good employee reviews, he was dismissed during what Merrill Lynch said was a reorganization of Mr. De Nisco's department. In 1995, Mr. De Nisco went into arbitration with what he thought was a strong piece of evidence: a page of notes written in 1992 by a 30-year-old manager.

Nancy Smith of West Orange, N.J., one of Mr. De Nisco's lawyers, said the page was notes taken from a conversation the manager had with Mr. De Nisco's equally young boss. She said the note showed that the manager had been directed to hire someone ''our age—male'' for another department and showed a predisposition of the company to hire young workers.

Timothy Gilles, a spokesman for Merrill Lynch, said on Thursday, ''These notes do not indicate any discriminatory intent or conduct at Merrill Lynch, and the claimant did not attempt to present any evidence to the contrary.''

Arbitrators denied Mr. De Nisco's claim.

''I wrote a letter asking the arbitrators for their rationale,'' Mr. De Nisco said. ''They

said they don't have to tell me and they don't want to.'' No appeal is allowed.

Arbitration need not use previous cases in rendering a decision, and they do not have to provide a written decision, as judges do, or provide for appeals. Arbitrators must make judgments under any rules laid down by the company, and that has caused some arbitrators to turn down these assignments.

''I personally have a problem with it,'' said Arnold Zack, an arbitrator and past president of the National Academy of Arbitrators. Employers often stack the deck, he said, ''and we are for fair play.'' The National Employment Lawyers Association, made up of lawyers who represent employees, had threatened to boycott arbitration companies that hear mandatory arbitration disputes. The group has since worked out guidelines with arbitrators that halt some practices, like arbitrations in which employees cannot collect lawyers' fees if they win, but may have to pay employers' legal fees if they lose.

Many judges seem to have no problem with arbitration. Not only have they upheld arbitration decisions, but arbitration keeps many disputes out of crowded courts. Some judges are being enticed off the bench by the high pay of arbitration. One employee lawyer, Cliff Palefsky, said arbitrators charged up to $500 an hour and commonly earned $300,000 to $400,000 a year.

Not all courts uphold arbitration, though, and employee lawyers continue to probe for a chink in the armor. One successful challenge was mounted by Jane Letwin, a lawyer in Fort Lauderdale, Fla., on behalf of her husband, Bob. According to Mrs. Letwin, when his employer, the Bentley's Luggage Corporation, demanded that all employees, even part-timers like Mr. Letwin, sign a contract agreeing to mandatory arbitration, he balked.

The Letwins said that when he refused to sign, Mr. Letwin was dismissed after eight months at the company. But Mrs. Letwin pressed her husband's claim with the National Labor Relations Board, contending unfair labor practices because the arbitration threat could be used to prevent labor from organizing. Mr. Letwin was reinstated with full back pay. Officials at Bentley's did not respond to requests for comment.

The trend in contracts has not escaped notice in Washington. Senator Russell D. Feingold of Wisconsin and Representatives Patricia Schroeder of Colorado and Edward J. Markey of Massachusetts, all Democrats, have proposed bills to protect employees. The Senate version says it would ''prevent the involuntary application of arbitration to claims that arise from unlawful employment discrimination.''

For now, experts expect the mandatory-arbitration trend to grow. And employees faced with the requirement on employment contracts appear to have two choices: take it or leave it.

CONGRATULATIONS TO DR. PATRICIA C. DONOHUE

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. CLAY. Mr. Speaker, I applaud and salute Dr. Donohue on her tenure as President of the National Council for Occupational Education [NCOE].

Dr. Patricia C. Donohue has provided dynamic leadership as the 1995–96 president of the National Council for Occupational Education. During her tenure, she focused on initiating exemplary policies and practices in economic development and workforce preparation for workers in our global economy, The NCOE's members are professionals in community and technical college education who serve as workforce development and occupational education resources for legislators and policymakers from various governmental agencies. NCOE also promotes innovative practices in community and technical colleges and tracks student achievement in these areas.

Early in Dr. Donohue's tenure, she convened a strategic planning process which established five critical goals for NCOE for the years 1995–1997.

The first goal is to transform education and training programs and structures to better prepare workers for the 21st century. The NCOE-produced monograph Workforce Development defines the need for national policy in this critical area and identifies strategies necessary for progress. NCOE provided copies of Workforce Development to congressional committees, Representatives, and Senators, for use in their important work on new education and workforce training legislation including efforts to streamline dozens of job training and education programs.

The second goal emphasizes improving legislative relations by the organization. A National Policy Response Team was implemented for this purpose. Team members made monthly visits to agencies and legislators on Capitol Hill in Washington, DC. The team provided information to legislators and facilitated communication with practitioners. In addition, the policy response team provided quick responses to congressional and agency requests.

The third goal is to collaborate in workforce preparation initiatives. Partnerships have been established with the National Council of Advanced Technology Centers. Network (a Department of Labor project), and the National Council on Community Service and Continuing Education [NCCSCE]. Monographs will be forthcoming from project partnerships with the League for Innovation and the National Center for Research on Vocational Education and also from the joint work with NCCSCE. The National Association for Manufacturing and the National Skill Standards Board are among other partners working with NCOE.

The fourth goal established is to inaugurate a leadership development program. Regional training conferences will be established to implement this goal.

The fifth goal is that of enhancing operating strategies for member services. In addition to improvements in the organization's newsletter, an Internet electronic Web page has been initiated to provide information and respond to questions.

Dr. Donohue also serves on the Commission on Community and Workforce Development of the American Association of Community Colleges [AACC]. She is a coauthor of a Commission Monograph on the community college role in implementing reforms in workforce preparation proposed in Federal legislation.

Again, congratulations and best wishes for continued success in your efforts with the National Council for Occupational Education as well as with St. Louis Community College.

CENTENNIAL CELEBRATION OF F. SCOTT FITZGERALD

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mrs. MORELLA. Mr. Speaker, I rise today in honor of the city of Rockville's Centennial Celebration of F. Scott Fitzgerald. This yearlong celebration will commemorate the centennial year of his birth as well as his association with the city of Rockville.

F. Scott Fitzgerald is widely regarded as having been one of America's foremost authors. The novels and short stories he wrote during the 1920's and 1930's were distinctly American in their cultural view, yet the humanity that his characters displayed was universal. His masterpiece, ''The Great Gatsby,'' remains a mainstay in literature classes across the country. Francis Scott Key Fitzgerald passed away on Dec. 21, 1940. He now is buried alongside his wife, Zelda, his daughter, Scottie, and his parents and grandparents at Rockville's St. Mary's Cemetery.

The F. Scott Fitzgerald Centennial Committee has done an exceptional job in preparing this year of celebration. In addition to movie nights and theme months—April was ''Roaring Twenties Month''—they have planned events to raise public awareness about Fitzgerald's life and his current literary heirs. In September they have planned a ''Gatsby Ball'' for charity, with all profits from the evening going to Rockville Arts Place. Also in September is the first ever F. Scott Fitzgerald Literary Conference at the Montgomery College Theater Arts Building, located at Montgomery College's Rockville Campus. This event will be marked by the presentation of the first F. Scott Fitzgerald Literary Prize to William Styron, author of the Pulitzer Prize-winning novel ''The Confessions of Nat Turner,'' as well as many other works, including 1979's ''Sophie's Choice.''

I know my colleagues will join me in recognizing the citizens of Rockville who have given their time to help in the remembrance of one of America's premier writers: John Moser and Don Boebel, Co-Chairs of the F. Scott Fitzgerald Centennial Committee; Hon. Rose G. Krasnow, mayor of the city of Rockville; the members of the city of Rockville Public Information Office. As this centennial year continues, let us all remember F. Scott Fitzgerald and his literary creations.

CONGRESSIONAL PENSION FORFEITURE ACT

HON. RANDY TATE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. TATE. Mr. Speaker, today I am proud to introduce the Congressional Pension Forfeiture Act with my colleagues, Mr. RIGGS and Mr. DICKEY. The three of us have worked long and hard to define this important, historic legislation to deny pension benefits to Members of Congress convicted of federal felonies. I'd like to thank them for their hard work, and I think I can speak for all three of us in thanking Mr. HOEKSTRA, chairman of the Speaker's Task Force on Reform, for his continued interest and involvement in our efforts.

The Congressional Pension Forfeiture Act combines the best elements of the three bills we introduced separately. The American people are fed up with business as usual in Washington, DC. The last thing that hard-working Americans and their families should expect is to pay for a convicted felon's retirement. No family struggling to pay for their groceries, health care, or education should be handing their hard earned money over to Congressional felons.

This bill has over 50 cosponsors and bipartisan support. I know an overwhelming majority of Americans support this commonsense, historic Congressional reform legislation.

A former Representative was recently sentenced to 17 months in prison for crimes he committed against the American people. But while he sits behind bars, he'll be collecting nearly $100,000 a year from his taxpayer-funded Congressional pension account. For this Congress to turn its back on the American public and let another Member leave office with his retirement nest egg would be unconscionable. Our bipartisan, consensus bill ends this taxpayer rip-off.

Every Member of Congress has a contract with the working men and women in his district when the Oath of Office is taken: to uphold the public trust. Last year 14 lawmakers-turned-lawbreakers collected $667,000 in taxpayer-subsidized Congressional pension benefits. We should help hard-working middle class Americans, not Congressional felons.

Our bill states that after the beginning of the 105th Congress, Members who are convicted of a federal felony that is committed while the Members are serving will forfeit their Congressional pensions and will forfeit their matching benefits and increased earnings under their Thrift Savings Plan.

By passing this legislation, we are once again standing up for hard-working American families. Americans who have never broken the law and pay taxes out of their hard-earned money want us to eliminate this egregious policy now.

Passage of this historic legislation will be the crown jewel of the Congress with the strongest reform agenda in forty years. The 104th Congress has done more to reform this institution than any Congress before us. It is what the American people want and it is what we in the House of Representatives should give them.

I urge all my colleagues to lend their wholehearted support to this historic legislation and I ask the House leadership to work with Mr. RIGGS, Mr. DICKEY, and me to bring this important bill to the floor before the 104th Congress adjourns.

TRIBUTE TO ANTONIO D. MARTIN

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. TOWNS. Mr. Speaker, Brooklyn-born Antonio ''Tony'' D. Martin attended Boston University and the New School for Social Research where he earned his masters degree in health science administration and policy. He began his career in health care 13 years ago at the Metropolitan Hospital Center in New York and later moved to Kings County Hospital Center in Brooklyn. Since 1991, he has served as the executive director of the East New York Diagnostic and Treatment Center [ENYD&TC] transforming it into a fully accredited New York State article 28 health center.

Mr. Martin's success is largely attributed to his belief in teamwork, which has resulted in the expansion and strengthening of the ENYD&TC's role in the East New York community. Through his leadership, the center has actively collaborated with various churches, schools, and community organizations to create and launch health care programs such as: breast health and mammography services; medical and dental clinics; child adolescent mental health clinics; family-based mental health clinics; HIV/AIDS counseling, testing, and education; and mental health services for the homebound. His newest endeavor, a school-based health center placed in local Beacon schools, will provide primary care, mental health, and dental services to students and community residents. In addition to his role as executive director, Mr. Martin serves as a mentor and role model to youth. As a result of this personal commitment, he is a highly popular speaker on both health and youth issues.

Mr. Martin's ability and achievements have been recognized by various organizations and elected officials such as the Lions Club; Rosetta Gaston Foundation; People Alliance Community Organization; Grace Baptist Church of Christ; Reeder Youth Care; Congressman EDOLPHUS ''ED'' TOWNS; Assemblymen Clarence Norman, Jr., Nick Perry, and Darryl Towns; and former mayor David Dinkins.

His accomplishments are a testament to his commitment to improve both the quality of life and health for Brooklyn residents. I am pleased to introduce him to my House colleagues.

LEXINGTON PARK CORPORATE CENTER

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. HOYER. Mr. Speaker, I recently had the honor of presiding at the groundbreaking for the Lexington Park Corporate Center, a project undertaken by Millison Development. The groundbreaking ceremony signified the opening of a development which will be occupied by three companies—DCS, Semcor, and the Rail Co.—conveniently located to serve the Patuxent River Naval Base.

The companies that will occupy this new center were not here during the changes brought in the 1940's when this rural community was transformed from one dependent on farming and seafood, to one that is now technology driven.

A family that has been in St. Mary's throughout the expansion and that has played a significant role in what has become one of the broadest expansions of a military base in our country is none other than the Millison family. Theirs is a long and solid history of support of the Navy and small business entrepreneurship. The Millison's family story is worth sharing with my colleagues.

Israel ''Jake'' Levine was a native of Lithuania. He bought his peddlers' license from a man named Millison and soon changed his name to reflect the name atop the important document. Israel Millison, who is the grandfather of J. Laurence Millison, the current president of Millison Development, then purchased a store from a Mr. Pearson around 1925 and later sold the business to his sons, Samuel and Hiram.

Hiram Millison continued to operate the store as Millison brothers, even after his brother Sammie left the business, until 1943 when the Government purchased his store and other Cedar Point properties to build the naval base.

When the Navy moved in during the Second World War to consolidate several naval air test bases and establish Patuxent River as one of the premier such bases in the world, many families were very rapidly displaced from their homes and business. Most were forced to leave within 20 days of receiving their property appraisals and then it took 6 months or more to get their money.

Hiram used his money to build a store and restaurant outside the main gate of the new base and subsequently developed a number of properties in the town that became known as Lexington Park. Upon his death in 1965, Hiram Millison's obituary described him as a man who ''planted seeds of progress.''

Hiram Millison saw opportunity when others were reeling from the trauma of disruption. He proved to be a great visionary—serving as the first president of the Patuxent River Council of the Naval League. This council played an important role in providing the community support for the Navy and the start of a tradition that has become a key reason that consolidation of bases continue to redound to the benefit of Patuxent River today.

Today, we see this same support of the Navy with Hiram's son Larry, who has served as a county commissioner, as a member of the board of education, and, in his role as a businessman, in his support of organizations like the Navy Alliance. Now, another Millison—Rachelle—is involved in the family business and she has proven herself as a citizen with community spirit who will not only continue to reap the seeds sown by her family, but she will also continue to sow seeds for future generations, as her father and grandfather did in the past.

I know that the companies involved with the Patuxent River base are experiencing disruption as a result of consolidations. Employees may be relocating from Crystal City, VA or Warminster, PA.

Aaron Davidson is a native Pennsylvanian. He works for Semcor and along with his wife, will follow his job in Warminster down to Patuxent. In so doing, he has convinced many of his coworkers to follow suit. I want to assure Aaron, and the many other families relocating to this area, that this community is eager to have you and will do everything it can to make the transition for you and other families as smooth as possible.

In the transition and change brought on by this consolidation, I hope that you—like Hiram Millison—will come to find opportunities here and join with the Millisons and other proud families, planting seeds in this great community for future generations.

Mr. Speaker, I ask my colleagues to join me in saluting the Millison family. Their story of perseverance, community spirit, and patriotism is a shining example of what this great country can produce when opportunity is seized.

TRIBUTE TO TOMMY LASORDA

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. UNDERWOOD. Mr. Speaker, I rise this morning to pay tribute to an outstanding individual, Tommy Lasorda. In an emotional address for fans and players alike, Lasorda announced last Monday that he will step down as manager of the beloved Dodgers.

Born in 1927 to Italian immigrants in Norristown, PA, Lasorda's ethnicity is something he has celebrated and cherished. He is an individual who has brought an unmatched level of enthusiasm to the great game of baseball. A man of 1,613 wins, he became the most active manager in baseball—and 12th all-time. In 20 seasons, he led the Dodgers to two World Series championships, four National League pennants and seven division titles. He is one of only four major league managers ever to spend more than 20 years or more with one team. Mr. Speaker, there is so much more at which we could marvel.

Lasorda is the heart and soul of not only the Dodgers, but for all of baseball. He is a man of more funny lines than anyone associated with the game. His personality will be missed. His energy level during a game was unequaled. His enthusiasm and love for the game of baseball is contagious.

His strength to overcome criticism made him one of baseball's greatest engineers. He brought the biggest post-season upsets. Just like many of us here in Congress, he had a love-hate relationship with the media; like most of us, he loved all people.

Lasorda has met the expectations of the people of Los Angeles in an unfailing manner. Off the field, Lasorda gives hundreds of speeches a year to charities, including his annual visit to the Cystic Fibrosis Foundation's childrens' organization called 65 Roses.

A man of integrity who brought happiness to millions. A man who brought the game of baseball in a colorful way to the city of Los Angeles. It was the spirit of Tommy Lasorda that drew more than 3 million fans a year to the Dodgers, a record set 10 times.

Today, you cannot mention the Dodgers, without thinking about Tommy Lasorda. As a long time Dodgers fan, I feel honored today to recognize Tommy Lasorda's great contribution not only to the Dodger organization and the city of Los Angeles but to the game of baseball, the Nation, and the world. From the Dodger fans on Guam, we revere and honor Tommy.

I ask my colleagues to join with me in recognizing Tommy Lasorda's efforts and well-deserved achievements. Mr. Speaker, today there is no doubt that his great feat will be long remembered and that future players and fans will be inspired by him.

TEENS WHO CARE SALUTED

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. MILLER of California. Mr. Speaker, I rise today to recognize all the participants and supporters of Teens Who Care, a wonderful program which brings together high school students from throughout Contra Costa County, CA, who volunteer their time and energy to refurbish the homes of seniors and the disabled. While providing a tremendous community service to people whose homes would otherwise fall into disrepair, Teens Who Care also goes a long way toward debunking the myths about today's youth. The students are giving free to those in their community less fortunate than themselves, and they are exhibiting the characteristics of citizenship and compassion which I would hope we all want to see as our generation gives way to the next. I want to pay special tribute to Mary Perez who is the founder and inspiration behind Teens Who Care. Teens Who Care is a very special project, and I know my colleagues join me in saluting the following student participants and supporters who make it possible.

STUDENTS OF ''TEENS WHO CARE'' 1996

Erin Abney, Leonor Aguilar, Lindsay Carlson, Serena Chew, Ames Cruz, Mike Dias, Andy Dussel, Monica Garrotto, Sonya Harrison, Jason Heltsley, Melisa Henderson, Lacey Hyat, Samantha Kim, Kathy Kreuger, Steve Lamb, Dennis Lenart, and Michael Light.

Also, Bill Lindenmuth, Kathy Malloy, Jamal Marr, Andrea Martini, Olivia Martini, Lee Menken, Melanie Michaud, Sarah Mowdy, Alis Perez, Poncho Perez, Mathew Perona, Marcia Raines, Jocasta Ruano, Ken Stoll, Bill Walsh, Phil Woods, and Micah Zuorski.

VOLUNTEERS OF ''TEENS WHO CARE''

Mr. and Mrs. Matt Arena, Barbara Bacon, Doug Boyd, Ruth Derose, Jeff Haydon, Pete Jurichko, Margaret Lesher, Bonnie MacBride, Mike Menesini, Stella Moore, Tom Norton, Vivian Norton, Marcia Raines, Tom Stewart, Mr. and Mrs. Gary Stockdale, Brian Weiman, and Joann Zehrung.

CONTRIBUTORS OF ''TEENS WHO CARE''

Alwaste of No. California, Ameron Protective Coating System, Bechtel, B.F.I., Business Promotion Center, Citibank, City of Martinez, Clementina Refinery Svc., Creative Croisant, Eagle Awards, Far West Sanitation, Raymond Forrest Tree & Landscaping, Industrial Lumber, Kiwanis Club of Martinez, Longs Drugs, Martinez Community Foundation, Martinez Deli, Martin Painting, Pacific Pizza, P.D.Q. Printing, G.L. Rangel Construction, Redwood Painting Co., Inc., Rhone-Poulene, Robinson-Prezisso, Inc., S&S Tool & Supply, Inc., Shell Oil Refinery Co., Sheraton Concord Hotel, U.S. Postal Service Letter Carriers, Paddock Bowl, and Martinez News Gazette.

TRIBUTE TO GEORGE ''SKEET'' RICHARDSON

HON. PETE GEREN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. PETE GEREN of Texas. Mr. Speaker, I rise to commemorate the life of George ''Skeet'' Richardson, a great American who was a champion of the common man.

Skeet left high school before graduating to serve with the Army Air Corps during World War II, but returned to obtain his diploma and then went on to earn a bachelor's degree in history and political science from Texas Christian University in Fort Worth.

Skeet Richardson served in the State legislature for 8 years, as a Tarrant County commissioner for 6 years, and as mayor of the city of Keller for 2 years. He advanced legislation for workers, civil servants, and the elderly. Skeet also helped make the University of Texas at Arlington a 4-year institution. However, the accomplishment that Skeet was most proud of was Bear Creek Park in Keller. He saw it as his lasting legacy, something that all people could enjoy.

Mr. Speaker and my colleagues, join me in celebrating the life of an American and a Texan who worked for the people and was known for his independent thinking rather than advancing special interests. We all have something to learn from this great man.

THE 50/50 WELLNESS PLAN

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. LEVIN. Mr. Speaker, I am proud to be a cosponsor of the 50/50 enrollment composition rule waiver for the Wellness Plan. I am well aware that the Health Care Financing Administration strongly supports congressional approval of this waiver at this time, given the now certainty that comprehensive legislation to address the 50/50 rule will not materialize in this Congress. The Wellness Plan is firmly positioned to become a full Medicare risk contractor in the Detroit area and beyond once this waiver is achieved. It is the prototype for the type of HMO into which HCFA hopes Medicare beneficiaries will enroll. I urge the leadership to work in a bipartisan fashion to ensure its enactment in this Congress.

UNITED STATES-NORTHERN IRELAND FREE TRADE ZONE

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. MANTON. Mr. Speaker, today I rise to introduce legislation that will begin the process of establishing a free trade zone relationship between the United States, Northern Ireland and the border counties of the Irish Republic.

Mr. Speaker, on June 10, 1996, representatives from the political parties in Northern Ireland came together to attempt to change the political landscape of Northern Ireland forever. Past acrimony, grievances, and strife are the subject of the all-party talks. Those participating in the talks have received a clear and powerful charge from the voters of Northern Ireland. That charge is nothing less than to fashion a new, progressive, peaceful, and equitable society for all the citizens of Northern Ireland regardless of their political or religious persuasion. The mandate they have and the responsibility they bear is to secure the peace and common good.

While the representatives to the talks labor to overcome their own burdens of history and to reach into the future, the legislation I am introducing will operate to guarantee the economic future and prosperity for all the citizens of Northern Ireland and the border counties.

Peace in Northern Ireland without hope for a real economic future is a cold peace. Only a society that is capable of competing and thriving in an intensely competitive economic environment can have any real expectation of social and political cohesion. The trade relationship this legislation will engender affords this most troubled region the economic tool to close the economic gap with other more prosperous regions of the United Kingdom and the European Union.

This legislation represents the marker of Congress. It says, very clearly, to all the parties who will be fashioning the political future of Northern Ireland that Congress will walk this arduous path with them. When their road becomes steep and obstacles abound, which will happen in the upcoming talks, this legislation makes it clear that Congress stands by them. This legislation says that there is good reason for them to hope and to strive for a better future.

To our friends in the European Union, I say, join with us in this worthy endeavor. The seminal importance of Union participation and approval is clearly noted. As you review this initiative through the lens of your own policies and regulations, I ask you to consider this legislation in a spirit of liberality, generosity, and creativity. As Jacques Santer so correctly noted in his recent speech to the Irish Institute For European Affairs in Dublin, as he reviewed the prospect of all party talks, ''* * * the problems of the future and their solutions are sufficiently to those of the past to require new thinking and new attitudes.'' Further, I submit that a free trade relationship between the United States and Northern Ireland and the border counties will operate as a new and predictive paradigm for future trade relations between the worlds two most powerful economies.

To our friends in the United Kingdom, I ask you to view this endeavor in the spirit that it is offered. Work with us in a committed and cooperative manner. The special and historical nature of the relationship between our counties should bind us together and make us of one mind as we pursue all possible paths toward a new day for Northern Ireland. Together with the Republic of Ireland and the European Union, you have been carrying the burden of the peace maker. Let your friends lift up some of that burden. While this initiative has some unique attributes, your continued good will and efforts will guarantee that this proposal establishes a new high water mark in all our joint labors to bring peace and prosperity to Northern Ireland.

Mr. Speaker, the legislation that I am introducing, puts at the disposal of the United Kingdom, Ireland, and the European Union, the one tool that only Congress can provide. A favorable trade relationship with the United States—albeit one that conforms to the needs of both the EU and GATT—can and will operate as an engine for economic progress. Further, it can do so without noticeable or negative impact on this country's own trade relationships.

Upon effectuation of this trade relationship, much depends upon what the contracting parties to this agreement make out of it. I have every confidence that—with the able assistance of both the United Kingdom and the Republic of Ireland—the people of Northern Ireland and the border will firmly grasp this unique opportunity. In sum, this legislation will give them the ability to revitalize their economy through trade, not aid.

Mr. Speaker, for all the people of good will in Northern Ireland, their future is before them. Their time is now. Let us join with them on their voyage to a brighter tomorrow. Let us not fail them.

Mr. Speaker, I include the following letters of support for this important legislation.

EUROPEAN PARLIAMENT,
JUNE 6, 1996.

Hon. BENJAMIN A. GILMAN,
Chairman, Committee on International Relations, Washington, DC.

DEAR MR. CHAIRMAN: As you know, there is currently pending for your considerations, draft legislation that would begin the legislative process of establishing a free trade area between the United States, Northern Ireland and the border counties of the Irish Republic. Because of your unstinting efforts to find imaginative ways for your country to assist in securing the peace and prosperity of Northern Ireland and the border counties, I can think of no one better situated to initiate and shepherd this important legislative effort.

The current legislative initiative that you are considering could, in my opinion, represent the key ingredient in bringing a severely disadvantaged area of this island into economic parity with other areas of the European Union. As you know, Northern Ireland and the border counties' area will lose their EU Objective 1 status in 1999, when they reach 75% economic parity with the rest of the union. Attendant funding with that status will be reduced or eliminated. My fear is that there will always be that remaining 25% deficit that cannot be bridged without our acquisition of an economic development tool to close and secure that gap. The proposed legislation before you will achieve that goal and interestingly, assist in achieving the EU's own internal policy of economic and social cohesion and parity.

Mr. Chairman, no area of the European Union has suffered the kinds of assaults on its people or the pressures on its economy as has Northern Ireland and the border counties. There is simply no parallel with any other area in the EU. Standard, unimaginative responses to our current economic reality are likely to fall short. The legislation you are currently contemplating will give us a unique and powerful tool to regenerate and revitalize those areas of Northern Ireland and the border areas of the Republic that have been flattened by civil discord and neglected and forgotten because of geographic isolation and peripherality.

As I look at this initiative, I can state that I am aware of and conversant with the hurdles that will need to be cleared for this legislation to succeed in London, Dublin and Brussels. Innovative solutions will always be met with initial scepticism and doubt. However, my view is that there are no impediments this proposal presents that cannot be managed. As for myself, I can give you every assurance that I will do all in my power as a member of the European Parliament to speed this initiative on its way in Strasbourg and Brussels. I am confident that I will be joined, shoulder to shoulder by my fellow MEPs from Ireland, north and south.

Mr. Chairman, on 10 June 1996, representatives of all or nearly all political parties in Northern Ireland will begin talks to secure the future peace for Northern Ireland. The legislation you are considering could help guarantee the future prosperity of the region. My request of you would be that you introduce the legislation prior to commencement of all party talks to demonstrate that a successful conclusion to those talks can and will yield a brighter tomorrow. As you move this legislation forward, know that I and my colleagues will stand with you.

Yours sincerely,

JOHN HUME.

IRISH NATIONAL CAUCUS, INC.
June 4, 1996.

Hon. BEN GILMAN,
Chairman, House International Relations Committee, Washington, DC.

DEAR BEN: I want you to know that the Irish National Caucus supports the proposed Bill creating a Free Trade Agreement between the United States and Northern Ireland and the Border Counties.

Such an Agreement would be a powerful ''boost'' to those troubled and depressed areas. And since the MacBride Principles would be attached, the ''boost'' would be done in a way consistent with fair employment and nondiscrimination.

This combined approach—U.S. aid to the most disadvantaged parts of Ireland, with fairness and equality for all—is an approach that accurately reflects your own long record of concern for Ireland.

You can count on our support for this imaginative and practical way of promoting economic stability, justice and peace in Ireland.

Sincerely,

FR. SEAN MCMANUS,
President.

IRISH AMERICAN UNITY CONFERENCE,
June 4, 1996.

Hon. BENJAMIN GILMAN,
Chairman, Committee on International Relations, Washington, DC.

DEAR MR. CHAIRMAN: Currently pending for your consideration is draft legislation that would, if enacted and approved by all parties, establish a free trade area relationship between the United States, Northern Ireland and the six border counties of the Republic. As we understand it, the draft legislation encourages and expects the participation and eventual approval of the European Union, the United Kingdom and the Republic of Ireland.

The Irish American Unity Conference is one of the preeminent organizations that have worked to secure peace with justice in Ireland. To ensure a lasting peace it is imperative that economic disparity, a cause of conflict in itself, is addressed. Of particular concern to us are the most economically deprived areas of Northern Ireland, such as West Belfast and the border counties. We have found that this legislation adequately addresses these areas by specifically naming such areas and by the inclusion of the MacBride Principles for fair employment.

Mr. Chairman, we have reviewed this free trade zone proposal and found it to be advantageous to business in both the US and Ireland and we are pleased to support the initiative. We are ever grateful of your own commitment to peace through justice in Ireland, consistently proven through the years you have been in Congress.

We thank you for your consideration and look forward to working with you on this legislation.

Sincerely,

IAUC EXECUTIVE COMMITTEE.
JAMES A. DELANEY.
DANIEL P. O'KENNEDY.
NOREEN A. WALSH.
BERNADETE C. PEHRSON.
MARIE T. SMITH.

HOUSE OF COMMONS,
London, England.

Hon. BENJAMIN A. GILMAN
Chairman Committee on International Relations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: You are shortly scheduled to meet with a delegation from Northern Ireland and the Republic of Ireland. The delegation will be seeking your support for a legislative initiative that I regard as one of the most promising economic development proposals on the horizon for my beleaguered party of Northern Ireland. The initiative would have a profoundly positive impact on other deprived areas of Northern Ireland and the border region of the Republic as well. I am speaking of the proposed legislation that would begin the process of creating a free trade relationship between your country, Northern Ireland, and the border counties of the Republic.

Mr. Chairman, it was my intention to be with and lead the Irish delegation you are about to meet with to communicate personally just how important this initiative is for the economic future of Northern Ireland and the border counties. Following the recent Northern Ireland election however, the preparations within my political party for the forthcoming all party talks have foreclosed the possibility of my absence from Northern Ireland, even for one day. However, I look towards the very near future when we can meet and personally discuss this legislation as it begins its legislative journey through Congress.

I believe it is very important to communicate to you my personal commitment to do all in my power, both within the SDLP and inside the House of Commons, to support this endeavour. I am conversant with current UK reservations. Together with my parliamentary colleagues I shall endeavour to bring about a sea change in opinion within the current UK government. While the proposed legislation requires the efforts and goodwill from both London and Brussels, I see no barrier that cannot be overcome. This opportunity is simply too important to be allowed to flounder.

Mr. Chairman, the delegation you will meet with speak for me. They will ask you to assist in introducing this legislation immediately. That is my request. What you are being asked to consider will help to bring a new day to Northern Ireland and the border counties of Ireland. Move forward and we will be with you.

Kind regards,

JOE HENDRON, M.P.,
West Belfast.

NEWTOWNGORE, CO. LEITRIM.
May 28, 1996.

Hon. BENJAMIN A. GILMAN,
Chairman, Committee on International Relations, Washington, DC.

DEAR MR. CHAIRMAN: As you know, there is currently pending for your consideration, draft legislation that would begin the legislative process of establishing a free trade area between the United States, Northern Ireland and the border counties of the Irish Republic. Because of your unstinting efforts to find imaginative ways for your country to assist in securing the peace and prosperity of Northern Ireland and the border counties, I can think of no one better situated to initiate and shepherd this important legislative effort.

The current legislative initiative that you are considering could, in my opinion, represent the key ingredient in bringing a severely disadvantaged area of this island into economic parity with other areas of the European Union. As you know, Northern Ireland and the border counties' area will lose their EU Objective 1 status in 1999, when they reach 75 percent economic parity with the rest of the union. Attendant funding with that status will be reduced or eliminated. My fear is that there will always be that remaining 25 percent deficit that cannot be bridged absent our acquisition of an economic development tool to close and secure that gap. The proposed legislation before you will achieve that goal and interestingly, assist in achieving the EU's own internal policy of economic and social cohesion and parity.

Mr. Chairman, no area of the European Union has suffered the kinds of assaults on its people or the pressures on its economy as Northern Ireland and the border counties. There is simply no parallel with any other area in the EU. Standard, unimaginative responses to our current economic reality are likely to fall short. The legislation you are currently contemplating will give us a unique and powerful tool to regenerate and revitalize those areas of Northern Ireland and the border areas of the Republic that have been flattened by civil discord and neglected and forgotten because of geographic isolation and peripherality.

As I look at this initiative, I can state that I am aware of and conversant with the hurdles that will need to be cleared for this legislation to succeed in London, Dublin and Brussels. Innovative solutions will always be met with initial skepticism and doubt. However, my view is that there is no impediments this proposal presents that cannot be managed. As for myself, I can give you every assurance that I will do all in my power as a Member of the European Parliament to speed this initiative on its way in Strasbourg and Brussels. I am confident that I will be joined, shoulder to shoulder by my fellow MEPs from Ireland, North and South.

Mr. Chairman, on June 10th, 1996, representatives of all or nearly all political parties in Northern Ireland will begin talks to secure the future peace for Northern Ireland. The legislation you are considering could help guarantee the future prosperity of the region. My request to you would be that you introduce the legislation prior to commencement of all party talks to demonstrate that a successful conclusion to those talks can and will yield a brighter tomorrow. As you move this legislation forward, know that I and my colleagues will stand with you.

Best Regards.

JOHN JOSEPH MCCARTIN,
Member, European Parliament.

TOWER ONE CELEBRATES 25TH ANNIVERSARY

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Ms. DELAURO. Mr. Speaker, I offer my heartfelt congratulations to Tower One/Tower East on the 25th anniversary of this outstanding multicultural senior housing facility. For a quarter of a century, the New Haven Jewish Federation Housing Corp. has given New Haven area seniors a place to call home in Tower One.

Tower One was a special concept 25 years ago, and is a model to this day. The many distinguished leaders and business people who have taken up the mantle of leadership have helped assure the building's continued renewal. Most important, Tower One is a measure of this community's sense of obligation to its retirees, our parents and grandparents.

Tower One's history illustrates its commitment to people. Through the years, the organization has been creative and innovative in its response to the needs of residents. In the late 1970's, Tower One focused mainly on providing necessities, such as serving meals, filling apartment vacancies, and making building repairs. However, the nature of public housing and the needs of the residents began to change and in response, the board implemented extraordinary reforms. A new management structure for the staff was created, additional committees were formed to help the board deliver social services and plan for the long term. Finally, a new executive director, Dorothy Giannini-Meyers, was named to inaugurate imaginative new programs that would allow residents to keep living independently. The result was the broad array of services now available to residents and the transformation of Tower One from an elderly apartment complex to a caring, close-knit, and involved community.

When we celebrate Tower One's 25th anniversary, we celebrate the values that make families and communities strong—the values that enable Tower One to create a true home for Connecticut's seniors. Tower One is a community where people have fun, where the help and support they need is available. Their religious faith is affirmed, even as they age beyond the rituals of family. We all understand that this is a community that affirms our unity and humanity.

I treasure the yearly opportunity I have to host a holiday party at Tower One because it gives me the chance to share in the holiday celebrations so dear to Tower One's residents. Most important, the seniors at Tower One are able to honor the religious and cultural traditions that keep them close to family and friends. It is truly a place where residents feel at home.

I sincerely congratulate all those at Tower One on this proud occasion. I know that Bob Bachman's leadership will enable Tower One to continue its development and growth. I congratulate Tower One on 25 great years and with it the same success in the future.

TRIBUTE TO DR. JEFFREY GARDERE

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. TOWNS. Mr. Speaker, Mr. Jeffrey Gardere was born in Manhattan on May 3, 1956. Although his parents were from the island of Haiti, he was raised in Brooklyn and attended Brooklyn Tech High School. While working full-time, he managed to obtain his bachelor of arts degree from the University of Rochester and, at age 27, received his doctorate in philosophy and psychology from George Washington University.

As a licensed clinician, Dr. Gardere rose from a staff psychologist for the Federal Bureau of Prisons to one of only two African-American chief psychologists. During his tenure, he was instrumental in designing the policy on psychological treatment for HIV-infected prisoners, participated in hostage negotiations at the Atlantic prison siege, and conducted witness protection relocation evaluations

throughout the United States. A focal point in Dr. Gardere's career has been the founding of the Rainbow Psychological Services 5 years ago. This culturally sensitive psychological health care program provides services for children, adults, and families in Brooklyn and the tristate area.

As a reorganized psychological expert on police brutality issues and posttraumatic stress disorder, Dr. Gardere has provided key evaluations and structural recommendations for a major lawsuit against the New Jersey State Department of Corrections. In addition, over the past few years, Dr. Gardere has taken his practice to the air waves, becoming a highly-sought-after media psychologist appearing on every major talk and news show on radio and television. Dr. Gardere is presently negotiating the publication of his book, ''How to Raise Your Child in an Urban Jungle'' with the St. Martens Press.

Despite his grueling schedule, Dr. Gardere has maintained his involvement in local and humanitarian issues for children and families. His efforts, to name a few, include: hosting gala benefits for nonprofit groups in his home and private clubs; providing mental health consultations for the treatment of Haitian minors in Guantanamo Bay, Cuba; and consulting with ''KISS''—WRKS radio—initiatives on the mental health of African-Americans program.

Complementing his life's work, Dr. Gardere, a married father with two children ages 2 and 3, is a musician, singer, pianist, alto-sax player who has performed with Mickey Bass, John Hicks, Louis Haynes, and Hilton Ruiz. Dr. Jeffrey Gardere has won the respect of his peers and serves as an example of the best in our community. I am pleased to introduce him to my House colleagues.

CONGRESSIONAL REFORM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 31, 1996, into the CONGRESSIONAL RECORD:

MAKING CONGRESS WORK BETTER

Early last year at the beginning of the 104th Congress, the House passed some significant reforms of the way it does business, some of which were useful and others of which were not. While additional reforms and rules changes should be considered now, I believe there are serious overriding problems in the House that affect its effectiveness, accountability, and public respect.

RECENT REFORMS

Several of the reforms passed last year to make Congress more open and accountable were based on the work of the bipartisan Joint Committee on the Organization of Congress, which I cochaired. Significant reforms included streamlining the committee system, cutting staff, and opening up Congress to more public scrutiny.

One of the most significant reforms was congressional compliance, which requires Congress to live under the same laws we pass for everyone else, including workplace safety and labor laws. It simply makes no sense for Congress to pass a law and then exempt itself. In the 103rd Congress we passed congressional compliance for the House, and early in the 104th that was extended by statute to the entire legislative branch. I am concerned about some of the delays this session in bringing Congress into full compliance, but overall this has been a worthwhile reform.

ADDITIONAL REFORMS

Certainly additional reforms are needed to address specific problems. I was particularly disappointed that the House leadership decided not to accept our Joint Committee recommendation to have private citizens help us investigate ethics complaints against Members of Congress. The difficulties the Ethics Committee has had this session show that the House simply cannot police itself without outside help, as charges against Speaker Gingrich and others keep being put off and are never resolved one way or the other. The addition of ordinary citizens to the process would force action on cases that could be held up indefinitely under the current system. A variety of professions—from lawyers to clergy—have moved away from self-regulation to involve outsiders; Congress should too.

We also need to better publicize special interest tax breaks hidden away in revenue bills; reduce our reliance on huge omnibus bills that allow Members only one up or down vote on a package containing hundreds of provisions; make sure House reform is taken up on a much more regular, ongoing basis; and expand the compressed congressional schedule which limits the time available for serious deliberation.

NEED FOR MORE BASIC CHANGES

But much more than this is needed. We need a serious reassessment of what has happened during this Congress.

One of the key tests of reform is whether it makes Congress a more effective institution—improving our ability to deliberate and pass legislation addressing our nation's challenges. On that test, the reforms have not worked particularly well.

The test is not whether we get something through the House, but whether we pass something that can also get through the Senate and be signed into law. Most Congress-watchers would say that the legislative accomplishments of the 104th Congress have been fairly meager, as Congress has failed to pass a balanced budget, campaign finance reform, Medicare reform, and many other items considered top priorities early on. This dissatisfaction with the accomplishments of the 104th is shared by the public. Despite reform, public confidence in Congress remains low.

OVERRIDING FACTORS

So what has happened? My basic view is that although we passed some significant reforms, they were simply overwhelmed by two other factors: the centralization of power by Speaker Gingrich and the increased partisanship of the 104th Congress.

CENTRALIZATION OF POWER BY SPEAKER

All of us who have been active in reform over the years have talked about the need to centralize more power in the office of the Speaker. But I believe this has been carried too far this Congress, with too many key policy decisions taken away from the committees and instead made behind closed doors by the leadership or by task forces set up by the leadership. For example, the bill to sharply cut back Medicare was basically written in the Speaker's office and proposed amendments to the Constitution have suddenly appeared on the House floor without any committee consideration.

This approach to the legislative process reduces accountability. It is largely a closed process. Most Members, and certainly most Americans, have no way of learning which Members are involved, which positions are being considered, and which special interests are consulted or locked out. Many Members with significant expertise are simply shut out of the critical formative stages of a bill. Last year's reforms to open up committee deliberations make little difference if an important bill simply bypasses the committee altogether or is largely handled in secret by a leadership task force.

EXCESSIVE PARTISANSHIP

Secondly, I believe many of last year's reforms have been overwhelmed by the excessive partisanship of the 104th. Certainly some partisanship can be expected in the House, but in this Congress it has seemed excessive. As one observer put it, ''Healthy competition between cohesive parties has degenerated into bombastic, mean-spirited, and often ugly confrontation.'' When the House becomes too negative, too bitter, too contentious—and there is plenty of blame to go around on both sides of the aisle—that clearly affects our ability to come together to pass legislation for the good of the country. Indeed it can be a much greater roadblock to effective governance than many of the procedures that were reformed early this Congress.

I believe that reducing the excessive partisanship of the House should be our number one priority. By every indication, whichever party controls the House next session will do so by a slim margin; we must learn to work together in a more bipartisan way if we want to get important legislation passed for the good of the country. That is something I will certainly work to bring about.

Fortunately Congress has a self-correcting mechanism for excessive partisanship. In recent weeks as Members have gone home to their districts and have heard from their constituents that they just don't like what they are seeing, the partisan tensions in Congress have been reduced. It is too early to see if this will continue, but it has been a positive and welcome development.

BIG BROTHER IN ATLANTA

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. SOLOMON. Mr. Speaker, on July 31, two Taiwanese students were arrested at the Olympic Games in Atlanta for waving the flag of the Republic of China on Taiwan during a ping-pong match.

Mr. Speaker, this defies both the American and the Olympic spirit, and the authorities who made the arrest ought to be ashamed of themselves.

Apparently, a citizen of the People's Republic of China, who happens to be chairman of the International Table Tennis Association, called the police and asked that the students be arrested.

Teaming up with this privileged member of the elite from a Communist country in order to snuff out the free speech of two individuals right here in America is a disgusting reminder of how far the so-called civilized world will go in order to appease the Communist bullies in Beijing.

What an ugly stain on the Olympics, Mr. Speaker.

PERMANENT PERFORMANCE REVIEW ACT OF 1996

HON. BOB FRANKS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. FRANKS of New Jersey. Mr. Speaker, today I rise to introduce the Permanent Performance Review Act of 1996. This bill would apply performance reviews to all of the agencies and departments of the Federal Government and thus enable Congress to tackle more effectively both our Government's budget and performance deficits.

Performance reviews enable an organization to measure how successful a program or office is in reaching its goals. With such information in hand, those responsible for making a budget can do a better job in allocating the available resources.

The Permanent Performance Review Act would enable Congress to develop, in coordination with the executive branch, a better picture of the successes and failures among its myriad of programs and departments. Congress could then target more intelligently its resources so that the American taxpayer gets better performance from a reduced number of federally supported programs. Performance reviews would enable Congress to tackle more effectively both the Government's budget deficit and performance deficit.

This bill recognizes that real change will only take place when there is an institutionalized, permanent, and cooperative effort on the part of Congress, the Federal bureaucracy and the President to increase Government's efficiency and to build a framework that can be used to reduce and then eliminate our credit card spending. Whether under Presidents Kennedy, Carter, or Reagan, every recent drive to improve the efficiency of the Federal Government has failed because it was sabotaged by at least one of these three stakeholders who was never allowed to participate as a full partner at the decisionmaking table. It must be a team effort, able to draw upon the support of the American people's desire for smaller, more efficient government.

My bill would establish a permanent commission which would provide that participation for the Congress, the Federal bureaucracy, and the President. The Permanent Performance Review Commission would be appointed by both the President and congressional leaders. The Commission would be responsible for managing self-studies to be conducted over time by all the major Federal agencies. The Commission would hold hearings and consult with the appropriate congressional committee leaders in developing their final performance reviews and related legislative recommendations.

After receiving a performance review, the appropriate standing committee of the House would hold its own hearings and review all of the legislative recommendations of the Commission. These recommendations would become the basis for a bill that would be required to receive consideration on the floor of the House.

Mr. Speaker, truly effective performance reviews would ensure that Congress can reform this Government so that it serves the best interests of all of our citizens. I thank those members of the Budget Committee who are original cosponsors of this measure and urge all my colleagues to support the bill.

IN MEMORY OF S. SGT. BENJAMIN L. GILLESPIE

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. HANSEN. Mr. Speaker, serving in the U.S. Military is one of the most honorable and noble professions one could aspire to. It requires sacrifice, dedication, and commitment. Many of our Nation's finest men and women have served, and are serving in our Armed Services—keeping this Nation strong and free.

This service is not without risk or loss. I want to bring to our attention today that my State, and indeed, our Nation has lost an extraordinary young man while in service to his country. S. Sgt. Benjamin L. Gillespie, U.S. Army, of the 168th Armored Battalion, stationed at Fort Carson, CO, was killed in an unfortunate humvee accident on July 26 while conducting a training exercise.

Sergeant Gillespie was born April 20, 1965, to Ardell and Almon Dean Gillespie of North Salt Lake City, UT, and graduated from Woods Cross High School in 1983. He leaves behind his parents, as well as his beloved wife, Veronica, and son Brandt, as well as many other close family members in Utah, Arizona, and Tennessee.

He enlisted with the United States Army on September 15, 1983, and was stationed in Bamberg, Germany, with the 2/2 ACR where he worked with the East/West German border patrol. Later, he served at Fort Carson with the 27th Cavalry. Later, he served with the Salt Lake City Recruiting Battalion, stationed out of South Salt Lake from 1990–94, before returning to the duty which he loved, which was working directly with the troops with the 168th, again at Fort Carson. He earned many honors during his distinguished career, including two Army Commendation Medals, six Army Achievement Medals, the Gold Recruiter Badge with three Sapphire Achievement Stars, the Recruiter's Ring, the Order of the Cobra, and two Meritorious Service Medals.

He was well-beloved by everyone who knew him. His commanding officer stated that he was one of the finest young men and soldiers he had ever known. Clearly, Sergeant Gillespie was one of the best this country has to offer, and we all mourn that his time was cut short. It is my hope and prayer that the pain and sadness that his family feels at this time will eventually be replaced by the comfort and assurance that his service will not be forgotten, and the knowledge that he has now entered into the rest of the Lord in whom he had great faith.

At this time, Mr. Speaker, our hearts, our thoughts, and our prayers are with the family of Sergeant Gillespie; particularly his young wife and son. May they be blessed and watched over during this difficult time.

PERKINS COUNTY RURAL WATER SYSTEM ACT OF 1996

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. JOHNSON of South Dakota. Mr. Speaker, today I am proud to introduce legislation to authorize two critically important rural water systems in South Dakota, the Perkins County Rural Water System Act of 1996, and the Fall River Water Users District Rural Water System Act of 1996. Both bills are strongly supported by local project sponsors who have demonstrated that support by agreeing to substantial financial contributions from the local level.

Like many parts of South Dakota, these two counties have insufficient water supplies of reasonable quality available, and the water supplies that are available do not meet the minimum health and safety standards, thereby posing a threat to public health and safety.

In addition to improving the health of residents in the region, I strongly believe that these rural drinking water delivery projects will help to stabilize the rural economy in both regions. Water is a basic commodity and is essential if we are to foster rural development in many parts of rural South Dakota, including the Perkins County and Fall River County areas.

The Perkins County Rural Water System Act of 1996 authorizes the Bureau of Reclamation to construct a Perkins County Rural Water System providing service to approximately 2,500 people, including the communities of Lemmon and Bison, as well as rural residents. The Perkins County Rural Water System is located in northwestern South Dakota along the South Dakota/North Dakota border and it will be an extension of an existing rural water system in North Dakota, the southwest pipeline project. The State of South Dakota has worked closely with the State of North Dakota over the years on the Perkins County connection to the southwest pipeline project. A feasibility study completed in 1994 looked at several alternatives for a dependable water supply, and the connection to the southwest pipeline project is clearly the most feasible for the Perkins County area.

Past cycles of severe drought in the southeastern area of Fall River County have left local residents without a satisfactory water supply and during 1990, many home owners and ranchers were forced to haul water to sustain their water needs. Currently, many residents are either using bottled water for human consumption or they are using distillers due to the poor quality of the water supplies available. After conducting a feasibility study and preliminary engineering report, the best available, reliable, and safe rural and municipal water supply to serve the needs of the Fall River Water Users District consists of a Madison aquifer well, three separate water storage reservoirs, three pumping stations, and approximately 200 miles of pipeline. The legislation I am introducing today authorizes the Bureau of Reclamation to construct a rural water system in Fall River County as described above. The Fall River system will serve rural residents, as well as the community of Oelrichs and the Angostura State Recreation Area.

Mr. Speaker, South Dakota is plagued by water of exceedingly poor quality, and the Perkins County and Fall River County rural water projects are efforts to help provide clean water—a commodity most of us take for granted—to the people of South Dakota. I am a strong believer in the Federal Government's role in rural water delivery, and I hope to continue to advance that agenda both in South Dakota and around the country. I urge my colleagues to support both of these important rural water bills, and I look forward to working with my colleagues on the House Resources Committee to move forward on enactment as quickly as possible.

ENVIRONMENTALLY SOUND AGRICULTURE PRODUCTION

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. SMITH of Michigan. Mr. Speaker, those that have suggested that the use of pesticides by producers of our food supply is not environmentally sound have missed the most important environmental benefit of modern farming: It produces more food from fewer acres, so it leaves more land for nature.

The best possible agriculture for the environment would look amazingly like modern, high-yield technology supported farming. High-yield agriculture is the best available model—and the only proven success for a world that must triple its farm output over the next 45 years, and whose largest demonstrated environmental threat is loss of wildlife habitat.

Our environmentally ideal agriculture must use monocultures, potent new seed varieties, irrigation, fertilizers, and pesticides to get high yields. It must do this because high yields are the most critical factor in preserving millions of square miles of wildlife habitat from being plowed down for lower yielding crops.

These technologies have more than doubled the yields on our farmlands. Since 1960, we have been able to get twice the amount of grain and oilseeds, and feed better diets to 80 percent more people on the same amount of land. If these new technologies had not taken place we would have lost 10 million square miles of habitat, about the land area of North and Central America combined.

Pesticide bans would cause yield reductions that would themselves lead to significant loss of wildlife habitat. Several studies have been conducted to ascertain the yield differences between farming with or without pesticides. According to a Department of Agriculture Economics study, production in crops would drop between 24 and 57 percent without pesticides. Farming without pesticides would cost us 20 to 30 square miles of wildlife by the time world population peaks in the year 2040.

Environmentally sensitive agriculture is one that uses the best possible use of our land—by technology supported fertilizer use and other high-yield methods which most efficiently produce our feed supply and hence protect wildlife species from habitat loss. Our goal must be to produce more food on fewer acres, leaving the rest to wildlife and for future generations to enjoy.

TRIBUTE TO HAMILTON FISH, JR.

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise in remembrance of one of the greatest Congressmen from New York State, Mr. Hamilton Fish, Jr., my friend and colleague with whom I had the pleasure of serving in Congress during my first term. Although we sat on opposite sides of the aisle, we shared many interests and common goals.

Congressman Fish, who was known for his ability to compromise, worked on some of the major legislation for the last half of the 20th century. He spearheaded legislation for his party which led to the passage of the Fair Housing Act of 1988 and the Americans With Disabilities Act in 1990. He was a principal sponsor of the Civil Rights Act of 1991, legislation that was denounced by President George Bush as a quota bill. Representative Fish also sponsored amendments to the Voting Rights Act and the Fair Housing Act.

Hamilton Fish's inspiration and leadership will be remembered. He was a tremendous decent man. His legacy to the United States has been legislation like the Americans With Disabilities Act which now allows people with disabilities to be treated equally and to have equal access to buildings, education, and employment.

I will miss him, and I will miss his decency—I believe all Americans will. Mr. Speaker, I extend my condolences to the family of this fine public servant.

JONES ACT REFORM

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. SMITH of Michigan. Mr. Speaker, today thousands of agricultural producers across America cannot sell their products to their own U.S. neighbors because they cannot secure waterborne transportation. My own farmers in Michigan can't sell their grain to livestock producers desperately needing feed in the South because there is no means of coastal transportation. American farmers and industry are forced to purchase foreign goods, rather than those produced in the U.S. because there is no means of transportation within the coastal U.S. for American products.

In all parts of the Nation, industry and farmers have watched business opportunities pass them by and go to foreign competitors because of lack of adequate transportation of U.S. goods to U.S. purchasers along our coastal waters. In effect the United States is subsidizing foreign farmers to the detriment of U.S. producers.

This system is contrary to the free-market system and the buy-American philosophy. That is why I am introducing reforms to our Federal maritime law, commonly known as the Jones Act to allow more free movement of agricultural commodities and other cargo within our domestic waters.

Currently the 1920 Jones Act, borne out of national security concerns, requires the transport of goods within the United States be done on domestic carriers, with domestic crews, under domestic flags. My bill is designed to spur economic activity by increasing the means of transportation for agriculture and others goods within the United States and in turn boost the maritime industry which has suffered dramatically in the last 20 years.

My bill that I am introducing today would bring competition to ocean transportation and level the playing field between domestic and foreign carriers by allowing cargo to be carried on foreign ships, while requiring only U.S.-manned crews in compliance with immigration laws, and adherence by foreign carriers to all tax and regulations currently imposed on U.S. ships.

Reforming the Jones Act will strengthen the competitive position of American businesses and agricultural producers. Please lend your support to American industry by helping to promote trade and economic activity throughout the United States.

CORINTH GRANGE NO. 823 CELEBRATES 100TH ANNIVERSARY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. SOLOMON. Mr. Speaker, if there's one organization that has consistently been at the center of American society for generation upon generation, it is the Grange. From its inception in rural America, to the Grange Halls that span across middle America and towns of all sizes and backgrounds today, the Grange has remained the consummate centerpiece for community life.

Mr. Speaker, that is no easy task considering the times and changes we've seen over the course of this 20th century. And that's not to say that the Grange hasn't had to change along with it, because they have. How else can they remain a central part of so many communities? But thankfully, they have remained faithful to those core ideals and principles that have made them a central part of American life.

One such Hall I'd like to make particular note of today is from my congressional district in upstate New York. I'm talking about the Corinth Grange No. 823 who will be celebrating their 100th anniversary later this month. Over the course of 100 years, the Corinth Grange has remained a focal point for community camaraderie and a source of traditional ideals like community service and volunteerism. Mr. Speaker, to me, those are the two ideals to which I most credit the tremendous history and progress of this country. And Mr. Speaker, they have played no less significant role in the history of Corinth and Grange No. 823.

In fact, this fraternal organization is steeped in American history, so centrally tied to our Nation's roots and heritage it is impossible to separate one from the other. It is in places like Corinth, NY, where this rings true to this very day. Because of the work and activities of my fellow Grangers there, the ideals and values that have for so long comprised the American way of life survive today.

That's right, Mr. Speaker, my wife and I have belonged to the Grange for over 25

years now, and I can't tell you how proud I am to be a part of this organization. I have always been one to put community and country above self and it is the Grange that embodies this spirit. In that regard, I always judge people based on what they return to their community. By that regard, all the members, past and present, of the Corinth Grange are truly great Americans.

Mr. Speaker, the members of the Corinth Grange No. 823 will be holding an open house to commemorate their 100th anniversary on August 25 of this year. As they will gather at the Grange Hall on Main Street, I ask now that you, and all Members of the House join with me to pay tribute to everyone who has comprised their history since back in 1896, they certainly deserve it.

CONFERENCE REPORT ON H.R. 3734, PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996

SPEECH OF

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1996

Ms. McCARTHY. Mr. Speaker, I would like to submit for the record the following letter from the National Conference of State Legislatures [NCSL] regarding welfare reform. As past president of NCSL, I understand first hand the concerns they raise about meeting the work requirements in H.R. 3734 without adequate Federal funding and the potential cost shifts the welfare reform proposal places on States. I supported H.R. 3734 with similar concerns and look forward to working with State legislators during the 105th Congress to see that these concerns are addressed:

NATIONAL CONFERENCE
OF STATE LEGISLATURES,
Washington, DC July 31, 1996.

Hon. KAREN MCCARTHY,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE MCCARTHY: The National Conference of State Legislatures (NCSL) has long sought federal legislation reforming our welfare system and now urges your support for the conference agreement on H.R. 3734. This legislation builds on the numerous state legislative welfare reform efforts of the past decade and on federal waivers granted in recent years.

We particularly are pleased with the creation of block grants for cash assistance and child care and the programmatic and administrative flexibility they may bring. The inclusion of increased child care funding, establishment of a contingency fund, preservation of child welfare entitlements and preservation of state legislative authority over block grant funds are notable achievements and represent key provisions recommended and sought by NCSL. We are further gratified with the inclusion of several policy options, such as the state option to provide Medicaid to legal immigrants and refugees, recognition of the need for adequate transition time, restructuring of child support collection systems and initiatives as well as an exemption for states from electronic benefit transfer liabilities.

We remain particularly concerned about work participation requirements and a related array of policy mandates and sanctions. These will be troublesome. The flexibility needed in the work participation area is missing. Furthermore, the Congressional Budget Office has repeatedly warned of the multi-billion dollar shortfall in federal funding for work efforts. We recommend that Congress and the Administration collaborate with state legislators and others to review and evaluate work requirements, state experiences with these requirements, funding needs and worker placement and job retention accomplishments commencing with the 105th Congress.

We continue to question policy changes in H.R. 3734 regarding income security accessibility for legal immigrants and refugees. We remain convinced that H.R. 3734 will produce unfunded mandates and cost shifts to state and local governments of unacceptable proportions. We strongly recommend that Congress and the Administration immediately begin an analysis and review of state experiences regarding income security program availability for legal immigrant populations, particularly children, the elderly and the disabled. Those provisions of H.R. 3734 regarding legal immigrants should be tested against the intent and objectives of S. 1, the Unfunded Mandate Reform Act of 1995, and Executive Order 12875. This recommended review and analysis should involve state legislators and other officials.

H.R. 3734 represents a number of policy compromises. It also offers states new opportunities to manage a welfare system most Americans agree needs restructuring and redirection. Despite some of its aforementioned shortcomings, we encourage your support for H.R. 3734 and urge you to work with state legislators to ensure its success.

Sincerely,

MICHAEL E. BOX,
Majority Chairman, Alabama House, President, NCSL.
JAMES J. LACK,
State Senator, New York, Immediate Past President, NCSL.

WOMEN'S BUSINESS TRAINING PROGRAM

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. LAFALCE. Mr. Speaker, today I am introducing legislation to authorize permanently a very successful, low-cost, community-based program that I created as part of the Women's Business Ownership Act of 1988, to train and counsel current and potential women business owners.

Mr. Chairman, women entrepreneurs remain an increasingly significant part of the U.S. economy. They account for approximately one-third of all U.S. businesses and are starting businesses at twice the rate of men. Masked by these impressive statistics, however, is the fact that women encounter numerous obstacles trying to start, maintain or expand a business—obstacles which must be eliminated if we are ever to realize the full potential of this dynamic sector of our economy.

While all small businesses have common challenges—access to capital, for example—there are particular problems faced by women. In 1988, the Committee on Small Business heard testimony from dozens of women business owners on this issue, and one area which was repeatedly cited was a need for business training to teach women financial management and technical skills. The women's business training program, which is the subject of today's legislation, thus was established as a pilot program to see if it could help fill the training void. I can report to you today that it has exceeded our hopes for it.

Currently, the authorization for this program expires at the end of fiscal year 1997. My bill does not change any of the terms or conditions of the program; it simply removes the expiration date, thereby allowing existing training centers to plan their futures with more certainty, and encouraging States and locales without centers to try to establish them.

As befitting a program administered by the Small Business Administration, this program takes a very business-like approach to fostering and assisting women entrepreneurs. Organizations experienced in business counseling and training may submit to the SBA proposals for Federal funding to start a training center. The proposals are very competitive for a number of reasons, including the facts that Federal funds for the program are limited, are given for a maximum of 3 years, and must be matched by non-Federal assistance according to a specified formula. I can assure you that such terms weed out all but those who are the most committed to assisting women entrepreneurs and are the most likely to be able to keep their center operational when Federal assistance ends after 3 years.

If, as one says, the proof is in the pudding, let me now turn to that. Eight years after getting off the ground, there are currently 54 training sites in 28 States, with each center tailoring its style and curriculum to the particular needs of the community—be it rural, urban, low income, or linguistically or culturally diverse. More than 55,000 women have sought and benefited from the training and counseling in business management, marketing, financial and technical assistance offered by the centers. The centers have directly led to business start-ups, expansions and job creation. Equally important, the program has also prevented business failures.

Mr. Chairman, I could spend hours giving concrete examples of the accomplishments of this program and describing the experienced and talented people who put enormous time and energy into running their sites. I will, however, take just a minute to give a few examples:

There is a site in Mississippi where the National Council of Negro Women operates the training program, essentially ''circuit riding'' from place to place to bring assistance to rural women who are or want to be business owners.

The Center for Women and Enterprise in Massachusetts, a new site, has been given $150,000 by the Bank of Boston toward the center's matching fund requirement. I think this says volumes about the center's importance to the community. The director of this training site has a Harvard MBA and experience in microenterprise development in South America.

The Ms. Foundation has given a grant of $150,000 to the site in Ukiah, CA, a rural area some hours north of San Francisco. This training center is one of the many still up and running even though its Federal start-up funding has ended.

One of the earliest sites started under the program, run by the National Association of

Women Business Owners in Chicago, remains operational 4 years after it stopped receiving Federal money under this program. For mere seed money in the late 1980's, we are still helping women get their economic footing.

Mr. Chairman, this program has since its inception received broad bipartisan support in both houses of Congress. It does what we want most Federal programs to do: runs on a shoestring, produces concrete results, reaches and benefits a wide array of individuals, permits only a finite and brief period of financial aid to any one recipient location, and requires no bureaucracy to run it. This program works and it puts people to work. I urge all Members to support this bill and I look forward to its quick passage.

HONORING AMERICAN WORKING MEN AND WOMEN

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. ACKERMAN. Mr. Speaker, I rise today, to commemorate our Nation's Labor Day holiday, and to honor New York's vibrant and diverse work force. Appropriately enough, before Congress adjourns, we will have passed a bill to raise the minimum wage and sent it to the President for his signature. This marks a tremendous victory for those people who have been working tirelessly to ensure that this vital, and long overdue, action be taken. Many people deserve praise for their work on this and other issues, but I would especially like to recognize the New York State AFL–CIO, the Long Island Central Labor Council, the New York Central Labor Council, and the Building and Construction Trades Union of the AFL–CIO, as well as all of you in the labor community who have united to work together against the antilabor sentiment that has pervaded Congress in the last 18 months. Your immeasurable support in this effort has assisted Congress in finally, after 7 years, passing a much-needed raise in our Nation's minimum wage, as well as staving off several vitriolic attacks on our Nation's workers.

In a short time, those workers who have been scraping by on $4.25 an hour will get some relief for their families by earning a little bit more. Right now, the minimum wage is at 40-year low in terms of purchasing power. The simple fact is that people can no longer raise a family on this kind of wage. Yes, it's a small step, but it's no secret that it's a step that most Americans have desired for a long time. In fact, 80 percent of the American public supports this raise. Additionally, this legislation is the essence of family values—in other words, by enacting this measure, we are truly valuing our families. In my view, it is a simple matter. If we don't assist, nurture, and encourage our families to attain a higher standard of living, how do we expect America as a whole to succeed?

Howeer, this labor-unfriendly majority has, for some time now, been a virtual roadblock in the way of achieving meaningful legislation such as this, as well as other important labor and family related matters. We need to continue to be in the business of improving, not undercutting, the well being, and survival, of our families. Nonetheless, whether its been in the form of striker-replacement legislation, allowing companies to raid the pensions of its workers, crafting a bill to mandate employer-led organizations to address labor issues, or cutting funding for important agencies such as the Occupational Safety and Health Administration [OSHA] and the National Labor Relations Board [NLRB], the Republican leadership has strived to make it more difficult for American workers to have access to safety and security in their jobs. These actions do not send the right message to hardworking Americans, and I intend to ensure that trend is reversed.

Lastly, through the persistent efforts of those such as my colleague Senator TED KENNEDY, we are also able to pass a serious first step toward meaningful health insurance reform. This bill will affect at least 25 million Americans who either change or lose their jobs, or have preexisting conditions in their family that has, up until now, given insurance companies an excuse not to offer comprehensive health insurance. That is patently unfair and just plain wrong, and I have consistently made sure that these concerns are addressed properly.

Working men and women have been the glue of this country ever since its inception, and I heartily salute them on Labor Day 1996. I strongly urge my colleagues to commemorate with me the workers of New York and their families on this day, and I look forward to a time when all Americans can feel safe in their jobs and financially secure in their lives.

TRIBUTE TO THE EIGHTH BRONX PUERTO RICAN DAY PARADE

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to the eighth Bronx Puerto Rican Day Parade, which will be held this Sunday in my South Bronx congressional district.

Mr. Speaker, this year, like each of the past 7, Puerto Ricans from all five boroughs of New York City, and from Puerto Rico have come together to march along the Grand Concourse, the South Bronx, in celebration of Puerto Rican traditions, music, and history.

Under the leadership of its President, Adolfo Carrión, Jr., the parade has continued to grow attracting thousands of visitors from New York State and other areas of the United States. This year more than 400,000 participants are expected.

The 1996 Bronx Puerto Rican Day Parade will commemorate the centenary of the flag of Puerto Rico. In its honor, participants will march carrying the Puerto Rican flag with pride.

Mr. Speaker, the idea and design of the Puerto Rican flag were conceived in New York City. On December 22, 1895, a group of Puerto Ricans patriots met at Chimney Hall, between 25th Street and 6th Avenue, in Manhattan, to approve a resolution for the adoption of the Puerto Rican flag. The flag which was presented that day was sewn by Ms. Mima Barbosa.

The parade will also honor and recognize the Puerto Rican community for transforming New York City into a bilingual city. It is in their honor that we celebrate Puerto Rican culture and the Spanish language.

The parade will feature the music of ''La India,'' Pete ''Conde'' Rodriguez, and Ray Sepulveda, among other performers. It will be a day of joyful celebration of Puerto Rican heritage.

Mr. Speaker, I ask my colleagues to join me in recognizing the individuals and participants who have made possible the celebration of the Bronx Puerto Rican Day Parade—8 years of bringing joy to the community.

IN APPRECIATION OF ROBERT BITZER

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. POSHARD. Mr. Speaker, I rise today to honor Mr. Robert Bitzer of Shelbyville, IL. For half a century, he touched many lives as a selfless community leader and businessman. Mr. Bitzer passed way on July 18, leaving behind a legacy of hard work and dedication.

Mr. Bitzer was born March 30, 1923 in East St. Louis, IL. He graduated from the University of Illinois with a degree in business administration. From 1945 to 1947 he assumed the role of Chief Illiniwek and made an appearance in the Rose Bowl. Though such an experience would often lead to a lifetime of storytelling, those who heard the story of this modest man, only heard it from others.

As a World War II veteran, he went on to serve as president of Bitzer-Taggart Motor Co. for 44 years. During this time, his tireless involvement in the community led some to dub him ''Mr. Shelbyville.'' He was an instrumental force in the development of Lake Shelbyville and served as the chairman of the Lake Shelbyville 25th Anniversary Celebration. His numerous leadership positions in the community were rewarded with the Business Ethics and Social Involvement Award and the Outstanding Businessman Award from the city of Shelbyville. Despite his unwavering dedication to the community, his family was always his first priority.

Mr. Speaker, Robert Bitzer was a model citizen whose humble service and dedication were the archetype of ''leading by example.''' His life is an inspiration that we can all look to with pride, and do our best to emulate. It is a privilege to represent him in the United States Congress.

TRIBUTE TO KAREN CLARK

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. TOWNS. Mr. Speaker, as president and CEO of Managed Healthcare Systems, Inc. [MHS], Karen L. Clark has pioneered the concept of community-based managed care in New York City. In leading MHS from its inception 2 years ago to its current position as the fourth largest provider of Medicaid managed care in the city, Ms. Clark has demonstrated that a minority-controlled and operated, for-profit health maintenance organization [HMO] can successfully deliver quality health care to residents of inner-city neighborhoods that

have traditionally lacked extensive medical and health services.

With a mission to improve the quality of life for Medicaid recipients and other medically underserved citizens by elevating their health status, MHS, under Ms. Clark's stewardship, has designed a health plan that seeks to increase its members' utilization of services by helping them foster a relationship with a primary care physician, educating them about the importance of wellness and preventive care and offering them a series of creative outreach and case management programs.

Ms. Clark brings extensive experience in health care management to MHS. A graduate of Rider College and the Columbia School of Business, Ms. Clark was senior vice president for Healthcare Management Alternatives [HMA], an innovative inner-city health plan in Philadelphia, from 1989 to 1993. At HMA, Ms. Clark was responsible for quality assurance, utilization review, and provider relations for approximately 85,000 residents of South and West Philadelphia.

Prior to joining HMA, Ms. Clark served at Travelers Health Network of New York from 1987 to 1989, initially as director of operations and provider relations and then as executive director. As executive director, she was responsible for development and maintenance of the provider network for the Travelers' managed health care division in Metropolitan New York and northern New Jersey.

Ms. Clark has also exemplified her pioneering spirit through prior positions with such companies as Whittaker Health Services, Interracial Council for Business Opportunity, Managed Health Plan, Health Insurance Plan of Greater New York, Manhattan Health Plan, and Lancaster & Co.

As a shining beacon of hope, Karen Clark has made a difference through her tireless undaunted mission to improve the health of urban communities faced with diminished resources. I am pleased to introduce her to my House colleagues.

THE JOHNSTOWN ASSOCIATION OF LIFE UNDERWRITERS 75TH ANNIVERSARY

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. MURTHA. Mr. Speaker, I would like to take this opportunity before the House to congratulate the men and women of the Johnstown Association of Life Underwriters on its 75th anniversary.

JALU was founded in 1921. Since that time it has been a dedicated community service-oriented organization, coordinating numerous public service efforts over the years with the Salvation Army, the St. Vincent DePaul food banks, and New Day.

The organization, whose members are from Cambria, Somerset, and Bedford Counties in my home State of Pennsylvania, has won numerous national and state awards for public service throughout its existence. For the past 3 years, the JALU has been working to raise funds to establish the first scholarship fund for Cambria County Area Community College.

One of the most notable activities in which they engage annually is hosting a summer picnic for underprivileged children. It means so much to those kids to know that these adults care about them—it makes such an impact on those young lives that I can't emphasize enough its importance. It's that kind of involvement in the community that we need more of and I want to applaud and thank this organization for its service in that regard.

I also want to applaud their tenacity in the face of economic hardship and corporate downsizing within the insurance industry because they've been able to keep their agencies open and continue to provide the kind of professional service the area needs and has come to rely on.

A CELEBRATION OF LIFE

HON. JUANITA MILLENDER-McDONALD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Ms. MILLENDER-McDONALD. Mr. Speaker, I rise today to congratulate my daughter and son-in-law, Angela McDonald Thomas and Juan Demeris Thomas, on the birth of their child, my new granddaughter, Ramia Regina McDonald Thomas. Ramia was born on Tuesday, July 23, 1996, at 10:07 p.m. at the Sutter Roseville Hospital in Roseville, CA, weighing 8 lbs., 4 oz., and 20.5 inches in length.

The relationship between grandmother and grandchild is a special one and the bond between grandmother and granddaughter is one that has been cherished by millions of women around the world. I shall love Ramia and cherish every moment that we spend together. I shall do my best to provide her with the benefit of whatever knowledge that I have gained over the years. I will share with her many good experiences, as well as those that I wish to forget and hopefully be a bridge to our family's past. Once Ramia is armed with the knowledge of her forebears, she can chart a course for her future.

In Africa, a family's wealth was judged by the number of children and grandchildren they had. By my heritage, I am a wealthy woman. I have five wonderful children, Valerie, Angela, Sherryl, Keith, my daughter-in-law Lori Blair McDonald, and son-in-law Juan Demeris Thomas of whom I am proud. They have blessed me with Ayanna Damaris McDonald Thomas, Myles Chandler Millender McDonald, Diamond Sequoia Short (adopted), and new Ramia, four wonderful grandchildren. My husband Jim and I thank God for each and every one of them and we will love them for as long as they shall live.

IMPROVING ACCESS TO CLINICAL TRIALS FOR ENROLLEES OF FEDERAL HEALTH PROGRAMS

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mrs. JOHNSON of Connecticut. Mr. Speaker, today I am introducing two bills to give Americans covered by Federal health insurance programs access to peer-reviewed clinical trials when no standard therapies are available to treat their very serious medical conditions.

The first bill would require the Medicare, Federal employee and military health plans, and the Department of Veterans Affairs to cover the medical costs associated with the clinical investigation. In addition, the bill ensures that Federal matching funds under Medicaid would be available to States electing to cover clinical trials in their Medicaid programs. Finally, the bill requires the Secretary of Health and Human Services to make available information about on-going clinical investigations and the results of those studies.

The second bill is limited to a Medicare demonstration project covering clinical trials for cancer treatment.

Both bills stipulate that the Federal Government is only to pay for routine medical costs associated with the patient's treatment, such as hospital room and board, and radiology and laboratory services to monitor the patient's condition. The Federal Government would not be paying for the cost of the investigational agent itself.

Tragically, many patients must turn down these opportunities because they cannot afford to pay the routine costs associated with the clinical trial—a terrible irony, in my opinion, as these plans will cover the same medical treatment if it were provided as part of standard medical therapy.

Until a new therapy, technique or device is proven, many private payers of health care will cover the patient's medical costs. Therefore, I am pleased that one of my home State insurers, Aetna, has been a leader in working with researchers to pay some of the costs of patients enrolled in clinical studies. Such access gives these patients hope that their medical conditions may be improved or even cured, when no other door is open to them.

Mr. Speaker, the Federal Government already funds potentially life-saving clinical research every year, but bringing breakthroughs into standard medical practice requires these investigations. These initiatives back up the Federal Government's investment in the basic research with financial backing to bring these promises to fruition.

REPEAL OF THE BEER TAX

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. NEAL of Massachusetts. Mr. Speaker, today I am introducing legislation which would reduce the excise tax on beer from $18 to $9 a barrel. The Omnibus Reconciliation Act of 1990 doubled the excise tax on beer to $18 a barrel. The Omnibus Budget Reconciliation Act of 1990 included provisions commonly referred to as ''luxury taxes'' on high-priced items such as boats, furs, and automobiles. All of these luxury taxes have been reviewed by Congress. For example, today we passed the Small Business Job Protection Act of 1996 which includes a phaseout of the luxury automobile excise tax. The automobile excise tax is the last luxury tax still in effect.

I believe it is time for Congress to look at a repeal of the beer tax. The tax increase of 1990 doubled the tax on beer. Currently, consumers pay 32.6 cents per six pack. This legislation would reduce the tax to 16.3 cents a six pack. The beer tax is an example of an excise tax which affects the average working American.

Congress has repealed and reviewed the luxury taxes which mostly affect the wealthiest of all Americans. We should now review a repeal of the increase on the excise tax on beer. This type of excise tax is regressive and it affects the average American. If we can repeal excise taxes on items that affect the wealthy, we should look at items that affect the average working person. Forty-three percent of the cost of beer is taxes. This is simply too high.

Lately, there has been a lot of talk about tax reform and tax fairness. Repealing the excise tax on beer would help make the Tax Code more fair. Mr. Speaker, I urge Congress to take another look at the beer tax.

SALUTE TO THE NATIONAL STEINBECK CENTER

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. FARR of California. Mr. Speaker, I am honored to bestow congressional recognition on the National Steinbeck Center, a national cultural institution located in Salinas, CA, in the heart of my congressional district. The city of Salinas is John Steinbeck's hometown and the Salinas Valley is the setting for some of Steinbeck's most powerful writings. It is only fitting, then, that a national center be located in Salinas, dedicated to the preservation of the art of John Steinbeck and to the celebration of his works and ideas through a variety of historical exhibits and cultural programs.

John Steinbeck was one of our Nation's greatest authors, a native son of California, Pulitzer Prizewinner, and Nobel Laureate. ''Grapes of Wrath,'' which become an American classic, earned him the Pulitzer Prize Fiction Award in 1940. In describing the journey of an Oklahoma family's migration to California during the Depression in the hopes of realizing a better life, Steinbeck achieved worldwide recognition for his keen observations and powerful writings of the human condition. With ''Cannery Row,'' published in 1945, Steinbeck wrote a lively story about life in the thirties in Monterey, a sleepy California fishing village, when life seemed to him to have more meaning, although the conditions were quite different. Steinbeck's fiction represents the character of our people, in particular their vitality and uniquely American qualities. As a resident of California's central coast, John Steinbeck's novels are rich in the portrayal of our region's abundant agricultural heritage, and the locales of his stories are reflective of life and the people of the Salinas Valley. In 1962 he received the Nobel Prize for Literature ''for his realistic as well as imaginative writings, distinguished by a sympathetic humor and keep social perception'' for his work.

I join the State of California in proclaiming the National Steinbeck Center. The national center will be a world-class museum and cultural center dedicated to Steinbeck teachings and lore. It encompasses one of the largest existing collections of Steinbeck artifacts, papers, and photographs in the world, and commemorates the Salinas Valley's multibillion-dollar agricultural industry, an industry which has earned the valley the designation as the Salad Bowl of our country. The National Steinbeck Center hosts an annual Steinbeck Festival at the beginning of August, where visitors can immerse themselves in films, tours, panel discussions, and special events depicting Steinbeck's writings. The National Steinbeck Center is not only a tribute to Steinbeck's life and literary genius, but also a unique repository for American culture from the first half of this century.

John Steinbeck's literary accomplishments make him an icon of our cultural heritage. In bringing the plight of the poor and disadvantaged to the forefront of our social consciousness, Steinbeck's writings are as contemporary to modern day societal problems as they were in previous decades. In his acceptance speech for the Nobel Prize in 1962, John Steinbeck left each one of us with words to live by ''* * * celebrate man's proven capacity for greatness of heart and spirit—for gallantry in defeat, for courage, compassion and love. In the endless war against weakness and despair, these are the bright rally flags of hope and of emulation.''

I ask the Speaker and all my colleagues to join me in saluting the National Steinbeck Center in Salinas, CA.

ESTABLISH A VISA WAIVER PILOT PROGRAM FOR NATIONALS OF KOREA

HON. NEIL ABERCROMBIE

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. ABERCROMBIE. Mr. Speaker, I am proud to introduce this measure in support of economic growth and jobs for Americans.

The American Chamber of Commerce in Korea reports that the average visitor from South Korea to the United States spends over $3,400. South Korean visitors to the United States spent nearly $2 billion in 1995. This means economic growth and jobs for Americans particularly those in States most visited by South Koreans: California, New York, Hawaii, Guam, Nevada, Arizona, Illinois, and Washington, DC. All indications show that this boom is just the beginning. Today, South Korea has the 11th largest economy in the world and is the 6th largest United States trading partner. We need to take positive advantage of this new phase of South Korean prosperity.

Unfortunately, the United States continues to restrict Korean travelers by not allowing South Korea to participate in the Visa Waiver Pilot Program [VWPP]. Although many more Koreans would like to visit the United States, they find the visa process to cumbersome. Today, the United States lags behind Canada, Australia, and other countries in cornering the Korean tourist market.

The bill I offer with Mr. JAY KIM would establish a visa waiver pilot program for nationals of Korea who are traveling in tour groups to the United States. Under this bill, Korean visitors are allowed for a period of not more than 15 days. The bill would also establish special bond and notification requirements for tour operators. These include the posting of a $200,000 bond and approval by the Secretary for a tour operator's application to escort tour groups to the United States.

As we work to strengthen our economy in this country, I am confident that increased revenues generated from Korean visitors will be most welcomed.

LET LEBANON BE LEBANON: GIVE BACK ITS TERRITORIAL INTEGRITY

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. RAHALL. Mr. Speaker, I rise to introduce a House Concurrent Resolution, expressing the sense of the Congress regarding the territorial integrity, unity, sovereignty, and full independence of Lebanon.

You may ask what that means, and you may ask why it is prudent or necessary to introduce such a resolution. I will tell you.

As a Lebanese-American Member of Congress, I am aware of recent events in the Middle East which despite secret diplomacy may have slowed the peace process. I have seen resolutions introduced in this body which would do the same by calling upon Syria to get its Armed Forces out of Lebanon—as though Syria is the only occupying force that needs to get itself out of Lebanon; as though Syria is to blame for every single averse thing that has happened to Lebanon in recent years.

Mr. Speaker, Syria is no angel—but Syria isn't the only problem Lebanon has, or that the Middle East has, for that matter. We all know that to be true.

The biggest problem today appears to be that everyone views Lebanon as some kind of bargaining chip, or pawn, to be used by Israel and Syria and then whoever else find themselves with an ax to grind in the region—not an ax to grind with Lebanon necessarily—and they then proceed to grind their axes at will and at Lebanon's expense.

The most recent grinding of axes in and around Lebanon was called Operation Grapes of Wrath. And the axes were turned into shells and rockets and so-called precision weaponry that allegedly could penetrate buildings in the middle of the city of Beirut and search out a floor with a window that supposedly was concealing Hizbollah, without harming the innocent mothers and children also living in that building. But the precision weapons turned out not to be so precise, and more than 100 Lebanese civilians were killed, 400,000 were displaced and many left homeless, injured, and suffering.

This resolution is for Lebanon and about Lebanon. It isn't about Israel or Syria—except that all non-Lebanese forces are asked to get out of Lebanon. It is an idea whose time has come and perhaps a point of discussion in current secret diplomacy and/or other talks.

Another idea whose time has come is that the United States Government—the Congress—the President of the United States—need to reformulate their policy toward Lebanon and they need to reaffirm their support for a country that has long been friendly toward the United States. Not only do they need to reformulate a policy, the policy needs to be implemented.

Lebanon has a government, and it has an army, and it is rebuilding and it is getting stronger and more secure every day. It is time that the United States Government began

looking at and considering Lebanon as the master of its own house—the captain of its own ship—and understand that the United States Government should negotiate directly with Lebanon's government on issues concerning Lebanon and its future.

There is no need for the President, the Congress, or anyone else to look toward Syria to the North, or toward Israel in the South—they have no right to decide Lebanon's future.

As a matter of fact, our Government needs to look backward 18 years ago—and recall United Nations Security Council's Resolution 425 which calls for the withdrawal forthwith of Israeli forces from Lebanon and for which the United States representative to the United Nations voted.

The Taif agreement regarding Syria did not go far enough because it did not call for withdrawal. It did call for a redeployment of Syrian forces to the entrance of the Bekaa Valley and the disarmament of all militia in Lebanon, both of which Syria has ignored.

And so, Mr. Speaker, I introduce this concurrent resolution, urging the President to take the necessary steps to activate the Consultative Group for Lebanon's Reconstruction, which was established by the April 26, 1996, understanding between Lebanon and Israel—entered into after Operation Grapes of Wrath, which rained so much death and destruction upon innocent civilians in the land of my grandfathers.

By this resolution I and my colleagues who cosponsor with me call for the withdrawal of all non-Lebanese forces from Lebanon so that she will no longer serve as the preferred battleground for her neighbors.

It tells the President that he need not wait upon the reconvening of the official Middle East peace talks, or the finalization of a comprehensive peace accord with all nation states in the region—to help Lebanon get non-Lebanese forces out of Lebanon.

The resolution calls upon the President to negotiate directly with officials of the Government of Lebanon on issues pertaining to Lebanon. To negotiate directly means just that—without any middlemen.

In closing Mr. Speaker, I submit this resolution to the House, calling upon Lebanon to assert more independence to assure the international community that Lebanon has the political will and the military capability to guaranteed security along her borders, for herself and her neighbors, and to disarm all militia upon the withdrawal of all non-Lebanese forces from Lebanon.

Let Lebanon be Lebanon.

VOICE OF DEMOCRACY CONTEST WINNER

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. SCHAEFER. Mr. Speaker, I rise today to submit into the RECORD a copy of the winning entry for the State of Colorado in the Veterans of Foreign Wars Voice of Democracy broadcast scriptwriting contest. Out of the more than 116,000 secondary students who entered, Kelsey Perkins, of Aurora, CO—Smoky Hill High School—was selected as 1 of 54 national winners of a college scholarship.

ANSWERING AMERICA'S CALL

(By Kelsey Perkins)

Good Morning, and welcome to the American Safari Corporation. I will be your guide for today's tour. What brought most of you here was not the call of the wild, rather it was the call of America. Today we will be conducting a tour in search of some rare species. Now I'm sure that some of you have been told that our search is futile since the price we are seeking is often considered to be almost extinct. I'll let you be the judge of that. For those of you who are not familiar with our goal today, let me begin by telling you that we are searching for some responsible Americans. Before we set out, I will outline three identifying marks of a responsible American which will help you in our hunt.

The first sign of a responsible American is often that of involvement in our country's armed services. In many countries across the world, military service is mandatory for young men. They have no choice in whether or not to serve their country. In the United States we have no such requirements. Service is voluntary during peace-time. The strength of a country's military is often the standard by which it is judged by other nations. The military is not only a fighting force, it is an international representative of its country. Service shows patriotism and pride for one's home. The armed forces serve the common good by protecting America's interests in all areas, and by embodying the strength, skill, and patriotism that symbolizes our country and fills every American with pride. For many citizens, military service offers the perfect opportunity to answer America's call and take on responsibility for our nation. Our armed forces have very high standards for their applicants. By meeting this standard of excellence through service in the armed forces, many men and women are successfully answering America's call to responsibility.

The second tell-tale mark to look for in our hunt is involvement in the government. Perhaps one of the best days to search for responsible Americans is on the first Tuesday in November. They can be seen in herds as they assemble to vote. In a day and age where many people are content to sit on the sidelines and not become involved in our government, utilizing one's right to vote and becoming involved in the government is a sure sign of a responsible American. As President Harry S. Truman observed, ''It's not the hand that signs the laws that holds the destiny of America. It's the hand that casts the ballot.'' Responsible Americans not only participate, but realize what an honor their role in government is. Our founding fathers risked execution by first daring to give Americans their rights to vote and to be involved in government because their actions of protesting unfair government were seen as treasonous. Since the Revolution, Americans have fought and died in many wars to keep Americans free. They fought and died to maintain our rights which include voting and government participation. As citizens of the United States today, it is our duty and privilege to vote in elections and to be involved and informed about our national and local government. Answering America's call includes meeting these responsibilities which support the rights for which many men and women have risked their lives.

One final way to find a responsible American is to look for those who are involved in community service. Acts of unselfish kindness for the common good or the benefit of others is not too much to ask in a nation which has so much. Community service touches the individual lives which make up this great country. It serves as a testimony to our country's humanity. Behind the mass of the armed forces and government are the everyday individuals in life which can be touched and inspired by the work of a few citizens who have realized their responsibility as members of this nation. Many organizations work year round to meet the basic needs of our nation's people because we have a responsibility to those less fortunate than ourselves. So, be sure to search for those who spend their free time helping others in such places as food banks, soup kitchens, and schools.

Well, I hope my little overview has given you a better idea of what to look for in your hunt for a responsible American. Don't forget to look for those obvious signs we reviewed: military service, government participation, and community service. With these in mind, you're sure to find a trail. Please also consider yourself in regards to what's been said today. Don't be afraid to answer America's call personally. By doing so, you could greatly increase the responsible American population. They don't have to be an endangered species.

DAYTON POWER AND LIGHT HONORED

HON. FRANK A. CREMEANS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. CREMEANS. Mr. Speaker, the Dayton Power and Light Co., which serves my district, was honored in a Capitol Hill ceremony here in Washington, receiving the Edison Electric Institute's Common Goals Special Distinction Award for outstanding achievements in community responsibility/special needs.

Mary Kilbane, DP&L's school program coordinator, and Ann Farmer, manager, corporate communications, were presented the award by EEI president Thomas R. Kuhn.

The award recognizes DP&L's energy conservation and environmental awareness patch program. The course uses hands-on activities, visual aids, and creative learning techniques to teach Girl Scouts and Boy Scouts in the company's service area about energy production and conservation and how these functions affect the environment. When participants complete certain requirements, they qualify as energy smart citizens. Scouts receive a colorful way to go patch with second-year students able to earn a Lucky the Dog pin. With such incentives, DP&L's program in 3 years educated more than 10,500 scouts and leaders.

I want to extend my congratulations and best wishes to Dayton Power and Light for receiving the EEI Common Goals Award and for its good work on behalf of a better community. Congratulations, DP&L.

THE BALANCE THE BUDGET FIRST ACT OF 1996

HON. JON CHRISTENSEN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. CHRISTENSEN. Mr. Speaker, today I introduce legislation that will repeal the automatic annual pay adjustment for Members of Congress that was written into law by a previous Democratic Congress, making clear that

pay for Members should not be increased until the Federal budget has been balanced.

I decided to introduce this legislation for two reasons. First, as public servants, we shouldn't be accepting automatic, backdoor annual pay increases. I believe that pay raises for Members of Congress should only happen after debate in the open, on the House floor, so that the American people will know that we are doing.

Second, I believe that this body has no business accepting a pay raise until we've balanced the budget. This body has been granted a public trust by the American people to keep our Nation's fiscal house in order, and the Congresses of yesteryear have not kept their part of the bargain. Instead, Congress has run up a $5 trillion national debt that our children and grandchildren will have to pay off.

While I know that some Members have been in Washington so long that they view the act of balancing the budget as an exercise in futility, the simple truth is that we can balance the budget in 6 more years if we have the political will to do so. When this body shows the fortitude to balance the Federal budget, then, and only then, will we be deserving of a pay raise.

ENFORCE ENVIRONMENTAL AND LABOR SIDE AGREEMENTS

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. WELDON of Pennsylvania. Mr. Speaker, I introduce this bill today to help enforce the environmental and labor side agreements sold to the Congress by President Bill Clinton to obtain ratification of the North American Free Trade Agreement [NAFTA].

NAFTA's detrimental effect upon both the environment and the American worker are being further realized the longer we allow current practice to continue. Today, I propose a mechanism that requires the President to verify the enforcement of the side agreements that were used to gain Congressional approval of NAFTA. Unfortunately, these well-intentioned, feel good side agreements have no teeth, and thus, provide none of the environmental or labor protections promised during the passage of NAFTA.

My bill requires the President to certify to Congress, on an annual basis, the compliance of NAFTA parties—Mexico, Canada, and the United States—with the side agreements. Should a party fail to meet certification, the United States will deny financial assistance—including loans or extension of credit by international financial institutions—to that country. As a last resort, targeted tariffs against products most benefitting from side-agreement noncompliance may be pursued.

In short, my bill merely requires the President to verify side-agreement compliance and creates a mechanism to help ensure Mexico enforces its own laws. It is my hope that such enforcement will protect the environment and economy of the United States, two things that are endangered under current practice.

AMERICAN JEWISH COMMITTEE'S PUBLIC EDUCATION CAMPAIGN

HON. JOHN LEWIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. LEWIS of Georgia. Mr. Speaker, I rise today to call to the attention of my colleagues a very constructive public education campaign that has been undertaken by the American Jewish Committee [AJC], an organization with which I have had the pleasure to work with for many years.

As part of its mandate to promote tolerance and safeguard the essential ideal of pluralism, the AJC has run full-page advertisements in the New York Times, the Washington Post, and other publications enunciating the theme, ''It Takes All Kinds.'' The AJC statement proudly commends our country for having achieved, to an extent nowhere else on Earth, a common dream of freedom. But, at the same time, the statement acknowledges that this dream has been subject to challenge. From the recent series of church burnings, to the increasingly loud voices that promote division along racial, ethnic, and religious lines, and with the threat of domestic and international terrorism within our borders, America's common dream is threatened by the haters and the dividers.

I applaud the American Jewish Committee for the service it has performed in raising public consciousness of the danger posed to all of us by those few who espouse words—and carry out actions—of hate and divisiveness, and in inviting us to partake in the daily enterprise of ensuring that America fulfills its promise of freedom, justice, and mutual respect for all.

I ask that the text of the American Jewish Committee's ad ''It Takes All Kinds'' be included in the CONGRESSIONAL RECORD.

IT TAKES ALL KINDS

The tired. The poor. The huddled masses yearning to breathe free.

From every corner of the world, from every race, faith, culture and creed, we have come or been brought to America. Separately and together, we have dreamed of freedom. And in America, as nowhere else on earth, we have made the dream of freedom real.

But today, that common dream of freedom, that common pursuit by a diverse people of a stronger and fairer America, is challenged. In communities across the land, suspicious fires lay waste to African-American and other churches, sowing fear and outrage. In the media, in the halls of Congress, on the campaign trail and in the streets, angry voices echo distressingly familiar calls to divide America into ''us'' and ''them'' along ethnic, racial, religious and other lines. The well-being of American democratic pluralism—in which each of us holds an equal stake in our nation's future—is in question.

At the American Jewish Committee, we have worked for 90 years to safeguard that essential ideal of pluralism. The task is critical. Too easily and too often, the delicate cords of law and civility that bind society have frayed, setting group against group. When those cords snap, all are threatened, indeed, the essence of America is imperiled.

Join us in the cause of keeping America safe from the haters and dividers. Join us in the vital, daily enterprise of ensuring America fulfills its promise of freedom, justice and mutual respect for all.

A TRIBUTE TO ESTHER LEAH RITZ

HON. THOMAS M. BARRETT

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. BARRETT of Wisconsin. Mr. Speaker, I pay tribute today to one of Milwaukee County's truly outstanding citizens, Esther Leah Ritz. As the Jewish Community Centers Association of Milwaukee prepares to honor Ms. Ritz with the Community Builders Award, for her multitude of contributions to our community, I would like to take a moment to reflect on the remarkable achievements of this great woman.

Esther Leah Ritz has been nationally recognized for her unfailing and tireless commitment to working for the betterment of Milwaukee County, the State of Wisconsin, and the entire Nation. Esther Leah has held major leadership positions in her Milwaukee Jewish Community Center, Federation, and the Jewish Community Center movement in North America. During her presidency, the Jewish Community Centers Association launched and began implementing the innovative and acclaimed Commission on Maximizing the Effectiveness of Jewish Education which established Jewish Community Centers as full partners in the community process of promoting formal and informal Jewish education and continuity.

Esther Leah has also provided skilled leadership for many other Jewish organizations including Americans For Peace Now, Council For Initiatives In Jewish Education, Council of Jewish Federations, Jerusalem Center For Public Affairs, Jewish Agency For Israel, Joint Distribution Committee, Mandel Institute For Advanced Study and Development of Jewish Education, Shalom Harman Institute of Israel, and the World Confederation of Jewish Community Centers.

In addition to her excellent work on behalf of so many Jewish organizations in our community, Esther Leah Ritz' influence has been felt far and wide. She was worked diligently for the betterment of key Wisconsin institutions such as the Milwaukee Art Museum, the Institute for Wisconsin's Future, the United Way of Greater Milwaukee, and the Milwaukee Foundation.

Mr. Speaker, I commend the Jewish Community Centers Association on its excellent selection of Esther Leah Ritz for the distinguished Community Builders Award. I wish Esther Leah continued success in all of her endeavors.

TRIBUTE TO ARIZONA PUBLIC SERVICE CO.

HON. MATT SALMON

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. SALMON. Mr. Speaker, I rise today to pay tribute to an Arizona electric company that has done outstanding working the area of electrical efficiency. Recently, the Arizona Public Service Co. won an award from the Edison Electric Institute for its electrical efficiency in architectural design. As you know, we have some very warm weather in the Southwest, just like we do right here in Washington, DC, creating a tremendous demand for

air conditioning and refrigeration. To find ways to make the most efficient use of electricity, the people at Arizona Public Service Co. designed an Environmental Showcase Home. Sacrificing neither comfort nor aesthetics, the home uses 60 percent less electricity and water. Mr. Speaker, I assure you that savings such as this will rapidly add up in Phoenix's large home-building market.

Ms. Pat Vincent, APSC marketing and sales director, was in Washington recently to receive the award from EEI President Thomas R. Kuhn in a Capitol Hill ceremony. My congratulations to Arizona Public Service Co. for this well-deserved honor.

TRIBUTE TO THE GRASSY HOLLOW VISITOR CENTER

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the fine work and outstanding public service of the U.S. Forest Service as it prepares to open the long anticipated Grassy Hollow Visitor Center on California's Angeles National Forest, Valyermo Ranger District. Under the leadership of U.S. Forest Service district ranger Bill Helin, the visitor center will open at a public ceremony on August 17.

The grand opening of Grassy Hollow Visitor Center represents an innovative approach to the management of our natural resources. Recently passed legislation enables national forests to operate facilities largely as a business, reinvesting revenues directly to the specific site generating those revenues. This type of management is attributed largely to unique community-based partnerships involving the Forest Service and local citizen groups in the area. This is an indication that the entrepreneurial spirit is alive and well at the Forest Service.

Like other similar facilities, the Grassy Hollow Visitor Center will be a gateway to our local national forest. More than providing information to the general public and our youth, this center will share tenets of responsible land stewardship which is vital to the long-term viability of our local natural resources.

Mr. Speaker, as competition for Federal dollars becomes more intense over time, the management of the Grassy Hollow Visitor Center provides a model to be emulated across the country. I commend Bill Helin for his leadership in promoting local partnerships and the conservation of our natural resources. It is only appropriate that the House recognize Grassy Hollow Visitor Center as it opens its doors for the first time on August 17.

TRIBUTE TO OLYMPIANS OF THE 14TH CONGRESSIONAL DISTRICT

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Ms. ESHOO. Mr. Speaker, I rise today to honor Olympic athletes and coaches from California's 14th Congressional District. Two schools in the 14th District, both with outstanding academic reputations, have an unusually high number of students participating in the games this year.

Castilleja School is a college preparatory school serving girls and young women in grades 6 through 12. Its students are known for their aptitude and achievements, and now for their athletic accomplishments. Although it is a small school, Castilleja has three alumni in the Olympics. These distinguished athletes are Amy Chow, Laura Korholtz, and Katy McCandless.

Stanford University is one of the most distinguished private universities in our country. Stanford has demonstrated how multitalented its students truly are. Forty-nine Stanford students, alumni, and coaches are participating in the 1996 Olympic Games in Atlanta. These distinguished athletes and coaches are Jennifer Azzi, Nich Bravin, Ray Carey, Amy Chow, Domonique Dawes, Janet Evans, Scott Fortune, Catherine Fox, Chryste Gaines, Kurt Grote, Barbara Fontana-Harris, Julie Foudy, A.J. Hinch, Joe Hudepohl, Lisa Jacob, Regina Jacobs, Skip Kenney, Kristin Klein, Mike Lambert, Jeremy Laster, Jair Lynch, Rick McNair, Bev Oden, Dave Popjoy, Sherry Posthumus, Richard Quick, Nancy Reno, Jeff Rouse, Katy Steding, Kent Steffes, Fred Sturm, Jenny Thompson, Zoran Tulum, Tara VanDerveer, Erica Wheeler, Wolf Wigo, Jessica Amey, Elin Austevoll, Gus Envela, Claudia Franco, Andrew Gooding, Ted Huang, Eddie Parenti, Sean Pickering, Gabrielle Rose, Brady Sih, Dave Strang, Andrew Vlahov, and Robert Weir.

In addition, there are three remarkable Olympic athletes who reside in my district: Josh Davis, Mary Harvey, and Heather Simmons-Carrasco. These Olympians have distinguished themselves in swimming, soccer, and synchronized swimming, respectively and I am exceedingly proud that these athletes call the 14th Congressional District home.

Mr. Speaker, I ask my colleagues to join me in saluting these remarkable athletes whose determination, prowess, and incredible performances inspire us all. These Olympians who have excelled in both academics and athletics are role models to our Nation and to the world.

EXPRESSING SORROW AT THE DOWNING OF TWA FLIGHT 800

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Ms. McCARTHY. Mr. Speaker, I rise today to express my deep sorrow at the downing of TWA flight 800, and to extend my heartfelt sympathy to the families of the victims. As investigators continue the difficult chore of determining the cause of the accident, and the torturous process of recovering the bodies, citizens the world over are horrified by this tragedy.

My community of Kansas City, though 1,500 miles from the site of the crash, feels a particularly strong connection to TWA 800. The lives of five Kansas City area residents were taken by the crash. Missouri is home to TWA, and to many of its thousands of dedicated employees, and TWA is the air carrier of choice for many of my constituents.

TWA has a long history of providing safe, secure, efficient, and dependable air transportation. Recently, employee-owned TWA emerged from financial difficulties to post significant earnings and now seems destined for a successful future. In addition, TWA is a responsible corporate citizen that continues its long and dedicated commitment to serving its community.

This tragedy has rightly caused us all to more closely examine safety precautions at airports, and to consider new methods for preventing terrorist activities. Safety and security must be our foremost concerns, and we have a responsibility to ensure that air travel is free from terrorist threat. We must also always bring to justice those responsible for cowardly acts of terrorism.

I again want to express my sympathy to the families and friends of the victims. Those unwitting victims will forever live in our memories. Let us work together and do all we can to prevent tragedies like this from occurring again. Thank you Mr. Speaker.

PRIVATE VOLUNTARY ORGANIZATIONS AND U.S. FOREIGN POLICY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. HAMILTON. Mr. Speaker, several weeks ago I had the honor of co-hosting a ceremony during which three private U.S. groups that help the U.S. Government and the U.N. distribute food aid—CARE, Save the Children, and World Vision—signed new working agreements with the U.N. World Food Program. This event provides an opportunity to pay tribute to the inspiring work of U.S.-based private voluntary organizations that help meet basic humanitarian needs worldwide.

Private voluntary organizations, many of them church- and synagogue-based, have played important roles in promoting U.S. humanitarian and foreign policy objectives since World War II. Catholic Relief Services, CARE, Save the Children, World Vision, and other U.S.-based groups have been key participants in one of the most successful U.S. foreign policy initiatives of the post-war era: the Food for Peace Program. Since the enactment of the Food for Peace statute in 1954, the United States has distributed nearly $55 billion in food aid in 150 countries. U.S. food aid, much of it distributed by private voluntary organizations, has saved millions of people from starvation and improved the health and quality of life of tens of millions of others. Private U.S. development agencies, medical teams, and refugee groups have enhanced the living standards of countless others in the developing world.

Americans take pride in the impressive humanitarian achievements of U.S. private voluntary organizations, whose work has been generously supported by millions of U.S. donors. But some Americans may not be aware that the work of these groups also supports important U.S. foreign policy interests.

U.S. food aid has promoted economic development in dozens of countries. Economic development has turned many food aid recipients into big markets for U.S. farm exports, and it has enhanced the political stability of

many friendly countries. U.S. food aid has also helped ease the transition to market-oriented economies in many former communist countries. The efforts of other private voluntary organizations to build homes, teach skills, care for the sick and wounded, and shelter refugees have eliminated many of the underlying sources of political violence and military conflict.

The role of U.S. private voluntary organizations overseas has been extraordinary: no private-public partnership has been more effective in promoting key U.S. foreign policy goals. Americans owe these groups considerable gratitude for their vital contribution to our humanitarian objectives, our national security, and our international prestige.

But the dedicated and talented people who work for U.S. private voluntary organizations would not want note to be taken of their work without some attention also being paid to the human deprivation that still exists in the developing world. We need consider only the stunning data on world hunger to gain a sense of the scope of the world's unmet humanitarian needs. More than 13 million children die from hunger-related causes every year—an average of 35,000 each day, or 1,500 an hour. More than 180 million children are seriously malnourished today; many of those who survive will never reach their full physical and intellectual potential. The U.S. Department of Agriculture predicts that world food aid needs will double just in the next decade. Yet the food aid budgets of many countries are declining, food prices are rising, and farm surpluses are low.

U.S. food aid spending has been declining since 1993. The major farm bill enacted into law earlier this year included several measures that will make U.S. food aid programs more effective, but there is a limit to what we can do with declining resources.

Most Americans support U.S. Government food aid and other assistance to the world's poorest people. They want to help people in need, and they recognize that alleviating suffering make the world more secure and peaceful. As they learn more about the essential role played by private voluntary organizations in implementing the humanitarian programs of U.S. foreign policy, I am confident Americans will want to expand and improve those programs.

VETERANS EMPLOYMENT OPPORTUNITIES ACT OF 1996

SPEECH OF

HON. CARDISS COLLINS

OF ILLINIOS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mrs. COLLINS of Illinois. Mr. Speaker, I am very pleased that we can bring this veterans' preference bill to the floor today.

I would like to congratulate Chairman JOHN MICA and ranking Member JIM MORAN of the Subcommittee on Civil Service on their work to craft this bill.

During a hearing held by the subcommittee in April, representatives of the veterans service organizations articulated concerns that the inevitable work force reductions, agency restructurings, and experimentation with more flexible personnel rules have great potential to undermine veterans' preference. The provisions of H.R. 3586, which provide veterans increased protections during reductions-in-force, and which strengthen the administrative redress system should violations of veterans' preference occur, will ensure that those fears are not realized.

Veterans' preference in Federal civil service is a priority which has deserved and received broad bipartisan support in Congress for more than 130 years.

Since the Civil War, there have been statutory preferences in Federal civil service hiring for veterans of armed conflict, including special provisions for veterans disabled in combat and some eligible family members of disabled and deceased veterans.

A number of developments are increasingly affecting the proportion of veterans in the Federal work force and in the private sector. Those who remain of the 15 million veterans of World War II are into or approaching retirement. The youngest Vietnam veterans are already into their 40's and midway thought their careers. Subsequent armed conflicts involving Americans in uniform have been limited in scope. It should be expected that the percentage of veterans in Federal employment will decrease as the percentage of veterans in the general work force decreases.

I am heartened by the reports from the General Accounting Office, the Office of Personnel Management, and from the Merit Systems Protection Board that the percentage of veterans currently in Federal employment and being hired by Federal agencies is significantly higher than in the general work force.

The existing preference rules for hiring and retention are generally working well. It is our hope that this legislation will guarantee that veterans' preference continues to be a central element of our civil service system.

CONFERENCE REPORT ON H.R. 3103, HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996

SPEECH OF

HON. GARY A. FRANKS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1996

Mr. FRANKS of Connecticut. Mr. Speaker, I rise today to express my support for the conference report to H.R. 3103, the Health Coverage Availability and Affordability Act. Passage of this conference report will ensure that Americans have access to health care coverage.

The conference report before us will bring about much needed reform to the insurance industry. It address such important issues as portability and pre-existing conditions. Individuals will no longer have to remain in a job they do not like in order to maintain insurance coverage. The portability provisions will ensure that individuals will not lose their coverage if they get sick.

The conference report also contains a 4-year demonstration project for tax deductible medical savings accounts for small business, the self employed, and the uninsured. The medical savings accounts will put the individual in charge of his or her health coverage.

Another important provisions of the conference report is the self-employment deduction for health insurance expenses. Under this provision the self-employed will be able to deduct a certain percentage of their health insurance expenses from their taxes. The deductible will increase from 30 percent to 80 percent in 2006.

Mr. Speaker, the time has come to enact meaningful reform of our insurance industry. This conference report does that. It is the result of many weeks of bipartisan negotiations. The provisions contained in this report will enable the American people to feel confident about their insurance coverage, while at the same time keeping it affordable. I urge my colleagues to support passage of this conference report.

MEDICARE WAIVER FOR THE WELLNESS PLAN OF MICHIGAN

HON. JOHN DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. DINGELL. Mr. Speaker, today, I am joining with a number of my colleagues in introducing legislation to help the Medicare population in Michigan. This bill will make it possible for a longstanding, quality federally qualified health maintenance organization [HMO] that primarily has served the Medicaid population, to become available to Medicare beneficiaries. The Wellness Plan is a not-for-profit 501(c)(3) federally qualified HMO serving several counties in Michigan, including the Detroit MSA. The Wellness Plan currently has 150,000 enrollees, 141,000 of whom are Medicaid, 12,000 commercial and 2,000 Medicare.

The Wellness Plan is a nationally recognized leader in providing quality health services to this population. Since 1993, The Wellness Plan has had a Health Care Prepayment Plan [HCPP] contract with Medicare. Technical changes enacted by Congress and effective January 1, 1996, unintentionally prevent the Wellness Plan from enrolling additional Medicare beneficiaries under the HCPP contract.

The Wellness Plan is positioned to become a full Medicare risk contractor but currently is precluded from doing so due to the 50-50 Medicare enrollment composition rule. Given that the Wellness Plan has an established managed care record with respect to both the Medicaid and Medicare populations, and that the Health Care Financing Administration supports The Wellness Plan receiving a plan-specific 5-050 waiver at this time, this bill should be moved through the Congress as soon as practically possible.

INTEGRATING THE $500-PER-CHILD CREDIT WITH THE EITC TO IMPROVE BOTH

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. PETRI. Mr. Speaker, yesterday I introduced legislation to create one seamless system of tax breaks for families with children, combining the best aspects of the earned income tax credit, and the proposed $500-per-

child credit. My bill will begin to alleviate the problems related to the current EITC such as the marriage tax penalty, the lack of additional help to low-income families with more than two children and especially the high marginal tax rates in the phaseout range. It will give families with children a tax break just as was the intent of the $500-per-child credit but will do so in a more equitable way with most of the benefits targeted to the lower half of the income scale.

I ask that a description of the bill and a copy of a letter from the Joint Committee on Taxation scoring my bill be printed in the RECORD.

INTEGRATING THE $500-PER-CHILD CREDIT WITH THE EITC TO IMPROVE BOTH

Problems to be solved:

1. Current earned income tax credit (EITC)—a vital adjunct to welfare reform because it enables low-skilled people with kids to support themselves by working—has 3 big flaws:

a. contains high marginal tax rates (21% or 16%) during phaseout—when combined with other taxes and phaseouts (i.e. food stamps, housing subsidies, and a possible medicaid voucher), removes any incentive to get ahead because total marginal tax rate can top 100%;

b. contains high marriage penalties ($6018 + $750 income tax penalty in extreme case this year);

c. provides no extra help to larger families with greatest need.

2. $500 per child tax credit in Balanced Budget Act (BBA) was skewed toward upper half of income distribution because it wasn't refundable. Almost half of all children wouldn't get full credit, including all in 2 parent families below following income thresholds (single parent thresholds are each $3350 lower, but they are more likely to take full dependent care credit):

	With no dependent care credit	With full dependent care credit
1 child	$17,684	$21,524
2 children	23,567	29,967
3 children	29,450	35,850
4 children	35,333	41,733
5 children	41,216	47,616
6 children	47,099	53,499
7 children	52,982	59,382
8 children	58,865	65,265

At same time, EITC cuts in BBA hit families hard in upper 'teens and 20's. Example: couple with 2 kids, $25,000 income, and no dependent care credit gets full $1000 child credit but loses $642 of EITC, for net tax cut of only $358.

Solution:

1. For kids under 18, eliminate personal exemption ($2550 in '96) and substitute $1000 credit—provides net tax cuts per child as follows:

15% bracket (about 0 to $40K taxable 1996 joint return income)—$618.

28% bracket (about 40K to 97K taxable 1996 joint return income)—$286.

Upper brackets—credit phases down to same value as a personal exemption for AGIs above $110,000 (joint) & $75,000 (household head), thereby providing no tax cut for families above those thresholds.

2. Universal $1000 credit is refundable for those with earned income and substitutes for a major portion of the EITC—NO PHASEOUT NECESSARY BECAUSE EVERYONE GETS IT. Provide extra EITC to PARENTS—maximum of $1665 for couples and net of $1267 for single parents (due to their lowered tax threshold), phased out at 10% for couples and 11% for single parents.

Advantages:

1. Costs $11 billion less than $500 credit + EITC cuts in '97 Budget Res.;

2. Tax cut is progressive;

3. Credit itself is doubled;

4. Maximum EITC marriage penalty cut from $6018 to $2770 in '96 & more later;

5. EITC marginal tax (i.e. phaseout) rates cut from 16% & 21% (current law) or 34% (BBA conference report maximum) to 10 and 11%;

6. Provides extra $618 per child for WORKING poor families with more than two kids;

7. Supports welfare reform in which basic income of able-bodied is wages plus general tax credits plus a general health plan voucher.

JOINT COMMITTEE ON TAXATION,
Washington, DC, June 13, 1996.

Hon. THOMAS PETRI,
House of Representatives,
Washington, DC.

DEAR MR. PETRI: This letter is in response to your request of May 22, 1996, for a revenue estimate of a proposal to provide tax credits for certain families with children. The proposal would change the present-law earned income tax credit into a refundable parental credit and would replace the personal exemption applicable to dependents under the age of 18 with a refundable dependent credit.

The new dependent credit would allow a taxpayer a credit equal to 12.5 percent of earned income up to $8,000 for each of two dependents under the age of 18, the credit would be equal to 4 percent of earned income up to $25,000. For all other dependents under the age of 18, the credit would be 3.33 percent of earned income up to $30,000. The maximum credit would be $1,000 for each eligible dependent.

The new parental credit would be 15 percent of earned income up to $11,000 for non-joint returns. The maximum credit would be $1,650. For joint returns, the parental credit would be 18.5 percent of earned income up to $9,000. The maximum credit would be $1,665.

The dependent credit would be phased out in two stages. The initial phasedown would reduce the credit for each dependent by 5 percent of modified adjusted gross income (''AGI'') in excess of $75,000 ($110,000 for joint returns) up to a maximum reduction of $272. The remaining credit would be phased out as is the present law dependent exemption. That is, the credit would be reduced by 2 percent for every $2,500 or part thereof by which the taxpayer's AGI exceeds the threshold amount ($118,150 for single returns, $177,250 for joint returns and $147,700 for head of household returns in 1996).

The parental credit would be phased out at a rate of 11 percent of modified AGI in excess of $11,600 for non-joint returns and 10 percent of modified AGI in excess of $12,000 for joint returns.

Modified AGI would be equal in AGI plus nontaxable Social Security benefits, certain alimony and child support payments in excess of $6,000 per year, tax-exempt interest, certain nontaxable pension income and minus certain capital and business losses.

In general, the dependent credit would not be indexed. The second stage phaseout level would continue to be indexed as under present law.

In the case of the parental credit, the credit percentage and phaseout threshold for non-joint returns would be indexed beginning in 1999 at a rate 2 percentage points lower than that applicable to other tax parameters. For other returns the credit percentage and phaseout threshold would be indexed beginning in 1998 at a rate 1 percentage point higher than the rate applicable to other tax parameters.

This proposal, effective for taxable years beginning after December 31, 1996, would have the following effect on Federal fiscal year budget receipts:

[In billions of dollars]

Fiscal years							
1997	1998	1999	2000	2001	2002	1997–2002
3.5	−19.9	−18.4	−17.1	−15.9	−14.9	−89.7.

Note.—Details do not add to total due to rounding.

I hope this information is helpful to you. If we can be of further assistance in this matter, please let me know.

Sincerely,

KENNETH J. KIES.

OPPOSES MINIMUM WAGE INCREASE

HON. ENID GREENE

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Ms. ENID GREENE of Utah. Mr. Speaker, 2 months ago, I voted against the Riggs amendment to increase the minimum wage because I believed it will have negative consequences—particularly for those it portends to help.

I remain convinced that, on its own, increasing the minimum wage will result in the loss of thousands of entry-level and low-wage jobs, which are needed not only by young people but also by those who are seeking to reenter the work force.

Raising the minimum wage is a tax on an employer who is offering someone a job. It is not paid by all Americans, but only by those who seek to employ others. The natural result is that there will be fewer jobs available.

History shows that raising the minimum wage costs jobs. In fact, since 1973, congress has increased the minimum wage nine times. In each case, except one, unemployment increased. The one exception was during the period 1977–79, when the economy was growing robustly at over 5 percent annually. We are not now enjoying such growth. While I sincerely hope to be proven wrong, I remain concerned that raising the minimum wage will cost jobs.

Nevertheless, I voted for the Small Business Job Protection Act today because I believe that the construction of job opportunities for those who seek work will be at least partially offset by the tax breaks for small business that have been added to the bill in conference. Since it is clear that Congress will raise the minimum wage, I voted for this conference report, with its added tax relief provisions because I believe it encompasses the best means we have of softening the negative effects—that is, job loss—of a minimum wage increase during these lethargic economic times.

In addition, Mr. Chairman, I am particularly pleased that this bill contains key provisions from the Adoption Promotion and Stability Act to assist loving, caring Americans who are willing to open their homes and provide permanent, loving and stable homes for adoptive children.

In a successful adoption, everyone wins—the dearly wanted child, who is brought into a loving home; the adoptive parents, who have welcomed the child into their lives; and the birth parents, who know that their child is well cared for. Unfortunately, there are barriers that reduce the number of successful adoptions

such as adoption fees, court costs, and attorney's fees.

As a result, one in seven children in foster care is waiting for adoption, and will wait for up to 6 years. At a time when adoption costs can reach upward of $20,000, providing a $5,000 per eligible child deduction to middle and low-income families for qualified adoption expenses offers valuable assistance to those who are willing to give so much to our most vulnerable children.

MICHELLE DORAN McBEAN, A WOMAN OF CONVICTION

HON. DONALD M. PAYNE
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. PAYNE. of New Jersey. Mr. Speaker, my constituent, Michelle Doran McBean, will celebrate her 50th birthday on August 5. This event is a significant one for her since she was not expected to live beyond her 30th year. She was born to Frederick Carl Doran and Pauline Dean Doran in Alexandria, VA. She grew up in Boston where she was educated. It was through her family life that she came to appreciate the family home center that instilled the importance of interrelationships. It was through her environment at Harvard University that the fusion of spirit and intellect was affirmed.

Michelle Doran McBean is a woman of conviction. To best know her is to simply witness her walk of life. It is a simple life based on truth, equality, and peace. It is a life that supports and advocates for others. It is a life that often stimulates and challenges perceptions, assumptions, and agendas for the betterment of all people.

Those who walk along with Michelle eventually come to know a very important principle that governs her life. It is the principle of truth that is most evident and appreciated by her husband, Nathan, and son, Michael.

An integral part of Michelle's spiritual growth was supported in her acceptance to the Friends School of the Spirit, a national 2-year program. Consistent with who she is, Michelle is formalizing a place, a sanctuary, where people can get spiritual direction when struggling with ethical decisions.

Mr. Speaker, I am sure my colleagues will want to join me as I offer my best wishes to Michelle Doran McBean and her family.

Friday, August 2, 1996

Daily Digest

HIGHLIGHTS

Senate agreed to Safe Drinking Water, Health Insurance Reform, and Small Business Job Protection/Minimum Wage Conference Reports.

House agreed to Small Business Job Protection and Minimum Wage Conference Report.

House agreed to Safe Drinking Water Act Conference Report.

House passed the Aviation Security and Antiterrorism Act of 1996.

Senate

Chamber Action

Routine Proceedings, pages S9455–S9680

Measures Introduced: Thirty-two bills and five resolutions were introduced, as follows: S. 2017–2048, S.J. Res. 59, S. Res. 287, and S. Con. Res. 68–70. **Pages S9554–55**

Measures Reported: Reports were made as follows:

S. 1970, to amend the National Museum of the American Indian Act to make improvements in the Act. (S. Rept. No. 104–350)

H.R. 1271, to provide protection for family privacy. (S. Rept. No. 104–351)

S. 982, to protect the national information infrastructure, with an amendment in the nature of a substitute. **Page S9554**

Measures Passed:

Enrollment Correction: Senate agreed to S. Con. Res. 68, to correct the enrollment of H.R. 3103. **Pages S9500–01**

Enrollment Correction: Senate agreed to H. Con. Res. 208, to correct the enrollment of H.R. 3103. **Page S9528**

Bill Emerson Good Samaritan Food Donation Act: Senate passed H.R. 2428, to encourage the donation of food and grocery products to nonprofit organizations for distribution to needy individuals by giving the Model Good Samaritan Food Donation Act the full force and effect of law, after agreeing to the following amendments proposed thereto: **Pages S9532–33**

Santorum (for Leahy) Amendment No. 5148, of a technical nature. **Page S9532**

Santorum (for Kennedy) Amendment No. 5149, to establish that nothing in this Act supersedes State or local health regulations. **Pages S9532–33**

War Crimes Act: Senate passed H.R. 3680, to amend title 18, United States Code, to carry out the international obligations of the United States under the Geneva Conventions to provide criminal penalties for certain war crimes, clearing the measure for the President. **Pages S9648–49**

Oregon Resource Conservation Act: Senate passed S. 1662, to establish areas of wilderness and recreation in the State of Oregon, after agreeing to a committee amendment in the nature of a substitute, and the following amendment proposed thereto: **Pages S9649–59**

Hatfield Amendment No. 5150, in the nature of a substitute. **Pages S9654–59**

Impact Aid Technical Amendments: Senate passed H.R. 3269, to amend the Impact Aid program to provide for a hold-harmless with respect to amounts for payments relating to the Federal acquisition of real property, after agreeing to the following amendment proposed thereto: **Pages S9663–64**

Stevens (for Kassebaum) Amendment No. 5155, in the nature of a substitute. **Page S9663**

Technical Corrections: Senate passed S. 1559, to make technical corrections to title II, United States Code, after agreeing to a committee amendment in the nature of a substitute, and the following amendments proposed thereto: **Pages S9664–66**

Stevens (for Heflin) Amendment No. 5151, to make technical changes. **Page S9665**

Stevens (for Coverdell) Amendment No. 5152, to bolster criminal law enforcement of child support orders in cases involving bankruptcy proceedings. **Page S9665**

Stevens (for Kohl) Amendment No. 5153, to limit the value of certain real and personal property that the debtor may elect to exempt under State or local law. **Page S9665**

Stevens (for Grassley/Lott) Amendment No. 5154, relating to trustee authorities. **Page S9665**

Indian Environmental General Assistance Program Authorization: Senate passed S. 1834, to reauthorize the Indian Environmental General Assistance Program Act of 1992. **Page S9666**

Accounting Standardization Act: Senate passed S. 1130, to provide for the establishment of uniform accounting systems, standards, and reporting systems in the Federal Government, after agreeing to a committee amendment in the nature of a substitute. **Pages S9666–68**

National Environmental Education Amendments Act: Senate passed S. 1873, to amend the National Environmental Education Act to extend the programs under the Act, after agreeing to a committee amendment in the nature of a substitute. **Pages S9668–70**

PSI Records: Senate agreed to S. Res. 287, to authorize the production of records by the Permanent Subcommittee on Investigations. **Page S9670**

Day of National Concern About Young People and Gun Violence: Committee on the Judiciary was discharged from further consideration of S. Res. 282, to designate October 10, 1996, as the ''Day of National Concern About Young People and Gun Violence'', and the resolution was then agreed to. **Page S9670**

National Silver Haired Congress: Senate agreed to S. Con. Res. 52, to recognize and encourage the convening of a National Silver Haired Congress. **Pages S9670–71**

AID Incentive Payments: Senate passed H.R. 3870, to authorize the Agency for International Development to offer voluntary separation incentive payments to employees of that agency, clearing the measure for the President. **Page S9671**

U.S. Tourism Organization Act: Senate passed S. 1735, to establish the United States Tourism Organization as a nongovernmental entity for the purpose of promoting tourism in the United States, after agreeing to committee amendments, and the following amendment proposed thereto: **Pages S9671–75**

Stevens (for Pressler) Amendment No. 5156, to make certain technical corrections. **Pages S9672–73**

L. Clure Morton Post Office and Courthouse: Senate passed S. 1931, to provide that the United States Post Office and Courthouse building located at 9 East Broad Street, Cookeville, Tennessee, shall be known and designated as the ''L. Clure Morton United States Post Office and Courthouse''. **Page S9675**

Rose Y. Caracappa U.S. Post Office: Senate passed H.R. 3139, to redesignate the United States Post Office building located at 245 Centereach Mall on Middle Country Road in Centereach, New York, as the ''Rose Y. Caracappa United States Post Office Building'', clearing the measure for the President. **Page S9675**

Roger P. McAuliffe Post Office: Senate passed H.R. 3834, to redesignate the Dunning Post Office in Chicago, Illinois, as the ''Roger P. McAuliffe Post Office'', clearing the measure for the President. **Page S9675**

Federal Oil and Gas Lease Royalties: Senate passed H.R. 1975, to improve the management of royalties from Federal and Outer Continental Shelf oil and gas leases, clearing the measure for the President. **Pages S9675–78**

Enrollment Correction: Senate agreed to S. Con. Res. 70, directing the Clerk of the House of Representatives to make technical corrections in the enrollment of H.R. 1975. **Page S9678**

Safe Drinking Water—Conference Report: By a unanimous vote of 98 yeas (Vote No. 263), Senate agreed to the conference report on S. 1316, to authorize and amend title XIV of the Public Health Service Act (commonly known as the Safe Drinking Water Act), clearing the measure for the President. **Pages S9485–98**

Health Insurance Reform—Conference Report: By a unanimous vote of 98 yeas (Vote No. 264), Senate agreed to the conference report on H.R. 3103, 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, to improve access to long-term care services and coverage, and to simplify the administration of health insurance, clearing the measure for the President. **Pages S9499–S9526**

Small Business Job Protection/Minimum Wage—Conference Report: By 76 yeas to 22 nays (Vote No. 265), Senate agreed to the conference report on H.R. 3448, to provide tax relief for small businesses, to protect jobs, to create opportunities, and to increase the take home pay of workers, clearing the measure for the President. **Page S9527**

Agriculture Appropriations—Conference Report: Pursuant to the agreement of Wednesday, July 31, 1996, on Thursday, August 1, 1996, Senate agreed to the conference report on H.R. 3603, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 1997, clearing the measure for the President. **Page S9334**

Defense of Marriage Act—Agreement: A unanimous-consent time-agreement was reached providing for the consideration of H.R. 3396, to define and protect the institution of marriage, and certain amendments to be proposed thereto, on Thursday, September 5, 1996. **Page S9663**

Sustainable Fisheries/Fisheries Financing Act—Agreement: A unanimous-consent time-agreement was reached providing for the consideration of S. 39, to amend the Magnuson Fishery Conservation and Management Act to authorize appropriations, and to provide for sustainable fisheries, and certain amendments to be proposed thereto, on Wednesday, September 4, 1996. **Page S9663**

Authority for Committees: All committees were authorized to file executive and legislative reports during the adjournment of the Senate on Tuesday, August 27, 1996, from 11 a.m. until 2 p.m. **Page S9663**

Appointments:

Commission on the Advancement of Federal Law Enforcement: The Chair, on behalf of the President pro tempore, pursuant to Public Law 104–132, appointed Robert M. Steward, of South Carolina, and on behalf of the Minority Leader, appointed Donald C. Dahlin, of South Dakota, each as a member of the Commission on the Advancement of Federal Law Enforcement. **Page S9678**

Removal of Injunction of Secrecy: The injunction of secrecy was removed from the following treaties:

Protocol Amending the 1916 Convention for the Protection of Migratory Birds (Treaty Doc. No. 104–28); and

United Nations Convention to Combat Desertification in Countries Experiencing Drought, Particularly in Africa, with Annexes (Treaty Doc. No. 104–29).

The treaties were transmitted to the Senate today, considered as having been read for the first time, and referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed. **Pages S9661–62**

Treaty Approved: The following treaties having passed through their various parliamentary stages, up to and including the presentation of the resolution of ratification, upon division, two-thirds of the Senators present and having voted in the affirmative, the resolutions of ratification were agreed to:

Treaty with the Republic of Korea on Mutual Legal Assistance in Criminal Matters (Treaty Doc. 104–1) (Exec. Rept. No. 104–22);

Treaty with the United Kingdom on Mutual Legal Assistance on Criminal Matters (Treaty Doc. 104–2) (Exec. Rept. No. 104–23);

Treaty with Austria on Legal Assistance in Criminal Matters (Treaty Doc. 104–21) (Exec. Rept. No. 104–24);

Treaty with Hungary on Legal Assistance in Criminal Matters (Treaty Doc. 104–20) (Exec. Rept. No. 104–25);

Treaty with the Philippines on Mutual Legal Assistance in Criminal Matters (Treaty Doc. 104–18) (Exec. Rept. No. 104–26);

Extradition Treaty with Hungary (Treaty Doc. 104–5) (Exec. Rept. No. 104–27);

Extradition Treaty with Belgium (Treaty Doc. 104–7) and the Supplementary Extradition Treaty with Belgium (Treaty Doc. 104–8) (Exec. Rept. No. 104–28);

Extradition Treaty with the Philippines (Treaty Doc. 104–16) (Exec. Rept. No. 104–29);

Extradition Treaty with Malaysia (Treaty Doc. 104–26) (Exec. Rept. No. 104–30);

Extradition Treaty with Bolivia (Treaty Doc. 104–22) (Exec. Rept. No. 104–31); and

Extradition Treaty with Switzerland (Treaty Doc. 104–9) (Exec. Rept. No. 104–32) **Pages S9661–62**

Nominations Confirmed: Senate confirmed the following nominations:

Charles A. Hunnicutt, of Georgia, to be an Assistant Secretary of Transportation.

Ann D. Montgomery, of Minnesota, to be United States District Judge for the District of Minnesota.

Charles William Burton, of Texas, to be a Member of the Board of Directors of the United States Enrichment Corporation for a term expiring February 24, 2001.

Christopher M. Coburn, of Ohio, to be a Member of the Board of Directors of the United States Enrichment Corporation for a term expiring February 24, 2000.

Brooksley Elizabeth Born, of the District of Columbia, to be a Commissioner of the Commodity Futures Trading Commission for the remainder of the term expiring April 13, 1999.

Brooksley Elizabeth Born, of the District of Columbia, to be Chairman of the Commodity Futures Trading Commission.

David D. Spears, of Kansas, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 2000.

Alberto Aleman Zubieta, a citizen of the Republic of Panama, to be Administrator of the Panama Canal Commission.

Everett Alvarez, Jr., of Maryland, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring May 1, 1999.

Thomas Hill Moore, of Florida, to be a Commissioner of the Consumer Product Safety Commission for a term of seven years from October 26, 1996.

Edward McGaffigan, Jr., of Virginia, to be a Member of the Nuclear Regulatory Commission for the term of five years expiring June 30, 2000.

Nils J. Diaz, of Florida, to be a Member of the Nuclear Regulatory Commission for the term of five years expiring June 30, 2001.

33 Air Force nominations in the rank of general.

37 Army nominations in the rank of general.

12 Marine Corps nominations in the rank of general.

7 Navy nominations in the rank of admiral.

Routine lists in the Air Force, Army, Marine Corps, Navy. **Pages S9484–85, S9678–80**

Nominations Received: Senate received the following nominations:

Madeleine Korbel Albright, of the District of Columbia, to be Representative of the United States of America to the Fifty-first Session of the General Assembly of the United Nations.

Edward William Gnehm, Jr., of Georgia, to be Representative of the United States of America to the Fifty-first Session of the General Assembly of the United Nations.

Karl Frederick Inderfurth, of North Carolina, to be Alternate Representative of the United States of America to the Fifty-first Session of the General Assembly of the United Nations.

Victor Marrero, of New York, to be Alternate Representative of the United States of America to the Fifty-first Session of the General Assembly of the United Nations.

Susan G. Esserman, of Maryland, to be General Counsel of the Department of Commerce.

Mary K. Gaillard, of California, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2002.

Eamon M. Kelly, of Louisiana, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2002.

Richard A. Tapia, of Texas, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2002.

Ernestine P. Watlington, of Pennsylvania, to be a Member of the Board of Directors of the Legal Services Corporation for a term expiring July 13, 1999.

Niranjan S. Shah, of Illinois, to be a Member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1998.

Robert W. Pratt, of Iowa, to be United States District Judge for the Southern District of Iowa.

Messages From the House: **Pages S9552–53**

Measures Referred: **Pages S9553–54**

Measures Placed on Calendar: **Page S9554**

Measures Read First Time: **Page S9554**

Statements on Introduced Bills: **Pages S9555–S9609**

Additional Cosponsors: **Pages S9609–10**

Amendments Submitted: **Pages S9610–19**

Notices of Hearings: **Pages S9619–20**

Authority for Committees: **Page S9620**

Additional Statements: **Pages S9620–47**

Record Votes: Three record votes were taken today. (Total—265) **Pages S9497–98, S9526, S9527**

Adjournment: Senate convened at 10:30 a.m. and, in accordance with H. Con. Res. 203, adjourned at 9:16 p.m., until 11 a.m., on Tuesday, September 3, 1996. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S9678.)

Committee Meetings

(Committees not listed did not meet)

SOCIAL SECURITY TRUST FUNDS

Committee on Finance: Subcommittee on Social Security and Family Policy held hearings to examine the current and future state of the Social Security Old Age and Survivors Insurance and Disability Insurance Trust Funds, receiving testimony from Shirley S. Chater, Commissioner of Social Security, Steven Goss, Deputy Chief Actuary, and Stephen G. Kellison and Marilyn Moon, both Members of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, all of Social Security Administration.

Hearings were recessed subject to call.

House of Representatives

Chamber Action

Bills Introduced: 67 public bills, H.R. 3950–3974 and H.R. 3976–4017; 1 private bill, H.R. 3975; and 11 resolutions, H.J. Res. 188, H. Con. Res. 208–210, and H. Res. 509–515 were introduced.

Pages H9921–24

Reports Filed: Reports were filed as follows:

Laws Related to Federal Financial Management (H. Rept. 104–745);

Protecting the Nation's Blood Supply from Infectious Agents: The Need for New Standards to Meet New Threats (H. Rept. 104–746);

Health Care Fraud: All Public and Private Payers Need Federal Criminal Anti-Fraud Protections (H. Rept. 104–747);

A Two-Year Review of the White House Communications Agency Reveals Major Mismanagement, Lack of Accountability, and Significant Mission Creep (H. Rept. 104–748);

Investigation into the Activities of Federal Law Enforcement Agencies toward the Branch Davidians (H. Rept. 104–749);

H.R. 3719, to amend the Small Business Act and the Small Business Investment Act of 1958, amended (H. Rept. 104–750);

H.R. 3056, to permit a county-operated health insuring organization to qualify as an organization exempt from certain requirements otherwise applicable to health insuring organizations under the Medicaid program notwithstanding that the organization enrolls Medicaid beneficiaries residing in another county (H. Rept. 104–751);

H.R. 3871, to waive temporarily the Medicaid enrollment composition rule for certain health maintenance organizations (H. Rept. 104–752);

H.R. 447, to establish a toll free number in the Department of Commerce to assist consumers in determining if products are American-made, amended (H. Rept. 104–753); and

H.R. 3553, to amend the Federal Trade Commission Act to authorize appropriations for the Federal Trade Commission (H. Rept. 104–754). **Page H9921**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designated Representative Collins of Georgia to act as Speaker pro tempore for today. **Page H9837**

Small Business Job Protection and Minimum Wage Increase: By a yea-and-nay vote of 354 yeas to 72 nays, Roll No. 398, the House agreed to the conference report on H.R. 3448, to provide tax relief for small businesses, to protect jobs, to create opportunities, and to increase the take home pay of workers. **Pages H9846–62**

H. Res. 503, the rule providing for consideration of the conference report was agreed to earlier by a voice vote. **Pages H9839–46**

Safe Drinking Water Act: By a yea-and-nay vote of 392 yeas to 30 nays, Roll No. 399, the House agreed to the conference report on S. 1316, to amend title XIV of the Public Health Service Act commonly known as the "Safe Drinking Water Act". **Pages H9863–77**

H. Res. 507, the rule providing for consideration of the conference report was agreed to earlier by a voice vote. **Pages H9862–63**

Aviation Security and Antiterrorism: By a recorded vote of 389 ayes to 22 noes, Roll No. 401, the House voted to suspend the rules and pass H.R. 3953, an act to combat terrorism. **Pages H9886–96**

The Clerk was authorized to correct section numbers, cross-references, and punctuation, and to make such stylistic, clerical, technical, conforming, and other changes as may be necessary in the engrossment of the bill. **Page H9897**

H. Res. 508, the rule providing for consideration of the motion to suspend the rules and pass the bill was agreed to earlier by yea-and-nay vote of 228 yeas to 189 nays, Roll No. 400. **Pages H9877–86**

Legislative Program: The Majority Leader announced the legislative program for a week of September 2. **Page H9897**

Committee Election: Agreed to H. Res. 509, electing Representatives Funderburk to the Committee on Agriculture. **Page H9897**

Calendar Wednesday: Agreed to dispense with Calendar Wednesday business of September 4. **Page H9897**

Resignations—Appointments: Agreed that notwithstanding any adjournment of the House until Wednesday, September 4, 1996, the Speaker and the Minority Leader be authorized to accept resignations and to make appointment authorized by law or by the House. **Page H9897**

Extension of Remarks: Agreed that for today all members be permitted to extend their remarks and to include extraneous material in that section of the Record entitled "Extension of Remarks". **Page H9897**

Designation of Speaker Pro Tempore: Read and accepted a letter from the Speaker wherein he designates Representative Wolf or, if not available to perform this duty, Representative Morella to act as

Speaker pro tempore to sign enrolled bills and joint resolutions through Wednesday, September 4, 1996. **Page H9897**

Enrollment Correction: Agreed to H. Con. Res. 208, directing the Clerk of the House of Representatives to make a correction in the enrollment of H.R. 3103. **Pages H9897–98**

Representational Allowance: The House agreed to the Senate amendment to H.R. 2739, to provide for a representational allowance for Members of the House of Representatives, to make technical and conforming changes to sundry provisions of law in consequence of administrative reforms in the House of Representatives—clearing the measure for the President. **Page H9898**

Congressional Accountability Act: House agreed to H. Res. 504, approving certain regulations to implement provisions of the Congressional Accountability Act of 1995 relating to labor-management relations with respect to employing offices and covered employees of the House of Representatives. **Page H9898**

Congressional Accountability Act: House agreed to H. Con. Res. 207, approving certain regulations to implement provisions of the Congressional Accountability Act of 1995 relating to labor-management relations with respect to covered employees, other than employees of the House of Representatives and employees of the Senate. **Pages H9898–99**

Inaugural Ceremonies: House agreed to S. Con. Res. 47, for a Joint Congressional Committee on Inaugural Ceremonies.

Inaugural Ceremonies: S. Con. Res. 48, authorizing the rotunda of the United States Capitol to be used on January 20, 1997, in connection with the proceedings and ceremonies for the inauguration of the President-elect and the Vice-President-elect of the United States. **Page H9899**

Ronald H. Brown Federal Building: The House passed H.R. 3560, to designate the Federal building located at 290 Broadway in New York, New York, as the ''Ronald H. Brown Federal Building''. **Page H9899**

Agreed to the Committee amendment in the nature of a substitute. **Pages H9899–H9900**

Sam M. Gibbons United States Courthouse: The House passed H.R. 3710, to designate a United States courthouse located in Tampa, Florida, as the ''Sam M. Gibbons United States Courthouse''. **Page H9900**

Agreed to the Committee amendment in the nature of a substitute. **Pages H9900–01**

Agreed to amend the title. **Page H9901**

Senate Messages: Messages received from the Senate today appear on page H9837.

Quorum Calls—Votes: Three yea-and-nay votes and one recorded vote developed during the proceedings of the House today and appear on pages H9862, H9876–77, and H9896. There were no quorum calls.

Adjournment: Met at 9 a.m. and pursuant to the provisions of H. Con. Res. 203, adjourned at 7:05 p.m. until 12 noon on Wednesday, September 4.

Committee Meetings

JUVENILE CRIME CONTROL AND DELINQUENCY PREVENTION ACT

Committee on Economic and Educational Opportunities: Ordered reported amended H.R. 3876, Juvenile Crime Control and Delinquency Prevention Act.

VIOLENT YOUTH CRIME ACT

Committee on the Judiciary: Continued markup of H.R. 3565, Violent Youth Crime Act of 1996.

Committee recessed subject to call.

House

No committee meetings are scheduled.

Next Meeting of the SENATE
11 a.m., Tuesday, September 3

Senate Chamber

Program for Tuesday: After the recognition of two Senators for speeches and the transaction of any morning business (not to extend beyond 2 p.m.), Senate will begin consideration of H.R. 3666, VA/HUD Appropriations.

Next Meeting of the HOUSE OF REPRESENTATIVES
12 noon, Wednesday, September 4

House Chamber

Program for Wednesday, September 4: Consideration of measures under Suspension of the Rules.

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