AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Under the previous agreement, the Senator from Minnesota is recognized.

Mr. GRAMS. Thank you, very much, Mr. President.

AMENDMENT NO. 971

(Purpose: To require the Director of the Office of Management and Budget to conduct, complete, and transmit to Congress a comprehensive economic evaluation of the direct and indirect effects of the Northeast Interstate Dairy Compact)

Mr. GRAMS. Mr. President, tonight I am pleased that an amendment by Senator FEINGOLD and I, which we intended to offer, has now been accepted in modified form.

Because this issue is so important to my State, I wanted to take some time to briefly review why I offered the amendment and why this amendment is requiring a study of the Northeast Dairy Compact.

My amendment is straightforward and is noncontroversial. It simply requires the Secretary of Agriculture to study and report the economic impacts of the Northeast Interstate Dairy Compact.

The focus of this amendment is to examine the impact of the Northeast Interstate Dairy Compact on food nutrition programs and on the entire Nation's dairy industry.

This amendment will help protect senior citizens, children, and the most needy among us.

This amendment helps all who rely on food stamps, the School Lunch Program, the Summer Food Service Program, the Child and Adult Care Food Program, the Special Milk Program, the School Breakfast Program, and the Special Supplemental Nutrition Program for Women, Infants, and Children, as well as dairy producers in 44 States.

Joining me in offering this amendment are Senators FEINGOLD, THOMAS, KOHL, LEVIN, WELLSTONE, DEWINE, and CRAIG.

As many of my colleagues may know, on July 1, 1997, the Compact became effective in a six-State region in New England giving producers there an arbitrary, fixed price for their milk—nearly $17 per hundredweight.

Unfortunately, few of us know exactly what this will mean for consumers in that region, particularly the poor; for the cost of delivering food nutrition assistance by Federal, State, and local governments; and for dairy producers in 44 other States, including my producers in Minnesota, who receive far, far less for their milk than their New England counterparts.

We are not sure of the Compact's impact, in large part, because there has been so little light shed on it. It became law attached in a conference committee. The Compact has always seemed to travel under a cloud with no justification for its existence.

For example, in the 103d Congress, the Senate Judiciary Committee held a business meeting to consider the Compact—without the benefit of a single hearing—and reported the Compact to the floor. The Senate never considered it.

A House Judiciary subcommittee held one hearing on the proposal, but eventually sent it to full Committee without recommendation because the vote was evenly divided for and against the Compact. The bill died in Committee.

In fact, at the House hearing, the administration's testimony was ''we believe this is a matter that warrants further review and consideration''. Hardly a ringing endorsement.

In the 104th Congress, the Compact was the subject of not a single hearing in either the Judiciary Committee or the Agriculture Committee of the Senate. Nor was it the topic of a single hearing in counterpart Committees in the House.

Despite this, the Compact wound up in the Senate's version of the farm bill. In response, a majority of this body voted to strip it out. The House never included the Compact in its version of the farm bill. Yet, somehow the Compact found its way back into the farm bill during conference, and survived buried in a conference report most of us supported overall.

Subsequent to the authority for the Compact becoming law, the Secretary of Agriculture decided to go ahead with implementation of the Compact despite the fact that the President's own Council of Economic Advisors recommended against it.

As a matter of fact, it was reported that the former head of the President's Council of Economic Advisors, Mr. Joseph Stiglitz, lashed out at the * * * Compact, noting it was a cost to U.S. consumers and lowered real benefits paid out via food stamps by 10 percent.

I wish I could share with my colleagues the Council of Economic Advisor's actual recommendation against the Compact. Unfortunately, however, when I wrote to the current Chairman of the Council, Ms. Janet Yellen, for that information, my request was denied.

I also took the time to show up at an Agriculture Appropriations Subcommittee hearing to submit the request to Secretary Glickman who was testifying at the time. A month or two later, I received from the Secretary yet another denial of my request for this information.

Adding insult to injury, when the Compact was being challenged in court, it seemed for a while that the Department of Agriculture was going to have a tough time just beating back that challenge even though the Federal court hearing the case was applying the lowest possible threshold—the rationale basis test—in scrutinizing the Compact.

As my colleagues are aware, the rationable basis test applied by courts only requires that there be just a little bit of logic in a government action—it just has to make some kind of sense.

Yet, on the Secretary's first attempt to explain the Compact, the judge in a frustrated tone, stated that the Secretary of Agriculture's concerns—about the Compact—expressed in four paragraphs, overshadow the four reasons, expressed in two sentences, that the Secretary gave—in favor of the Compact.

In short, the Secretary could not even supply a meager rational reason for the Compact's existence.

Shortly after that pronouncement from the court, the Secretary of Agriculture asked Judge Friedman for a second shot at rationalizing the Compact.

However, the amended brief supporting the Compact did not address the economic impacts of the Compact or even the Secretary's own concerns. But, since the court only required some kind of reasoning—any kind of reasoning—the Compact survived in court.

Mr. President, it is plain to see from all this that the cloud covering the Compact has still not lifted. The Compact and its exact economic effects are very uncertain, at best, and this should rightly concern Members from the Compact region as well as those of us in the other 44 States.

In his August 9, 1996, statement, Secretary Glickman himself stated:

> I am concerned about the potential effects of the Compact in several respects and intend, therefore, to monitor closely its implementation.

Secretary Glickman also continued:

> I expect that the Compact Commission will implement the Compact in a way that does not burden other regions of the country, consistent with the provisions of the FAIR Act and the Compact. I will monitor whether the Compact has any adverse effects on the income of dairy producers outside the Compact region.

Further, the Secretary announced, and again I quote:

> Perhaps most significantly, I am deeply concerned about and will closely monitor the effect of the Compact on consumers, especially low-income families, within the Compact region.
>
> I expect that the Commission will pay close attention to monitor the effects of its decisions on consumers before and after it takes any action.

He went on to say, and again I am quoting:

> I also expect the commission and the Compact States to provide assistance to offset any increased burden on low-income families in the Compact region. I am also concerned about the effect of the Compact on the Department of Agriculture's nutrition programs, and I expect the commission to exercise its authority to reimburse participants in a special supplemental nutrition program for WIC and to fulfill its obligation to reimburse the CCC, as provided in the Compact and in the FAIR Act.

Mr. President, despite the concerns expressed by the Secretary of Agriculture regarding the compact, we still

have no way of knowing whether the compact is in fact having an adverse effect on consumers, especially the poor, and, if it is, to what extent.

We have no way of knowing whether the compact is increasing the cost of food nutrition programs, adversely affecting taxpayers who foot the bill. We also have no way of knowing whether the compact has an adverse effect on the dairy producers of 44 other States in this country or whether the CCC will pick up bigger tabs because of the compact. The only information we have today are newspaper articles from the compact region reporting that retail milk prices have climbed 20 to 26 cents per gallon since the compact was implemented, and retailers and consumer groups are blaming the compact.

We are also hearing word that milk production in the compact region is on the rise in response to the fixed prices New England dairy producers are receiving. I am told that one large processor in the compact region is not accepting any additional milk at one of its plants and is instead shipping five to seven loads a day of excess milk to the Midwest where it is sold for around $7 to $8 per hundredweight for processing.

If these reports are correct, New England lawmakers should be extremely concerned about their consumers, especially the poorest among them. My colleagues from the other 44 States, especially those States that produce dry powdered milk or cheese, should be equally concerned about producers in their home States having to compete with $7 and $8 milk coming out of New England. But the fact is none of us know for sure what is happening out there due to the compact because the cloud lingers, and, therefore, all I am asking from my colleagues is a little bit of sunshine.

It seems to me that last Congress we bought this rig sight unseen without even so much as kicking the tires. Under those circumstances, I don't think it is unreasonable to now ask that we take a look under the hood. If the folks who sold us the compact are right, then there is nothing to hide. At this juncture, I believe that a study of the compact is not only appropriate but it is very necessary.

Mr. President, in the August 9, 1996, statement of Secretary Glickman, which I mentioned earlier, the Secretary also stated:

> I also encourage Congress to exercise its oversight function and to monitor the implementation of the compact.

Mr. President, I think the Secretary has offered us some very sound advice. This is the best way to provide that necessary oversight. If the compact is compromising our efforts to help the disadvantaged, the senior citizens and children through nutrition programs or disadvantaging dairy producers in 44 States, I want to be one of the first to learn that information and then to do something about it.

So, Mr. President, I understand again that this amendment I offer with Senator FEINGOLD is accepted, and I thank all of those who have helped us work on this and support it.

Also, Mr. President, I ask unanimous consent that I add Senator ABRAHAM to the list of cosponsors of this amendment as well.

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

Mr. GRAMS. I thank the Chair. I thank you for the time and I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. Is the Senator's amendment offered for a vote?

Mr. GRAMS. Mr. President, I understand that the amendment has been accepted.

The PRESIDING OFFICER. The amendment would need to be offered and a voice vote taken.

Mr. GRAMS. Mr. President, my understanding is that the amendment has been accepted and no recall vote is needed.

The PRESIDING OFFICER. The Senator needs to send the amendment to the desk.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

> The Senator from Minnesota [Mr. GRAMS], for himself, Mr. FEINGOLD, Mr. KOHL, Mr. LEVIN, Mr. WELLSTONE, and Mr. CRAIG, proposes an amendment numbered 971.

Mr. GRAMS. 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 66, between lines 12 and 13, insert the following:
>
> **SEC. 728. STUDY OF NORTHEAST INTERSTATE DAIRY COMPACT.**
>
> (a) DEFINITIONS.—In this section:
>
> (1) CHILD, SENIOR, AND LOW-INCOME NUTRITION PROGRAMS.—The term ''child, senior, and low-income nutrition programs'' includes—
>
> (A) the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);
>
> (B) the school lunch program established under the National School Lunch Act (42 U.S.C. 1751 et seq.);
>
> (C) the summer food service program for children established under section 13 of that Act (42 U.S.C. 1761);
>
> (D) the child and adult care food program established under section 17 of that Act (42 U.S.C. 1766);
>
> (E) the special milk program established under section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772);
>
> (F) the school breakfast program established under section 4 of that Act (42 U.S.C. 1773);
>
> (G) the special supplemental nutrition program for women, infants, and children authorized under section 17 of that Act (42 U.S.C. 1786); and
>
> (H) the nutrition programs and projects carried out under part C of title III of the Older Americans Act of 1965 (42 U.S.C. 3030e et seq.).
>
> (2) COMPACT.—The term ''Compact'' means the Northeast Interstate Dairy Compact.
>
> (3) NORTHEAST INTERSTATE DAIRY COMPACT.—The term ''Northeast Interstate Dairy Compact'' means the Northeast Interstate Dairy Compact referred to in section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256).
>
> (4) DIRECTOR.—The term ''Director'' means the Director of the Office of Management and Budget.
>
> (b) EVALUATION.—Not later than December 31, 1997, the Director shall conduct, complete, and transmit to Congress a comprehensive economic evaluation of the direct and indirect effects of the Northeast Interstate Dairy Compact, and other factors which affect the price of fluid milk.
>
> (c) COMPONENTS.—In conducting the evaluation, the Director shall consider, among other factors, the effects of implementation of the rules and regulations of the Northeast Interstate Dairy Compact Commission, such as rules and regulations relating to over-order Class I pricing and pooling provisions. This evaluation shall consider such effects prior to implementation of the Compact and that would have occurred in the absence of the implementation of the Compact. The evaluation shall include an analysis of the impacts on—
>
> (1) child, senior, and low-income nutrition programs including impacts on schools and institutions participating in the programs, on program recipients and other factors;
>
> (2) the wholesale and retail cost of fluid milk;
>
> (3) the level of milk production, the number of cows, the number of dairy farms, and milk utilization in the Compact region, including—
>
> (A) changes in the level of milk production, the number of cows, and the number of dairy farms in the Compact region relative to trends in the level of milk production and trends in the number of cows and dairy farms prior to implementation of the Compact;
>
> (B) changes in the disposition of bulk and packaged milk for Class I, II, or III use produced in the Compact region to areas outside the region relative to the milk disposition to areas outside the region—
>
> (C) changes in—
>
> (i) the share of milk production for Class I use of the total milk production in the Compact region; and
>
> (ii) the share of milk production for Class II and Class III use of the total milk production in the Compact region;
>
> (4) dairy farmers and dairy products manufacturers in States and regions outside the Compact region with respect to the impact of changes in milk production, and the impact of any changes in disposition of milk originating in the Compact region, on national milk supply levels and farm level milk prices nationally; and
>
> (5) the cost of carrying out the milk price support program established under section 141 of the Agricultural Market Transition Act (7 U.S.C. 7251).
>
> (d) ADDITIONAL STATES AND COMPACTS.—The Secretary shall evaluate and incorporate into the evaluation required under subsection (b) an evaluation of the economic impact of adding additional States to the Compact for the purpose of increasing prices paid to milk producers.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 971) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. WELLSTONE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. By previous order, the Senator from Minnesota has the floor and has an amendment.

Mr. WELLSTONE. Mr. President, my understanding is that the Senator from—I thought that this amendment was going to be much more brief. That was my understanding. I am anxious to go on with my amendment, but my understanding is that the Senator from Vermont had wanted to speak on this, and out of courtesy to a colleague, I defer to him.

I ask the Senator, does he know how long he will be speaking?

Mr. LEAHY. Mr. President, I tell my good friend from Minnesota that I will speak probably about 1 minute.

Mr. WELLSTONE. More than that.

Mr. LEAHY. It will be very brief.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I thank Senators who worked very hard in working this matter out. I thank the distinguished chairman of the subcommittee, my good friend, the senior Senator from Mississippi, for his efforts and, of course, the senior Senator from Arkansas [Mr. BUMPERS], for his efforts.

I thank the members of my staff who worked so hard, and my colleague from Vermont, Senator JEFFORDS. And, of course, Senator GRAMS and Senator FEINGOLD, from Wisconsin, who as a Member of the Judiciary Committee, while involved in a very difficult markup today, also spent a great deal of time in trying to work out this matter of great concern to his dairy farmers, as it is the other Senator from Minnesota, Mr. WELLSTONE.

We have worked out an understanding regarding a study of the Northeast Dairy Compact and regarding milk pricing practices as they effect consumers.

The Director of OMB will do a study on dairy, retail store, wholesaler and processor pricing in New England.

Many Senators are very concerned, and I have not found one who is not, that when the price that farmers get for their milk drops that the retail price—the consumer price—often does not drop.

Wholesalers or retail stores appear to be simply making more profits at the expense of farmers.

This is one issue we are very interested in.

Also, the price of milk in New England, in the South, in the Midwest, and in the West is supported by a variety of milk marketing orders. These have a tremendous impact on the price of milk in retail stores, and these marketing orders will continue to exist for years to come.

The Northeast Dairy Compact will exist for only about 18 months—it terminates in 1999, or when the Secretary reforms the milk marketing order system, whichever comes first as provided in the farm bill.

I want to remind everyone that the compact was first approved by each of the six legislative bodies in New England, and signed into law by each of their Governors.

So the impact on retail prices of the milk marketing order system, the impact on prices of wholesaler and retail profits, the impact on prices of the dairy compact, among other factors will be examined by the Director.

The prices farmers get for their milk dropped substantially last November nationwide. They dropped quickly, and have stayed low for months.

It amounted to a 35 cent to 40 cent drop on a per gallon basis. That is a huge drop for farmers. Yet retail stores did not lower their prices to consumers except by a few pennies.

Prices that farmers got stayed low, and prices paid by consumers stayed high.

How did the stores make out during this big price drop to farmers? There has been a major increase in retail store profits for milk.

In some areas of the country there is now a $1.40 per gallon difference between the raw milk price—which farmers get—and the retail price of milk.

Now that stores took advantage of that price drop to lock in huge profit margins for milk are they going to give consumers a break? Of course not.

The Compact Commission did its job. They picked a fair return for farmers that is lower than the average price last year for milk.

Let me repeat that: under the Compact farmers in New England are getting less for their milk than the average price they got for their milk last year.

Because retail stores now have huge built-in profit margins on milk there should be no increases in price under the compact—yet retail stores are not satisfied.

The Wall Street Journal and the New York Times have exposed this retail store overcharging for milk.

The Wall Street Journal pointed out that the value of milk for farmers plunged by 22 percent since October of 1996—but that no comparative decline occurred in the retail price of milk.

Farmers got one-fifth less for their milk, and stores made a bundle. The dairy case is now the most profitable part of a supermarket.

The last time I asked GAO to look at store profits for milk I was amazed at what they discovered.

GAO found then, and its the same now, that when farm prices collapse that retail milk prices to consumers stay high.

The failure of stores to lower prices may have had a significant adverse impact on nutrition programs. Also, I know from newspaper accounts that one chainstore in Maine dropped the price of a gallon of skim milk by one penny after the compact was implemented. Other stores reacted differently even though they enjoyed the benefit of a major price drop which I previously discussed. We need to know if stores unfairly increased prices by taking advantage of the compact even though they did not have to increase prices at all.

I thank my good friend from Minnesota for the courtesy of letting me take this time, and my friend from Minnesota, Mr. GRAMS.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

AMENDMENT NO. 972

(Purpose: To provide funds for outreach and startup for the school breakfast program, with an offset)

Mr. WELLSTONE. 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 Minnesota [Mr. WELLSTONE] proposes an amendment numbered 972.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 28, line 21, strike ''$202,571,000'' and insert ''$197,571,000''.

On page 47, line 6, strike ''$7,769,066,000'' and insert ''$7,774,066,000''.

On page 47, line 13, insert after ''claims'' the following: '': *Provided further,* That not less than $5,000,000 shall be available for outreach and startup in accordance with section 4(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(f))''.

On page 66, between lines 12 and 13, insert the following:

SEC. 728. OUTREACH AND STARTUP FOR THE SCHOOL BREAKFAST PROGRAM.

Section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) is amended by adding at the end the following:

''(f) OUTREACH AND STARTUP.—

''(1) DEFINITIONS.—In this subsection:

''(A) ELIGIBLE SCHOOL.—The term 'eligible school' means a school—

''(i) attended by children, a significant percentage of whom are members of low-income families;

''(ii)(I) as used with respect to a school breakfast program, that agrees to operate the school breakfast program established or expanded with the assistance provided under this subsection for a period of not less than 3 years; and

''(II) as used with respect to a summer food service program for children, that agrees to operate the summer food service program for children established or expanded with the assistance provided under this subsection for a period of not less than 3 years.

''(B) SERVICE INSTITUTION.—The term 'service institution' means an institution or organization described in paragraph (1)(B) or (7) of section 13(a) of the National School Lunch Act (42 U.S.C. 1761(a)).

''(C) SUMMER FOOD SERVICE PROGRAM FOR CHILDREN.—The term 'summer food service program for children' means a program authorized by section 13 of the National School Lunch Act (42 U.S.C. 1761).

''(2) PAYMENTS.—The Secretary shall make payments on a competitive basis and in the following order of priority (subject to the other provisions of this subsection), to—

''(A) State educational agencies in a substantial number of States for distribution to eligible schools to assist the schools with nonrecurring expenses incurred in—

''(i) initiating a school breakfast program under this section; or

''(ii) expanding a school breakfast program; and

''(B) a substantial number of States for distribution to service institutions to assist the institutions with nonrecurring expenses incurred in—

''(i) initiating a summer food service program for children; or

''(ii) expanding a summer food service program for children.

''(3) PAYMENTS ADDITIONAL.—Payments received under this subsection shall be in addition to payments to which State agencies are entitled under subsection (b) of this section and section 13 of the National School Lunch Act (42 U.S.C. 1761).

''(4) STATE PLAN.—To be eligible to receive a payment under this subsection, a State educational agency shall submit to the Secretary a plan to initiate or expand school breakfast programs conducted in the State, including a description of the manner in which the agency will provide technical assistance and funding to schools in the State to initiate or expand the programs.

''(5) SCHOOL BREAKFAST PROGRAM PREFERENCES.—In making payments under this subsection for any fiscal year to initiate or expand school breakfast programs, the Secretary shall provide a preference to State educational agencies that—

''(A) have in effect a State law that requires the expansion of the programs during the year;

''(B) have significant public or private resources that have been assembled to carry out the expansion of the programs during the year;

''(C) do not have a school breakfast program available to a large number of low-income children in the State; or

''(D) serve an unmet need among low-income children, as determined by the Secretary.

''(6) SUMMER FOOD SERVICE PROGRAM PREFERENCES.—In making payments under this subsection for any fiscal year to initiate or expand summer food service programs for children, the Secretary shall provide a preference to States—

''(A)(i) in which the numbers of children participating in the summer food service program for children represent the lowest percentages of the number of children receiving free or reduced price meals under the school lunch program established under the National School Lunch Act (42 U.S.C. 1751 et seq.); or

''(ii) that do not have a summer food service program for children available to a large number of low-income children in the State; and

''(B) that submit to the Secretary a plan to expand the summer food service programs for children conducted in the State, including a description of—

''(i) the manner in which the State will provide technical assistance and funding to service institutions in the State to expand the programs; and

''(ii) significant public or private resources that have been assembled to carry out the expansion of the programs during the year.

''(7) RECOVERY AND REALLOCATION.—The Secretary shall act in a timely manner to recover and reallocate to other States any amounts provided to a State educational agency or State under this subsection that are not used by the agency or State within a reasonable period (as determined by the Secretary).

''(8) ANNUAL APPLICATION.—The Secretary shall allow States to apply on an annual basis for assistance under this subsection.

''(9) GREATEST NEED.—Each State agency and State, in allocating funds within the State, shall give preference for assistance under this subsection to eligible schools and service institutions that demonstrate the greatest need for a school breakfast program or a summer food service program for children, respectively.

''(10) MAINTENANCE OF EFFORT.—Expenditures of funds from State and local sources for the maintenance of the school breakfast program and the summer food service program for children shall not be diminished as a result of payments received under this subsection.''.

Mr. WELLSTONE. Mr. President, I am sorry it is late tonight. I am going to have a chance to summarize this amendment for colleagues tomorrow. Let me just start out with a poster from the Children's Defense Fund: ''Remember Those Hungry Kids In China? Now They Are In Omaha.'' But it could be in any of our States. Currently there are an estimated 5.5 million American kids who don't eat regularly. They don't get enough to eat.

Mr. President, we have to do better. I offer an amendment to the agriculture appropriations bill which would revive the outreach and startup grants program for school breakfasts. They are called outreach grants. It may come as a shock to some of the Members of this body that children, too many children, are going to school hungry and we are not doing anything about it. Let me repeat that. I have brought this amendment to the floor of the Senate before. I now have an amendment on the agriculture appropriations bill. I hope I will win on this amendment. I appeal to my colleagues to please support this amendment, but I will come back with this amendment over and over and over again, until I restore the funding.

This program was eliminated. Let me just repeat what is going on here. There are too many children who go to school who are hungry. We are not doing anything about it. There are too many children who go to school with rotting teeth from non-nutritious foods. There are too many children who go to school with aching, empty stomachs. There are too many children who go to school who are unable to learn because they are malnourished and hungry. And that is not the goodness in our country.

Mr. President, the welfare law of 1996 eliminated—eliminated the school breakfast outreach and startup grants. They were created in 1990 and they were made permanent in 1994. What these outreach grants are all about—and we are talking about $5 million and only $5 million to reestablish this program—these were grants that enabled States and school districts to set up school breakfast programs. Some 45 States have received these funds. Every student who is eligible for a free lunch is eligible for school breakfast as well. However, only about 40 percent of those who are hungry, those who come from very low-income families and are eligible for school lunch program, are able to participate in the school breakfast program as well.

This program, this outreach program which was combined with the public awareness program by the Food Research and Action Committee—and thank God we have FRAC, because they do wonderful work, and other nutrition advocacy groups—was a catalyst. We were able, through this outreach program, to expand the school breakfast program by 26,000 schools to an additional 2.3 million poor children between 1987 and 1994.

I would like my colleagues to listen carefully to this, not only tonight, many are gone but staffs are around, but also tomorrow when I summarize. This program was extremely successful. It was eliminated because of the almost Orwellian argument that the $5 million outreach program should be eliminated because it was effective, because it was providing States and school districts with the information they needed to set up a school breakfast program to help hungry, malnourished children.

I need to repeat that argument. This was completely eliminated. We eliminated an outreach program for poor children in America to make sure that they were able to participate in the school breakfast program because the argument was made it was encouraging school districts to set up school breakfast programs and therefore the Federal Government would have to contribute some money.

Yes, we would. And that would be a good thing. Because today there are 14.3 million children who receive free and reduced-price lunches, but 8 million of them, spread across 27,000 schools, go to school hungry and receive no school breakfasts at all. Mr. President, 8 million children who need the help, 8 million children who could be starting out the day with a nutritious breakfast, do not receive that assistance, in part because we eliminated a $5 million outreach grant program. We eliminated the whole program. My colleagues know that hungry children cannot learn. And they know that if they cannot learn, when they are adults they won't be able to earn. I could not think of anything that is more shortsighted.

Let me just repeat, talking about children and the importance of an equal chance for every child, too many children in our country, 8 million children—maybe more, maybe a few less, what difference does it make?—go to school and there is no school breakfast program. They are eligible. We eliminated the outreach program that would give States and school districts additional information so they could help hungry children, and as a result of that there are too many children who don't do well in school.

Let me go with the next chart, although I will hold this up tomorrow. I would like my colleagues to see this.

There are hungry kids in our country, an estimated 5.5 million American kids don't regularly get enough to eat. That is the Food Research in Action Coalition report, that is the Children's Defense Fund, this comes from the work of Tufts University. I mean, the evidence is there, colleagues. We have too many children who are malnourished. We have too many children that do not have an adequate diet. And we eliminate a $5 million program, an outreach program, because we said it was too effective.

This chart points out the percentage of children from hungry and nonhungry households, and how it relates to health-related problems. Let me point out, the red is percent of nonhungry children, the green is percent of hungry children. Whether you are looking at unwanted weight loss, or fatigue, or frequent colds, or inability to concentrate, or ear infection, dizziness, asthma, allergies, diarrhea, irritability, frequent headaches—over and over and over again—this is from the Food Research Action Council, 1995—it is dramatic: The much larger percentage of children who are hungry children experience all of these specific health related problems.

It is not too much, I say to my colleague from Mississippi, this is not too much to ask for. I don't think, when we voted on the welfare bill, the debate was really on this one $5 million outreach program. It was just one program in a large bill that we eliminated and we should not have. We set it up in 1990. It was very effective between 1990 and 1994; 1995, it was an excellent program, it was a program that provided outreach to 45 States. It meant that some additional school districts knew how to set up a school breakfast program. And, yes, we ended up providing some funding for that. But we should. Where there are children in need, where there are children who could really be helped by a program that would give them a nutritious meal, would give them a nutritious breakfast, we ought to make sure that happens. Otherwise these children don't do as well in school.

I would just say to my colleagues, this is really all about our national vow of equal opportunity for every child. How can anybody here in the U.S. Senate say that we truly have equal opportunity for every single child when we have over 5 million children that do not get enough to eat and we don't even allocate $5 million for an outreach program that would help those children start out the day with a nutritious breakfast? This is wrong. I am just sure of it. This is wrong. We have to be able to do this.

I just want to say, because my colleague is on the floor, Senator COCHRAN from Mississippi, that the Ag Appropriations Subcommittee did not cut this program at all. They didn't eliminate this program. This happened in the overall welfare bill. This was not action of the Appropriations Committee.

I also want to say that Senator COCHRAN has been an advocate for children's nutrition programs. So let me be crystal clear, this is not aimed at some action taken by the Ag Appropriations Committee. But, Mr. President, what we did in the last Congress was profoundly mistaken.

Let me just read for a moment—and there are many different studies I could read from—from the Tufts study. This really went back to 1987, in which Meyer Sampson, et al, examined the effect of the School Breakfast Program on school performance of low-income students in Lawrence, MA.

In any case, what they found out is that from standardized tests to lateness and absences, over and over again, children who participated in the School Breakfast Program were shown to do much better on achievement tests, were shown to get to school on time, were shown to not be absent from school so often.

It is just so clear. Can't we come up with $5 million? Now we have a doctor, Dr. FRIST, who is presiding. This is a medical issue. I am just saying to Dr. FRIST that we have a study here from the Food Research Action Council which points out the correlation between children who are malnourished and some of the health problems—unwanted weight loss, fatigue, frequent colds, inability to concentrate, ear infection, dizziness.

I am saying I don't think any of us realize that in the welfare bill, we eliminated a $5 million—that is all it is—outreach program that was very effective. It was in operation in 45 States, and for the $5 million investment, we help provide school districts with information about how they can set up a school breakfast program.

I am pointing out that there are some 8 million children who are eligible for the School Breakfast Program who don't receive any help, and there are too many children who go to school and don't get a nutritious meal. For $5 million, I say to my colleagues, we could have this outreach program. We never should have eliminated it. We know that when children are hungry, they don't do as well in school. The evidence is irrefutable and irreducible. We know that when children are malnourished and hungry that they don't have the same opportunities as our children do to do well in school. And we know that there is, as reported by the Tufts study, as reported by some of the work of the Food Research Action Council, and I have here about—if I had wanted to, I could have taken several hours to go over this amendment—a variety of different studies that have been done, and over and over and over again, it is the same. This is the Tufts University School of Nutrition, I say to the Presiding Officer, ''The Link Between Nutrition and Cognitive Development in Children.''

Look, if we have children in our country—and the evidence is clear—who go to school and, because their parents are so poor or for other reasons, and they are eligible because they are from low-income families, they don't get that nutritious breakfast, and we know there is a link between nutrition and cognitive development, we know there is a link in early years, we know there is a link in terms of how children do in school, why in the world would we have eliminated an outreach program? That is what we did.

I will tomorrow, in summarizing this amendment, talk about what the offset will be, but I want to be real clear to everybody who is listening tonight—and I will do my very best to talk about this tomorrow again—that it may come as a shock, but the fact of the matter is, there are too many children who are going to school hungry, and we are not doing what we could do to help those children.

It is a fact that there are too many children who go to school with rotting teeth from non-nutritious foods, and we could allocate $5 million for an outreach program which, as I pointed out, multiplies itself over and over and over again, and, in fact, has made a huge difference for some 2.3 million children.

It is a fact that too many children are going to school with aching, empty stomachs, and we are not doing all that we can do to help those children.

It is a fact that there are too many children who, because they do not start out the day with a decent meal, are not able to learn, and I will say it one more time, they are not able to learn, and because they are not able to learn, when they are adults, they are not able to earn.

How shortsighted can it be to not be willing—we had a $270 billion Pentagon budget. We have all sorts of subsidies that go to oil companies, to pharmaceutical companies, to big insurance companies. We find all sorts of places and areas to spend money, and this $5 million outreach program was eliminated.

Mr. President, maybe some people who are watching tonight will have a chance to speak on the floor about something I think is important tomorrow morning. I will have a chance to summarize this amendment. But one more time, I hope that we will restore this. I could read study after study after study, but I don't think I need to; I really don't think I need to. It is just crystal clear: We never should have eliminated a $5 million outreach program that actually led to some 2.2 million more children having the chance to participate in the School Breakfast Program, because this outreach program gave school districts and gave States the information they needed to set up the School Breakfast Program.

Then in the welfare bill, this outreach program was eliminated because the curious argument was made that it was too successful and too many school districts were setting up the School Breakfast Program and, God forbid, we were going to have to spend more money on child nutrition. That is the

argument that was made, not by this committee, but the Ag Committee has jurisdiction over nutrition programs.

I say to my colleague from Mississippi, this is an opportunity for us to do something in a bipartisan way that would really make a difference. This would be a good thing to do. This would be a right thing to do. This would be a small thing to do, but it would have a really large impact.

Mr. President, I reserve the remainder of my time to see whether or not there might be some reaction to my amendment.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I appreciate very much the kind remarks of the distinguished Senator from Minnesota in connection with the fact that the program discussed by him, and which is the subject of his amendment, was not in any way reduced in funding by the action of the Agriculture Appropriations Subcommittee or the full Committee on Appropriations. As a matter of fact, we tried very hard to identify needs in the nutrition area, including the school lunch programs, child nutrition programs, food stamps, Women, Infants and Children feeding program, and others. I think Senators will notice that there are substantial increases in funding for WIC, for example, to make sure there is a full participation permitted next year, and that means we had to add $200 million more to that account to help guarantee that no one participating in the WIC Program now would be denied eligibility or participation due to a lack of funding next year.

And in every other way, we tried to look at the evidence before the committee that we had available to us during our hearings to assess the needs and to make available the funds that we thought were necessary to help make sure that all Americans have access to a nutritious diet, that the food supply is safe, and that, in every respect, we continue to make sure that people in our society do not have to go without food.

Having said that, the Senator is correct in that there are still a lot of unmet needs, there are still a lot of problems. We can identify areas of the country that have special needs. I am sympathetic to those needs and assure all Senators that this committee will continue to try to work to alleviate those needs.

The amendment addresses language that was adopted by the Senate and eventually contained in legislation signed by the President that modified a lot of the programs that do provide assistance to individuals. In the welfare reform effort, there were a number of the laws that were modified, some under the jurisdiction of our Agriculture Committee—this was one of them—that were made necessary through the establishment of spending ceilings in certain program areas.

Our committee had the unwelcome task in many cases of identifying programs that could be helpful in some areas of the country but, for various reasons, maybe the States or local school districts, it was thought, could do the things that the Federal Government had previously been trying to do. And this is one area.

Outreach is very important. School districts, local communities, State governments all have resources, all have very dedicated people leading them in elected positions and in every way are available to help deal with problems that the Senator from Minnesota has discussed.

I do not know what the disposition of the legislative committee will be on this amendment, whether it will suggest that it ought to be accepted or resisted. We are consulting with the leaders of the legislative committee, and we understand that they will continue to look at this and maybe tomorrow when we return to consideration of this amendment in the morning when we convene, there may be a better understanding of what the response will be at that time.

But at this point, I am willing to let the Senator continue to discuss his amendment if he likes. He has the right to do that under the order that has been entered, and we will be happy to continue to work with him on this and other issues that he is interested in.

The PRESIDING OFFICER. Who yields time?

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, let me thank my colleague, who is always gracious. I think that is one of the reasons he is held in such high regard.

I just point out again that we can have a discussion tomorrow morning or negotiation. And look, from my point of view, you know, I am sometimes grateful for small victories. And if there was a way that this amendment would be accepted, I would be very pleased. Then I would have to fight hard to keep it in the conference committee.

Mr. President, I think that my colleague from Mississippi is absolutely correct in his analysis of what happened by way of going after this outreach grant program for school breakfasts with the argument being, ''Here are the caps and here is what we have got to do to save the money.'' If you want to, call me naive, but I just would like to say that this is a very brutal argument, not by my colleague from Mississippi, but this is a brutal argument that people are making. ''We have got caps. We have got to save the money. Therefore, we eliminate a $5 million outreach program because it has led—that is why we have to eliminate it—it will lead to more school districts setting up a school breakfast program, and, therefore, more children who are in fact malnourished or hungry will be able to get at school a nutritious breakfast.'' That is a brutal argument.

Why in the world are we willing to make these kinds of cuts that target these children when we know darn well that the medical evidence and the educational evidence is so clear that it can make a huge difference whether or not a poor child has a decent breakfast and can start out the schoolday with a decent breakfast?

What do you think the price is that we pay in children that could do well in school, that don't, that drop out? What do you think the price is that we pay for kids that get into trouble with substance abuse, that get into trouble with the law, that there is a higher correlation between high school dropouts and incarceration than cigarette smoking and lung cancer? What is the price we pay for kids dropping out?

Now, an adequate breakfast for a poor child does not, ipso facto, guarantee that child will do well. But why in the world did we eliminate this outreach program? And why can't we restore it?

Mr. President, I am really hoping that tomorrow we will be able to get support for this one. The Tufts University—I believe the Chair knows the Tufts University does some pretty good work, especially when it comes to issues with children and malnutrition.

Current scientific research links nutrition and cognitive development.

Undernutrition along with environmental factors associated with poverty can permanently retard physical growth, brain development, and cognitive functioning.

The longer a child's nutritional, emotional, and education needs go unmet, the greater the likelihood of cognitive impairments.

Iron deficiency anemia, affecting nearly 25 percent of poor children in the United States, is associated with impaired cognitive development. Iron deficiency anemia, which affects 25 percent of poor children in the United States, is associated with impaired cognitive development, and we cannot find $5 million for an outreach program, for a school breakfast program for malnourished children?

Poor children who attend school hungry perform significantly below nonhungry low-income peers on standardized test scores.

There is a study—I am a social scientist. They had an experimental group and control group, and they found out—they took children from the same income category—and they found that those children who attended school not hungry did much better on standardized tests than those children who attended school hungry.

Is anybody here surprised by that finding? Isn't that clear? Those children from poor families who go to school and receive a good breakfast will do better in school, will do better on standardized tests. Does anybody want to argue with that? Well, if you

don't, then how can you eliminate an outreach program that makes sure that those children are able to get that healthy breakfast?

So, Mr. President, we will have more debate on this tomorrow. I thank my colleague, the Senator from Mississippi. I really hope that there will be support for this amendment, that we can find the small amount of money which would make such a huge difference.

In any case, this is one of those amendments I just am going to keep bringing out on the floor because I know that we did the wrong thing. I know that. I think I can argue that. Since I believe in the goodness of people and I believe in the goodness of the Senate, I think there has just got to be a way that we can restore this program because it is not a program; it is kids, it is children. And we can help them.

I yield the floor.

AMENDMENT NO. 971

Mr. FEINGOLD. Mr. President, I am pleased to be a cosponsor of the amendment offered by Senator GRAMS which has been agreed to today and it has been my pleasure to work with the Senator from Minnesota [Mr. GRAMS] and the Senators from Vermont [Mr. LEAHY and Mr. JEFFORDS] to reach an agreement to require the Director of the Office of Management and Budget to study the impacts of the Northeast Interstate Dairy Compact. I appreciate the cooperation of the senior Senator from Mississippi [Mr. COCHRAN] and the senior Senator from Arkansas [Mr. BUMPERS] in reaching agreement on this amendment.

Mr. President, the amendment we have offered today is an extremely reasonable amendment on which all Senators should agree. This amendment simply requires that the Director of the Office of Management and Budget study the economic effects of implementation of the Northeast Interstate Dairy Compact with respect to consumers, dairy farmers outside the compact as well as on vital low income nutrition programs such as the National School Lunch Program, the School Breakfast Program, and the Summer Food Service Program all offer milk to children from low-income families. The congressional oversight provided by this amendment is the responsible thing to do and I am pleased that the managers of the bill and the compact supporters have agreed to have this study conducted.

The Northeast Interstate Dairy Compact was included in the conference report of the Federal Agricultural Improvement and Reform Act of 1996, or farm bill, despite the fact the full Senate decisively struck the compact from the Senate bill by a vote of 50 to 46. The compact was in neither the Senate farm bill nor the House version of the farm bill as passed by both Chambers.

It is unfortunate that the will of the Senate was undermined by the backroom agreements of the conference committee. That conference agreement further undermined the authority of the Congress by improperly delegating to the Secretary of Agriculture the ability to consent to the compact, regardless of the national public interest. This amendment will help us to determine whether the public interest is subverted by the compact.

And the public interest is definitely implicated by the Northeast Interstate Dairy Compact. The compact allows six States to fix milk prices paid to dairy farmers well beyond the minimum price specified under Federal Milk Marketing Orders. The compact also allows those six States to keep out milk produced by farmers from other parts of the country, regardless of how competitively that milk is priced. The compact provides competitive credits, or subsidies, to compact milk processors in order to allow them to sell their milk outside of the compact region. Meanwhile, the compact fails to protect consumers from increased prices and does not have any mechanism in place to protect farmers outside the compact from the actions of dairy farmers in six States who are isolated from the market conditions that non-compact producers face.

Mr. President, up to this point both the concern about, and the promise of, the Northeast Dairy Compact has been conjecture. But now that the compact has gone into effect we will have hard data to examine its economic impacts.

The Northeast Interstate Dairy Compact Commission fixed the price of fluid milk in the compact region at $16.94 per hundredweight on July 1, 1997. That price is a full $3.00 above the price Northeast farmers would have received in July under Federal Milk Marketing Orders. As many of the compact opponents had predicted, the retail price of fluid milk has increased by as much as 26 cents per gallon—a full cost increase pass through to consumers—something the compact proponents said would never happen.

And media in the Northeast report on farmers who are now considering adding more cows to their herds to increase their production and income when in fact, compact proponents suggested that the compact would not increase milk production in the Northeast. These production increases in the compact region come at a time when producers in the 44 other States are facing 6-year low prices due to excess dairy product stocks. At a time when the market is sending the dairy industry the signal to cut back of supplies, the compact farmers are getting the signal to increase production.

Furthermore, anecdotal reports from milk buyers in the Northeast suggest that excess milk production from the Northeast is already being dumped on States outside of the region at prices less than half the price being paid to compact producers. Farmers fear this excess milk will depress prices nationally which are already at devastatingly low levels. Yet compact opponents were assured that no milk would be dumped outside of the compact because the compact was a net milk importer.

Mr. President, given that many of the things compact proponents said could never happen appear to be happening—increased consumer costs, increased milk production, lower priced exports of milk from the compact region—we must take a careful look at the impacts of this compact.

We must scrutinize how the compact affects our vital low-income nutrition programs. The National School Lunch Program serves 25 million children daily and in 1996 served 4.3 billion lunches. The six compact States alone served 170 million school lunches in 1996, nearly all of which were served with milk. Milk is also a component of the School Breakfast Program, the Summer Food Service Program, the Child and Adult Care Food Program and the Special Milk Program, programs all offered in the compact States.

If the cost of milk to consumers is going up in the compact region due to compact milk price, the value of food stamps for poor families may be declining, costs to schools, summer food service institutions and child and adult care facilities are likely increasing as their per meal reimbursement remains flat and the cost of the milk they serve increases, and the food dollars of low-income families are likely not stretching as far as they used to. It is absolutely critical that we determine the impact of the Northeast Interstate Dairy Compact on these vital nutrition programs and I am surprised that compact proponents do not agree.

The amendment that has been accepted today will help determine whether or not the benefit of the compact exceeds the financial cost to dairy producers in other States.

The Northeast dairy compact has been extremely controversial in the U.S. Senate because it takes an entirely regional approach to dairy policy, walling off a few farmers in six States from the conditions faced by tens of thousands of dairy farmers elsewhere. And Mr. President I believe the Northeast dairy compact will ultimately harm Wisconsin's 24,000 dairy farmers. But I also believe it will hurt dairy farmers in the 44 non-compact States such as California, Washington, Oregon, Pennsylvania, Illinois, Idaho, and Indiana, among others.

Milk is produced and marketed in a national, not a regional market. And what happens with respect to milk prices and production levels in one region has national repercussions. Wisconsin's family farmers, with an average herd size of 55 cows, are concerned that increased production in the Northeast spurred on by the high compact milk price, will depress prices throughout the Nation. Farmers who are suffering from the current national $10.74 basic milk price cannot afford to suffer further price declines due to increased milk production from the Northeast. Furthermore, as history has shown increased milk production in one region

in surplus of what is needed for fluid purposes results in surplus production of cheese, butter and similar product. This in turn depresses cheese prices which directly impact prices paid to producers. These concerns are serious and the compact must be carefully evaluated to determine if compact farmers are producing too much milk to the detriment of non-compact farmers.

Mr. President, I am pleased the Senate today has recognized the obligation of this body in ensuring that the compact is carefully monitored and its impacts scrutinized.

Mr. President, I remain strongly opposed to the compact and will continue to work toward its repeal. The compact sets a dangerous precedent in allowing one region to fix prices for its producers to the detriment of non-compact producers. I believe the Northeast dairy compact will harm the 24,000 family dairy farmers in my State of Wisconsin. Hopefully the information that may be gathered by the study required by our amendment will help persuade the Senate that it erred in allowing the inclusion of the amendment in the 1996 Farm bill.

I yield the floor.

PRESCRIPTION DRUG USER FEE

Mr. JEFFORDS. Mr. President, I would like to engage in a brief colloquy with Senator COCHRAN regarding the status of legislation to modernize the Food and Drug Administration and reauthorize the Prescription Drug User Fee Act of 1992 [PDUFA]. The Labor Committee has reported out S. 830 with a strong bipartisan vote of 14–4. This legislation reauthorizes PDUFA for 5 years and brings the Agency's procedures up to date with the tremendous innovation now occurring in the health technology sector. It is my understanding that the bill before us does not reauthorize or extend the PDUFA program and appropriately leaves this action to the Labor Committee and the Congress. The bill before us does anticipate this reauthorization of PDUFA by setting a limit on the amount of fees which may be collected and expended once the reauthorization is enacted—which is a sensible approach. FDA reform and reauthorization of PDUFA go hand-in-hand and I am fully confident that we will have legislation accomplishing both at once on the floor in a timely fashion.

Mr. COCHRAN. Mr. President, my colleague, Senator JEFFORDS, is correct. I would note that the bill before us does not allow the collection of Mammography Standards Act or PDUFA fees in the absence of authorizing legislation from the Labor Committee being approved by the Congress and signed into law. Further, I am well aware of the Senator's efforts to bring a bill reauthorizing PDUFA and modernizing the FDA to the floor and strongly agree that reform of the Agency and PDUFA reauthorization must go forward together. I look forward to debating these issues in the full Senate in the near future.

Mr. DOMENICI. Mr. President, I rise in support of the Department of Agriculture and Related Agencies appropriations bill for fiscal year 1998.

The Senate-reported bill provides $50.0 billion in new budget authority [BA] and $41.6 billion in new outlays to fund most of the programs of the Department of Agriculture and other related agencies. All of the funding in this bill is nondefense spending. This subcommittee received no allocation under the Crime Reduction Trust Fund.

When outlays for prior-year appropriations and other adjustments are taken into account, the Senate-reported bill totals $48.8 billion in BA and $49.2 billion in outlays for fiscal year 1998. Including mandatory savings, the subcommittee is at its 602(b) allocation in BA and slightly below its 602(b) allocation in outlays.

The Senate Agriculture Appropriations Subcommittee 602(b) allocation totals $48.8 billion in budget authority [BA] and $49.4 billion in outlays. Within this amount, $13.8 billion in BA and $14.2 billion in outlays is for nondefense discretionary spending.

For discretionary spending in the bill, and counting—scoring—all the mandatory savings in the bill, the Senate-reported bill is at the subcommittee's 602(b) allocation in BA and $128 million below the allocation in outlays. It is $281 million in BA and $324 million in outlays below the President's budget request for these programs.

I recognize the difficulty of bringing this bill to the floor under its 602(b) allocation. I appreciate the committee's support for a number of ongoing projects and programs important to my home State of New Mexico as it has worked to keep this bill within its budget allocation.

Mr. President, I ask unanimous consent that a table displaying the Senate Budget Committee scoring of the bill be printed in the RECORD.

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

S. 1033, AGRICULTURE APPROPRIATIONS, 1998—SPENDING COMPARISONS, SENATE-REPORTED BILL

[Fiscal year 1998, $ millions]

	Defense	Nondefense	Crime	Mandatory	Total
Senate-reported bill:					
Budget authority		13,791		35,048	48,839
Outlays		14,039		35,205	49,244
Senate 602(b) allocation:					
Budget authority		13,791		35,048	48,839
Outlays		14,167		35,205	49,372
President's request:					
Budget authority		14,072		35,048	49,120
Outlays		14,363		35,205	49,568
House-passed bill:					
Budget authority				35,048	35,048
Outlays		3,909		35,205	39,114
SENATE-REPORTED BILL COMPARED TO:					
Senate 602(b) allocation:					
Budget authority					
Outlays		(128)			(128)
President's request:					
Budget authority		(281)			(281)
Outlays		(324)			(324)
House-passed bill:					
Budget authority		13,791			13,791
Outlays		10,130			10,130

Note.—Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

Mr. DOMENICI. I urge the passage of the bill.

ACCESS TO CREDIT

Mr. BENNETT. I would like to take a moment to discuss an issue in which I know my colleague, Senator LUGAR, has a strong interest, that is the need for access to credit by entrepreneurs in the rural areas of this country. I have been concerned about the access to capital for entrepreneurial businesses almost since I first stepped onto the Senate floor after my election in 1992 and I want to make clear that I have pursued a number of different avenues to help create a more liquid credit market in rural areas. Senator LUGAR, you and I are no strangers to under served capital needs of rural businesses. I helped sponsor and pass Senator D'AMATO's Small Business Loan Securitization bill almost 3 years ago in hopes of helping bring more credit to rural businesses.

In past Congresses and in this Congress I have repeatedly approached Senator BOND, the chairman of the Small Business Committee, with regard to the increasing need for rural credit. The Small Business Committee tells me that there will be inadequate funding for rural nonagricultural businesses as included in the SBA 7(a) Program. The Department of Agriculture is concerned that there is inadequate funding for its Business and Industry Program, which lends to rural nonagricultural interests. Additionally, many bankers have voiced their concerns that inadequate credit and liquidity will adversely affect their small business lending and investment programs nationwide.

Mr. LUGAR. I am aware that recent studies by USDA, GAO, the Kansas City Fed, and the Rural Policy Research Institute have all noted the difficulty rural businesses, particularly new businesses, have in obtaining capital. The studies also suggest that a lack of adequate credit for rural businesses is affecting the economic growth of those communities.

Mr. BENNETT. I have read those reports as well and I know that the reasons they cite for these deficiencies include relatively fewer credit suppliers, higher costs due to lower credit demand, a lack of professional lending experience in rural and outlying areas, and a lack of liquidity in many rural lending institutions when compared to urban lending institutions.

The amendment I was prepared to offer today sought to remedy this situation by creating a pilot project, at no cost to the Federal Government, for 1

year. If the pilot had proven unsuccessful, the project would not have been renewed.

This solution would have expanded the authorities of an existing Government Sponsored Enterprise [GSE] to ensure reliable and competitively priced credit from existing lending institutions to rural small businesses nationwide.

It was my belief that this was the most expedient legislative approach to take. I believe that the expansion of Farmer Mac's authority in this area makes sense because it is a logical outgrowth of activities it already conducts, such as securitizing commercial loans, operating through thousands of existing commercial credit outlets, and providing access to national capital markets for rural and nonrural borrowers alike.

I look forward to working with the Agriculture Committee, which has jurisdiction over this issue, over the coming months to remedy this problem and I thank my colleague Senator LUGAR for his willingness to address this important issue.

Mr. LUGAR. I, too, am concerned that rural entrepreneurs do not have the same kind of access to capital markets as do their nonrural counterparts. I am also aware of concerns raised by various groups in regards to my esteemed colleague's amendment. I believe a hearing will offer the opportunity to vet all points of view. It is my intent that the Committee on Agriculture, Nutrition, and Forestry hold a hearing on rural and agricultural credit as soon as possible in the hopes that we can find a timely solution to this problem.

Mr. BENNETT. Mr. President, I have been monitoring the problems associated with rural credit needs for some time. At a time when the credit availability problems of rural small business and rural infrastructure are being highlighted by various experts and studies, the very institutions that provide credit to these concerns are having their funding reduced. Solutions to these problems are being thwarted by petty bickering and turf battles that do little else than prolong the agony for rural residents and deprive them of the benefits they deserve.

I have read with interest the recent reports from the Rural Policy Research Institute [RUPRI], the General Accounting Office [GAO], and the USDA on rural credit needs. I have also reviewed the proceedings of the Kansas City Fed's conference on ''Financing Rural America.'' These documents present no surprises for those of us who represent rural areas. While each study approaches its task in a unique manner, all of these reports are similar in their conclusions. They note that while rural financial markets work reasonably well, not all market segments are equally well served. They all agree that small businesses from rural areas can have a difficult time obtaining financing, have fewer credit options, and may well pay more for their credit than comparable urban enterprises. At a time when small businesses are being recognized for their valuable contributions to our economic growth and stability, small businesses are experiencing increasing credit needs. Unfortunately, USDA's Business and Industry loan program and the Small Business Administration's funding are being limited in fiscal year 1998.

The facts are worrisome. As the RUPRI study points out, many rural areas were bypassed by recent employment growth. Existing rural employment is concentrated in slow-growth or declining industries. Job growth in rural areas, particularly rural areas that are not adjacent to metropolitan areas, is biased toward low-skill, low-wage activities. USDA has stated that ''Rural economies are characterized by a preponderance of small businesses, fewer and smaller local sources of financial capital, less diversification of business and industry, and fewer ties to non-local economic activity.'' This does not bode well for my home State of Utah where 25 of 29 counties are classified as rural by the USDA.

To further illustrate, USDA's Fiscal Year 1998 Business and Industry [B&I] loan program will be straight-lined at fiscal year 97 levels. Based on data provided by USDA, current B&I loan volume is capped at about $740 million; however, USDA has applications pending for yet another $700 million, with preapplications already on file for still another $200 million. These numbers suggest that adequate private capital is not available. Again, using my home State of Utah as an example, there are over $10 million in B&I loans outstanding. However, due to USDA budget limitations, loans for almost $19 million, associated with pending applications and preapplications, will not be made. This will not be helpful to Utah's economic growth and development, especially in rural areas. Unfortunately, this story of unmet rural credit demand can be replicated for almost all of the 50 States represented by this Congress.

All of the above mentioned reports discuss options for addressing the need for rural credit. All of them discuss one or more options associated with GSE funding, which frankly, are the most logical and persuasive alternatives discussed. I, personally, am persuaded that expansion of Farmer Mac authorities is the most effective and the least obtrusive alternative presented to date. It uses existing credit delivery systems and allows lenders to sell their qualifying loans into the secondary market. Other options discussed include expanding the authorities of the Federal Home Loan Bank System, or the Farm Credit System. I am uncomfortable in advocating expansion of a mortgage lender's authorities into commercial lending activity. I am equally uncomfortable with expanding a tax exempt GSE's authorities into direct competition with the private sector. I am open to suggestions and want to consider all options, including merging GSE's or mergers of public and private interests if such options will provide cost-effective and efficient solutions to the problems associated with rural credit availability.

Throughout the discussion of the last several weeks, I have become poignantly aware of the strongly held feelings on this issue. I am concerned that a solution to the problems associated with improving rural credit delivery may be beyond the grasp of rural residents and businessmen if the petty bickering and turf battles are not set aside. I commend my esteemed colleague, Senator LUGAR, who chairs the Committee on Agriculture, Nutrition, and Forestry for his willingness to hold hearings on this issue. I, for one, am open to any and all reasonable options for improving credit delivery in these rural areas. I believe, as many of these reports point out, that improved economic growth will be the result and national GDP will be enhanced.

Mr. KYL. Mr. President, the fiscal year 1998 agriculture spending bill that comes before us today totals $3.2 billion less than was spent on agriculture-related programs last year, and $12.6 billion less than was spent the prior year. That is an actual reduction in spending, from $63.3 billion in fiscal year 1996 to $50.7 billion this year—an astounding 20 percent cut.

Mr. President, the savings are due in large part to the more market-oriented farm policies that Congress approved in 1996—policies that I supported. The Freedom to Farm Act did away with the decades-old policy of providing subsidies to farmers when market prices dropped. It did away with the policy of requiring farmers to plant the same crops every year and instead established a system of fixed, declining payments on the way to a farm policy free of Government intervention.

The substantial savings in farm programs will allow us to target more funding to high-priority domestic programs, like the Women, Infants, and Children [WIC] nutrition program and the Food and Drug Administration's food safety initiative. WIC alone would receive an additional $121 million in the upcoming fiscal year. And without price supports and other subsidies to artificially boost the cost of food, every family's food budget will eventually go farther. WIC recipients will get more for their food dollar. Taxpayers will save. Every family will save.

Given that spending is better prioritized, and given the substantial savings achieved in this bill, I intend to vote for it. Nevertheless, I believe we have the opportunity to do even better. Corporate welfare programs, like the Market Access Program, which subsidizes the advertising budgets of U.S. companies overseas, is still funded by this bill. It should be cut or eliminated. Spending on the tobacco, sugar, and peanut programs could also be reduced. These programs were largely

preserved, notwithstanding other reforms in the 1996 farm bill. We ought to phase them out as well.

There are a variety of special funding earmarks in this bill that could be the subject of the President's new line-item veto authority. The veto could be applied, for example, to almost all of the nearly 100 special research grants earmarked within the Cooperate State Research, Education, and Extension Service budget. The Committee report identifies grants totalling $47.5 million for such activities as maple research, alternative salmon products, goat research, and potato research, to name just a few. Most of these grants were not requested by the President.

It may well be that some of these research activities have merit and should proceed, but I would ask why taxpayers should be obligated, particularly to fund those projects that specifically benefit targeted industries? More money could always be spent to find ways of enhancing productivity, improving flavor or appearance, or increasing resistance to disease or drought. It seems to me, however, that producers—whether they grow potatoes, blueberries, cranberries, or goats—have every reason and incentive to bear the costs of research that leads to better crops or improved sales. That is, after all, a fundamental cost of doing business. At the very least, we ought to ensure that such grants are awarded on a competitive basis after adequate peer review.

Mr. President, there is similar earmarking in the Agricultural Research Service budget—set-asides for improving postharvest technologies for apples, for hops research, and the enhancement of peanut flavor quality. The list goes on and on. I would not be surprised if any of these projects was to be among the first that the President strikes with the line-item veto.

Since a reduction of 20 percent in the overall budget should be recognized, I intend to support the bill. But I will also be inclined to support vetoes of some items in the legislation.

KARNAL BUNT

Mr. President, before I conclude my remarks, I would like to take this opportunity to discuss an ongoing issue that has severely affected the wheat industry in Arizona. Karnal bunt was discovered in Arizona in March 1996. Growers and seed producers have been hard hit since then, and progress has been made only in the area of compensation. USDA continues to hold the wheat-seed industry under a Karnal bunt-spore quarantine, a decision that has devastated this once stable and profitable industry. Though Karnal bunt poses no health threat to humans or animals, USDA refuses to lift the quarantine. Furthermore, the results of tests conducted by the USDA Agriculture Research Service scientists support findings by the University of Arizona that spores from ryegrass can severely bunt wheat. The science in this area is very involved, but what it boils down to is that USDA officials continue to contend that there exist two separate spores for bunting wheat; they refuse to acknowledge the Agriculture Research Service test results. These results show that we are talking about one and the same spore, not two separate spores. Yet ryegrass and wheat continue to be treated differently, one is not quarantined but the other is. Arizona remains the only State under quarantine.

Mr. President, we are talking about an Arizona industry that produced more than 335,000 tons of wheat in 1995 at a value of $46.2 million. The value of the 1996 crop before Karnal bunt was expected to top $80 million. This year, Arizona wheatgrowers planted approximately 20 percent less wheat due to Karnal bunt restrictions. Dr. Bruce Beatty of the University of Arizona estimates losses of more than $100 million, an estimate given in Federal court testimony that has not been challenged by the USDA. Obviously, the wheat industry plays a vital role in the economy of Arizona.

In a June 19 speech made to the International Grains Council, Secretary of Agriculture Dan Glickman stated that ''perhaps the greatest threat to free trade is phony science.'' He continued, ''Unfounded sanitary and phytosanitary objections have the potential to wreck the delicate balance of fairness we are trying to establish.'' Fairness is all Arizona seeks. The USDA policy in addressing the Karnal bunt issue has failed. Science has shown that severe bunting of wheat can occur from spores determined to be ryegrass in nature from Oregon, Alabama, Tennessee, and Georgia. Yet Arizona remains the only State under quarantine. Therefore, I call on the Secretary to lift the quarantine that has wreaked havoc on the Arizona wheat industry.

Mr. DORGAN. Mr. President, I commend Senators COCHRAN and BUMPERS for the excellent bill they crafted to fund many crucial programs affecting American agriculture. They have done a superb job of balancing the competing yet meritorious interests covered in this legislation. It was a pleasure working with them as a new member of the Senate Committee on Appropriations, and I thank them for the generous way in which they responded to my requests to ensure that the needs of North Dakota farmers and ranchers were addressed.

There is one issue which was not addressed in this bill which is of great concern to me. I hope it will be addressed in conference. The buildings and facilities account of the Cooperative State Research, Extension, and Education Service received no funding in this bill. While I understand the chairman's desire not to continue to fund this construction account, I think it is unfair not to fulfill our responsibilities to complete the projects in the pipeline. There are a number of institutions in this category. These institutions have already received partial Federal funding, have met all the program requirements, including their 50-percent State matching requirement, but they cannot be completed unless the conference committee provides the balance of the Federal funding needed to do so.

North Dakota State University [NDSU] falls into this category, and it is a unique case. Since fiscal year 1992, it has received approximately $1.9 million in Federal funds for an animal care research facility. It was not until June 30, 1995, when the House indicated in its report on the fiscal year 1996 Agriculture appropriations bill that it was making an ''in depth review of policies and practices related to this program,'' that there was any indication that the program might be changed. In fact, it was not until September 28, 1995, that we had notice that time might be of importance and that it was the conference committee's intent to terminate the program after fiscal year 1997.

Since North Dakota has a biennial legislature, which did not meet in 1996, it could not meet its 50-percent cost share requirement in 1996. When the legislature met early in 1997, it appropriated the relevant State cost share funds for this facility. Let me repeat, the only reason NDSU did not meet the committee's 1996 requirement is that it could not since our State legislature did not meet.

The animal care facility at North Dakota State University is an extremely important project for the State and the region. Livestock production is a $1 billion industry in our State. It is likely to grow. But livestock disease is always a threat to the industry, especially some of the anabiotic-resistant organisms and viruses we have to deal with today. Work in this proposed facility can help protect incomes in the livestock industry by reducing livestock disease and deaths, contributing to the development of more effective pharmaceuticals and helping to ensure the quality and safety of food products. This facility is absolutely crucial to the future health and growth of agriculture in our region.

Not to provide the balance of the Federal funds necessary to complete this facility, when North Dakota State University and the North Dakota State Legislature acted in good faith, seems unfair to me, and I urge my colleagues on the conference committee to seek an equitable solution to this problem.

Again, I thank the chairman and ranking members, Senators COCHRAN and BUMPERS, and their excellent staffs, especially Becky Davies and Galen Fountain, for all their help on this bill.

ASTHMA INHALERS

Mr. COATS. Mr. President, I rise to highlight my particular support for one provision in the committee report for this bill and express my concern with proposed Food and Drug Administration rulemaking that would adversely effect asthma patients.

First, I'd like to note my own personal interest in the issue. My own children suffer from asthma and I appreciate only too well the impact of this condition on children and their families. As a result, I strongly support efforts to ensure that asthmatics have access to the safest and most effective treatment.

The agency's recent actions, however, suggest that remote, even hypothetical environmental concerns might take precedence over the direct concerns for the lives and health of America's substantial asthmatic population. In March of this year, the agency issued an advance notice of proposed rulemaking setting forth the criteria by which it would ban certain CFC-propelled metered-dose inhalers [MDI's] from sale in this country. The proposal was apparently developed in response to concerns about ozone depletion.

But this ozone depletion is already subject to international treaty provisions of the Montreal protocol that ensure the timely removal of products using CFC's. These medical devices are covered by those provisions, even though they only contribute a fraction of 1 percent of the overall atmospheric chlorine that threatens the ozone. Now the agency proposes to speed up the ban on those products in pursuit of some environmental gain—but at the risk of patients with asthma.

There is currently only one MDI, of approximately 70, that is not propelled by CFC's. Removing any or all of these products too early may threaten the health of some patients, particularly the increasing number of American children with asthma. How will the agency address a situation where a CFC-free product with an active ingredient is not labeled for children when the proposed rule would remove from the market a CFC-propelled product with the same ingredient that is labeled for children? How is the health of those children promoted through such a policy? Why is the agency considering removing otherwise legal products from the market, products proven to be beneficial for children, at a time when it laments the lack of adequately labeled products for children? And further, how are children, health care costs, and the Federal budget benefited by this bureaucratically created monopoly?

If the agency believes that hypothetical environmental concerns can justify speeding up an international treaty that attempts to accommodate the health of these 5 million children with asthma, then I urge them to justify that position before the relevant committees of Congress. In the meantime, I urge the FDA to carefully consider the merits of the rulemaking they are proposing and whether alternative approaches might better serve the health of America's asthmatic children.

AMENDMENT NOS. 973 THROUGH 976, EN BLOC

Mr. COCHRAN. Mr. President, under the previous order, there is permitted the offering of a managers' amendment.

Senator BUMPERS and I have been working to identify requests from Senators for inclusion in this managers' amendment, and we have now prepared a managers' amendment and it includes the following four amendments:

An amendment to be offered by myself and Senator BUMPERS on behalf of Senators DASCHLE, DORGAN, JOHNSON, CONRAD and BAUCUS, regarding the Livestock Indemnity Assistance Program; an amendment proposed by Senators GRAMS and WELLSTONE regarding the planting of wild rice; an amendment proposed by Senator CRAIG regarding inspection and certification of agricultural processing equipment; an amendment proposed by Senator DEWINE on the Orphan Feeding Program in Haiti.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes amendments numbered 973 through 976, en bloc.

The amendments are as follows:

AMENDMENT NO. 973

At the end of the bill insert the following new section:

''SEC. . From proceeds earned from the sale of grain in the disaster reserve established in the Agricultural Act of 1970, the Secretary may use up to an additional $23 million to implement a livestock indemnity program as established in PL 105–18.''

AMENDMENT NO. 974

(Purpose: To prohibit the use of appropriated funds to administer the provision of contract payments to a producer for contract acreage on which wild rice is planted unless the contract payment is reduced by an acre for each contract acre planted to wild rice)

On page 66, between lines 12 and 13, insert the following:

SEC. 728. PLANTING OF WILD RICE ON CONTRACT ACREAGE.

None of the funds appropriated in this Act may be used to administer the provision of contract payments to a producer under the Agricultural Market Transition Act (7. U.S.C. 7201 et seq.) for contract acreage on which wild rice is planted unless the contract payment is reduced by an acre for each contract acre planted to wild rice.

Mr. GRAMS. This technical amendment, which I offer with Senator WELLSTONE, simply provides that if a producer decides to grow wild rice on acres on which he receives Agricultural Market Transition Act [AMTA] payments, that producer's AMTA payment will be reduced on those acres.

This amendment ensures that wild rice producers, who do not receive any kind of program payment, do not have to compete against producers who unfairly grow wild rice plus collect farm payments on the same acreage. In short, it ensures fairness by prohibiting double dipping and keeps producers on an equal playing field.

USDA once believed that the substance of this amendment could be accomplished through regulation but later indicated that legislation is necessary.

This same amendment was approved during consideration of last year's Agriculture appropriations on a voice vote but was removed during conference with other provisions for reasons unrelated to the substance of the amendment.

I understand the amendment I offer has been approved by the chairman and ranking member of the Senate Agriculture Committee, Senators LUGAR and HARKIN. I want to thank each of them for their assistance in this regard.

I also understand that this amendment has been accepted by the chairman and ranking member of the Agriculture Appropriations Subcommittee, Senators COCHRAN and BUMPERS.

Accordingly, I would ask the chairman to accept this amendment I offer today with Senator WELLSTONE.

AMENDMENT NO. 975

(Purpose: To prohibit the use of appropriated funds to inspect or certify agricultural products unless the Secretary of Agriculture inspects and certifies agricultural processing equipment, and imposes a fee for the inspection and certification, in a manner that is similar to the inspection and certification of agricultural products)

On page 66, between lines 12 and 13, insert the following:

SEC. . INSPECTION AND CERTIFICATION OF AGRICULTURAL PROCESSING EQUIPMENT.

(a) IN GENERAL.—Except as provided in subsection (b), none of the funds made available by this Act or any other Act for any fiscal year may be used to carry out section 203(h) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(h)) unless the Secretary of Agriculture inspects and certifies agricultural processing equipment, and imposes a fee for the inspection and certification, in a manner that is similar to the inspection and certification of agricultural products under that section, as determined by the Secretary.

(b) RELATIONSHIP TO OTHER LAW.—Subsection (a) shall not affect the authority of the Secretary to carry out the Federal Meat Inspection Act (21 U.S.C. 601 et seq.) or the Poultry Products Inspection Act (21 U.S.C. 451 et seq.).

Mr. CRAIG. Mr. President, I rise today to offer an amendment relative to the inspection of equipment used in the production of agricultural products. For years, FSIS has inspected and certified all equipment used in processing agricultural products. However, FSIS announced on May 2, 1996, its intent to discontinue its prior approval process.

While the FSIS proposal is still pending, no system of prior approval has been developed anywhere at USDA.

Mr. President, the Craig amendment would establish a fee for service system for equipment inspection within AMS, which currently inspects processed agriculture products. Let me stress: The system would be entirely voluntary. Those equipment manufacturers who choose to participate would pay for the service and, if the equipment qualifies, become AMS certified.

This proposal is self-funding and would use the existing trust fund established in section 203(h) of the Agricultural Marketing Act of 1946. By providing a certification process to replace the FSIS system, the amendment would both reduce the risk that unacceptable equipment could be purchased and installed in processing plants and enhance exports of processing equipment.

Mr. President, I appreciate the support of the managers of the bill in adopting this amendment.

AMENDMENT NO. 976

(Purpose: To require the United States Agency for International Development to use at least the same amount of funds made available under title II of Public Law 480 to carry out the orphan feeding program in Haiti during fiscal year 1998 as was used by the Agency to carry out the program during fiscal year 1997)

On page 53, line 3, before the period, insert the following: ''*: Provided further,* That, of the amount of funds made available under title II of said Act, the United States Agency for International Development should use at least the same amount of funds to carry out the orphan feeding program in Haiti during fiscal year 1998 as was used by the Agency to carry out the program during fiscal year 1997''.

Mr. DEWINE. Mr. President, my amendment is simple and to the point. It urges the U.S. Agency for International Development to maintain the same level of resources for orphan feeding programs in Haiti in fiscal year 1998 as it provided in fiscal year 1997.

The total funding level for Public Law 480 title II food programs is projected to stay the same for fiscal year 1998 as was appropriated for fiscal year 1997. Therefore, I believe that keeping the same level of such resources for this particular program should not be contentious, especially when my colleagues understand who the beneficiaries of this program are.

Mr. President, many facilities in Haiti have to care for a truly vast number of orphans—and also for an increasing number of abandoned and neglected children. In the Port-au-Prince area alone, Christian Relief Services provides Public Law 480 title II food assistance to 70 orphanages. The Adventist Development and Relief Agency also supports some 46 orphanages in the southern rural areas. Simply stated, there are numerous orphanages throughout this country which take care of thousands upon thousands of orphaned and abandoned children.

I have traveled to Haiti four times in the last few years and have visited many orphanages. I can give you a first-hand account of some of their heart-breaking stories. The flow of desperate children into these orphanages is constant—and these institutions face an increasing challenge in accommodating all of these needy children.

Take the case of Notre Dame de Victoires, an orphanage run by Sister Veronique. She will not turn down a single child that is dropped off at her facility. She also makes frequent visits to the local hospitals where babies, after being born, are abandoned. This particular orphanage takes care of the sickest of the sick. They get no means of support other than the food administered to them through CRS, which in turn receives its resources through AID.

Mr. President, let me make it clear what this amendment does. The current program guarantees one meal a day to these orphans. My amendment would ensure that these meals keep coming. I am not talking about medical assistance, clothing, or anything else. Just one meal. These orphanages still have to find sources of support for the other meals and other necessary assistance for these children.

According to AID, $238,000 worth of food went indirectly to orphanages in fiscal year 1996. If this figure is accurate, this is less than 1 percent of the total food resources allocated by AID for Haiti. Specifically, in fiscal year 1996 only 506 metric tonnes of food—out of a total of 50,000 metric tonnes provided by AID—went toward feeding children in orphanages. This is just a drop in the bucket of AID resources.

Now, I have urged AID to maintain the current level of resources allocated for feeding orphans in fiscal year 1997 through fiscal year 1998. AID officials assured me that they will do just that. In fact, they spoke to the relevant relief agencies about the situation and confirmed that this could be done.

My original intent was to earmark this program, requiring AID to implement what has been promised. After numerous conversations between my staff and AID, and after their repeated assurances, the amendment I am offering states that AID simply should honor its commitment. This amendment would make AID's commitment not a personal assurance to me, but a commitment to the U.S. Senate. And if this language is kept in conference and signed into law, the commitment will be thus extended to the entire U.S. Congress.

Mr. President, I am not asking for any more money than the orphanages are currently receiving from AID. This is essential for the survival of many thousands of Haitian children living in overcrowded orphanages. I urge my colleagues to vote for this important amendment.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the amendments be considered and agreed to, en bloc, that statements of the Senators accompanying the amendments be printed in the RECORD, and that the motion to reconsider be laid upon the table.

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

The amendments (Nos. 973 through 976), en bloc, were agreed to.

Mr. COCHRAN. Mr. President, that concludes action on the Agriculture appropriations bill that is contemplated for this evening. Under the order that has been entered, there will be consideration of specified amendments tomorrow morning, and then we will vote on passage of the bill.

MORNING BUSINESS

Mr. COCHRAN. At the request of the majority leader, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak therein for up to 5 minutes each.

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

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

Mr. MCCAIN. Mr. President, H.R. 1119, the House-passed version of the National Defense Authorization Act, includes several maritime provisions which are within the jurisdiction of the Senate Committee on Commerce, Science, and Transportation. Of particular interest are section 1021(b) and title XXXVI of that bill. The House National Security Committee, which has jurisdiction over certain maritime matters in that body, has chosen to attach these maritime authorizations to H.R. 1119 rather than include them in a separate bill. If the Senate amends and passes H.R. 1119, the Commerce Committee will not have the opportunity to consider those maritime provisions which are within its jurisdiction.

As both the chairman of the Commerce Committee and a member of the Armed Services Committee, I do not wish to either slow the progress we are making on the National Defense Authorization Act or relinquish the Commerce Committee's right to consider maritime authorizations under its jurisdiction. Therefore, I'd like to take this opportunity to discuss these provisions, and the process for addressing similar jurisdictional issues in the future, with Senator HOLLINGS, ranking member of the Commerce Committee; Senator HUTCHISON, chairman of the Surface Transportation and Merchant Marine Subcommittee; and Senator INOUYE, ranking member of the Surface Transportation and Merchant Marine Subcommittee.

First, I would like to summarize the maritime authorization provisions of H.R. 1119. Section 1021(b) of the bill would amend title 46, United States Code, to facilitate the scrapping of excess National Defense Reserve Fleet [NDRF] vessels that contain hazardous materials and would amend the National Maritime Heritage Act to extend the authorization for this program an additional 2 years to 2001 to account for the delay in scrapping the NDRF vessels. Section 3601 of the bill would authorize appropriations for the Maritime Administration's expenses for operations and training and under the loan guarantee program authorized by title XI of the Merchant Marine Act, 1936, at the levels requested by the President for fiscal year 1998. Section 3602 would repeal the requirement for a