exclusively Russian, to a range of 930 to 1,250 miles. There have been additional reports that the Iranian objective is to develop a multistage, intercontinental missile with a range of 3,500 miles.

I agree with the Secretary of State that we should engage Iran. We should not let the memory of the taking of American hostages in our Embassy in Tehran almost 20 years ago forever determine our relationships with Iran. We should seek to expand our person-to-person contacts and work to resolve differences that separate us.

However, it is important to note that while President Khatami is pursuing more moderate domestic policies, it is not clear how much control he exercises or what his real intentions are with respect to foreign and defense policy. We cannot ignore the threat Iran's weapons programs and support for terrorism pose to regional peace and American interests in people. We should not change our policy toward Iran without seeing significant changes in Iran's behavior.

Iran's weapons of mass destruction programs continue to be of grave concern. U.S. officials have said publicly that Iran has a large and increasingly self-sufficient chemical weapons program and probably has produced biological warfare agents as well. Administration officials have publicly confirmed that Iran is trying to acquire a nuclear weapons capability.

And while Iranian President Khatami has categorically rejected terrorist attacks against civilians, he has yet to back his words with action. According to State Department's most recent report on terrorism, Iran remains the most active state sponsor of terrorism. Last fall Iran hosted representatives of numerous terrorist groups at a conference of liberation movements where they discussed greater coordination and support for some of the groups.

When the administration waived the Iran and Libya Sanctions Act of 1996, sanctions on European companies and Malaysia, it said that it did so because it wanted to focus on preventing proliferation rather than preventing investments in the Iranian oil industry. While I do not endorse the administration's rationale for the ILSA sanctions waiver, I cannot help but note that the Iran Missile Proliferation Sanctions Act does what the administration says it wants. It focuses on proliferation.

It would be incongruous for the administration to veto this bill, because we can already see the consequence of the administration's waivers of the ILSA sanctions. The President should welcome this legislation, not decry it.

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On too many occasions in the past 3½ years, the leadership in this House has tried to tie the President's hand in foreign policy and overrule his prerogative to lead on national security matters. This is not such an effort.

Although the President must make a classified report to Congress of ''credible information on foreign entities which have transferred missile technology to Iran,'' it is the President who determines what is credible. Thirty days later he must impose sanctions on those entities. These sanctions are not targeted against any country or government, but are narrowly targeted against the companies themselves, and the President may waive the imposition of sanctions, either because he is persuaded that the information contained in the report to Congress is incorrect or if he determines that the waiver is essential to the national security. And what are the sanctions that we are talking about? Simply that the entity or company that has proliferated this missile technology to Iran faces the loss of exports.

The bill has been significantly improved since it was first introduced. First, it is no longer retroactive beyond January 1998. Second, it allows for a classified report to be submitted to the Congress and permits the President to suspend sanctions. Third, it is limited to the transfer of items already contained on the Missile Technology Control Regime (MTCR) list—goods which are widely considered as benefiting a missile system—or additional items which the President determines to be of concern.

When this bill was debated last November in the House, the Administration suggested that the standard of evidence was so low that the US would be forced to impose ''erroneously'' sanctions on foreigners. I find this to be a difficult argument to accept. The concept of this or any Administration ''rushing to an erroneous judgment'' on any issue subject to the availability and evaluation of intelligence data is hard to imagine. Is ''credible information'' so weak a standard that it would result in the erroneous imposition of sanctions when the President has the discretion to determine whether or not the information is credible? If the President has evidence that seemingly credible information is not accurate, then by definition the information is no longer credible.

With a great deal of evidence accumulated since 1994, the Administration still has not determined whether or not to sanction China for transferring entire M–11 missiles to Pakistan.

Yes, there are existing sanctions laws which attempt to restrict weapons proliferation. This bill is different from some existing laws because, unlike the Iran-Iraq Arms Non-Proliferation Act of 1992, and unlike existing law, the President must report to the Congress credible information about a violation and then he has thirty days to impose a sanction unless he uses the waiver procedure. There is no doubt that this legislation makes it more difficult for the President to evade responsibility for imposing sanctions. Some may think it best to make it easier for the President to evade the intent of the Congress. That is not my view.

This bill should not be construed as anti-Russian—it applies to companies anywhere that aid Iran. Administration officials say that this legislation will damage our relationship with Russia at a time when Moscow is tightening controls over sensitive exports. If, indeed, the Russians are taking steps that comply with the Act's provisions, they will not be sanctioned. Even if Russian companies are sanctioned, U.S.-Russian relations will survive because our two countries have many shared interests and concerns. We cannot afford to stop working with each other. And the United States remains committed to strengthening Russia's democratic transition. The bill now comports with Russian law and should be construed as a cooperative tool in our joint struggle to stop the dangerous flow of illegal technology to Iran.

The Russian Government has taken many positive steps to restrict sensitive exports. On May 5th the Deputy Head of Administration of the Russian President stated that ''Military and dual purpose technologies constitute the national treasure of Russia, which has been created by successive generations of our people. Therefore the export control shall completely exclude any possibility of squandering unique domestic technologies, materials, parts, intellectual property, and prevent leaks of classified state and military data.'' This is a very helpful statement and the additional measures that the Russians have taken to control exports are also praiseworthy. They are a tribute to the seriousness with which the Russians take this issue and a tribute to the Administration, especially Vice President GORE, who has worked extraordinarily hard with the Russians to come to a common understanding of the seriousness of the Iranian threat and to a common approach to confronting that threat.

Vetoing this bill would be a mistake, sending instead a signal that the Administration is not as committed as it claims to be in preventing Iran from threatening its neighbors and the world.

The strong support that this legislation has received indicates that should the President veto this bill, his veto will be over-ridden. This legislation makes a substantial contribution to the fight against proliferation and has the overwhelming support of the U.S. Congress.

THE IRAN MISSILE PROLIFERATION SANCTIONS ACT

The SPEAKER pro tempore (Mr. BLUNT). Under a previous order of the House, the gentleman from Texas (Mr. FROST) is recognized for 5 minutes.

Mr. FROST. Mr. Speaker, I rise to join my colleague, the gentleman from California, in support of H.R. 2709, the Iran Missile Proliferation Sanctions Act, and to urge the President to sign this most important legislative initiative.

This is an important proposal that seeks to protect United States national security interests in the Middle East by stemming the flow of missile technology and expertise to Iran. While the administration may have objections to several of the sanctions imposed by the bill, I would submit that the President's authority to make foreign policy is protected in the bill by granting him the authority to waive those sanctions under specific circumstances.

Mr. Speaker, this proposal is especially important since intelligence reports show if Iran succeeds in its efforts to acquire weapons of mass destruction and the missiles to deliver them, within a year it could have the indigenous capability to begin assembly and testing of ballistic missiles capable of hitting Israel, other targets in the Middle East, as well as parts of Europe and Asia.

Mr. Speaker, Iran already possesses chemical weapons and is intensely working toward acquiring biological and nuclear weapons capability. These are dangerous trends, Mr. Speaker, and the United States must take action to stop these developments.

What is troubling is that technology and expertise has come to Iran from foreign companies, primarily, but not exclusively, Russian companies. In previous years, China and North Korea provided this assistance; today, Russian companies are providing highly advanced technology. In fact, Mr. Speaker, U.S. military intelligence reports, reports that have been publicly cited, have indicated that Russian entities signed contracts this year to help produce liquid-fueled ballistics missiles, such as the SS–4.

In addition, there have been sales of Russian high technology laser equipment and negotiations between the Russians and Iran for other supplies for the manufacture of missiles as well as the construction of the wind tunnels necessary to test the missiles.

Mr. Speaker, some 9,000 scientists, engineers and technicians from the former Soviet Union are currently in Iran as advisors. Some of these experts are teaching subjects ranging from missile guidance systems to firing circuitry and pyrotechnics of explosive systems. Others are aiding in the rebuilding of the Bushehr nuclear reactor, and the technical advice being given in this project could very well enhance Iran's capability to develop nuclear weapons.

Mr. Speaker, this flow of technology and expertise continues, in spite of the fact that in January of this year, then Russian Prime Minister Chernomyrdin issued a decree to restrict the export of dual-use technology. In addition, Russia is a member of the Missile Technology Control Regime, a volunteer arrangement among countries which share a common interest in arresting missile proliferation. Russia along with the 27 other signatory countries, which includes the United States, has agreed to participate in a regime which consists of common export guidelines applied to a common list of controlled items. But, Mr. Speaker, in spite of Russia's international commitments, Russian entities continue to provide this deadly technology to Iran.

So what is to be done, Mr. Speaker? There are currently sanction requirements in place for those companies which engage in this type of technology transfer. The Iran-Iraq Arms Nonproliferation Act of 1992 requires the President to sanction the governments of those countries who knowingly supply Iran or Iraq with advanced conventional weaponry or technology that contributes to their acquisition of weapons of mass destruction. These sanctions would suspend U.S. assistance to these governments, would suspend codevelopment and coproduction agreements, and would suspend military and dual-use technology agreements that might lead to the transfer of technology or weapons to either Iran or Iraq.

In addition, Mr. Speaker, the Arms Export Control Act and the Export Administration Act both require the imposition of sanctions on governments and entities that violate the Missile Technology Control Regime. Unfortunately, the administration has chosen not to apply the sanctions available in existing law, choosing rather to pursue diplomatic solutions. But, Mr. Speaker, it appears these diplomatic solutions have not cut off the flow of these dangerous technologies to a nation with whom we do not have diplomatic relations.

H.R. 2709 was introduced last fall to press for an end to Russian missile cooperation with Iran. The legislation would sanction any company involved in providing missile technology to Iran. These sanctions should provide the United States with a means to attack the spread of weapons of mass destruction in the Middle East, and, while we might find ourselves standing alone in this fight, it is a worthy stand for us to take. The Congress is on record as supporting this legislation. The bill has 271 cosponsors in the House and 82 cosponsors in the Senate, and passed both houses by an overwhelming bipartisan majority.

Mr. Speaker, if we stand alone in our willingness to stop the spread of death and destruction in the Middle East, then so be it. Our stand is morally correct and the administration should join with the Congress in supporting the imposition of sanctions on those who put financial gain ahead of peace.

SUPPORT FOR THE IRAN MISSILE PROLIFERATION SANCTIONS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SHERMAN) is recognized for 5 minutes.

Mr. SHERMAN. Mr. Speaker, I rise to associate myself with the comments of my colleagues, the gentleman from California (Mr. BERMAN) and the gentleman from Texas (Mr. FROST), and to urge the President to sign legislation that would impose sanctions on those entities that are helping Iran develop ballistic missiles. Ballistic missiles in the hands of the government in Teheran would be destabilizing to the entire Middle East. We do not need to provide assistance to those companies that are assisting this ballistic missile program.

We should seek a rapprochement with the people of Iran. We should look at the recent elections in which a relative moderate, and I emphasize the word relative moderate, was elected President and exercises some authority within the government of Iran. The people of Iran, though, do not benefit from ballistic missiles. Ballistic missiles are not an essential element of the economic development of Iran. Ballistic missiles would simply give the Iranian Government an opportunity to create mischief and death in the entire Middle East area.

The President should welcome the most recent legislation, not as an interference, but rather as a bolstering of his own policies, to control ballistic missile technology.

Mr. Speaker, I urge the President to sign the legislation, and I associate myself with the comments of my colleagues.

DISASTER FACING AGRICULTURE BASE OF NORTH DAKOTA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Dakota (Mr. POMEROY) is recognized for 5 minutes.

Mr. POMEROY. Mr. Speaker, a year ago Grand Forks, North Dakota, was ravaged by flooding waters from the Red River. The eyes of the Nation watched with horror as this city of 50,000 suffered not just a devastating flooding event, but, in the middle of all else, fires began in the downtown that ravaged 11 of the major buildings in downtown Grand Forks as well. The attention of this body was focused on that event, and the assistance resulting in the disaster supplemental appropriations bill really played a very critical role in our ability to begin the rebuilding process, a process that continues even today.

Today I take the floor to tell you of another disaster, a disaster that, at least as far as North Dakota is concerned, is every bit as threatening, every bit as devastating, every bit as disastrous as the Grand Forks flood. But this disaster, chances are you will have never heard of, not seen a second of television footage, and be utterly unaware it is occurring. This is a stealth disaster, and it is a disaster facing the agriculture base of the State of North Dakota.

This chart tells the story, just as clearly as this story can be told. The U.S. Department of Commerce reported that in 1996, the net farm income in North Dakota totaled $764 million. One year later, that total had fallen to $15 million net farm income for the entire State, a drop of 98 percent.

The average North Dakota producer lost $23,000 last year, and the average North Dakota producer is, by the way, a family farm, relatively modest in income levels, even in the best of years; a loss of $23,000 last year. Across the State, those making loans available to farmers report that 80 of the borrowers lost money last year.

This disaster is the stealth disaster. Hopefully the remarks of my colleague, the gentleman from Minnesota (Mr. MINGE), the remarks I am making, and our ongoing effort will make it less of a stealth disaster in the weeks to come, but its depth and its consequences are as serious as I could possibly begin to tell you.

One of the consequences inevitably of the kind of economic results I have