No. 2, a shorter time period gives the Congress adequate time to review the national security ramifications of any changes in the U.S. computer export control regime.

While this is a good step in the right direction, I, along with Senators BENNETT, DASCHLE, KERRY, MURRAY, BINGAMAN, KENNEDY, and BOXER, believe that further reduction of this to 30 days makes more sense.

The high-performance computers we are talking about have a 3-month innovation cycle. Therefore, if 60 days are taken up in Congress, on top of the turnaround time for new regulations at the administration, the innovation cycle is long overdue.

There is no precedent for such a long review period. Even the sales of items on the munitions such as tanks, rockets, and high-performance aircraft only require a 30-day review period. The reality of the situation is that by limiting American companies to this degree we are not only losing short-term market share, but we are allowing foreign companies to make more money and, in turn, create better products in the future. This could lead to the eventual loss of our Nation's lead in computer technology, which has propelled the United States to the good economic standing we see today.

This amendment is critical to our Nation's economy and the success of our high-tech industry.

AMENDMENT NO. 2883

(Purpose: To amend the National Defense Authorization Act for Fiscal year 1998 with respect to export controls on high performance computers)

Mr. REID. I send this amendment to the desk for Senators REID of Nevada, BENNETT, DASCHLE, KERRY of Massachusetts, MURRAY, BINGAMAN, KENNEDY, and BOXER.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for himself, Mr. BENNETT, Mr. DASCHLE, Mr. KERRY, Mrs. MURRAY, Mr. BINGAMAN, Mr. KENNEDY, and Mrs. BOXER, proposes an amendment numbered 2883.

Mr. REID. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 27, beginning on line 6, strike all through line 9 and insert the following:

(2) CONFORMING AMENDMENTS.—Section 1211(d) of the National Defense Authorization Act for Fiscal Year 1998 (50 U.S.C. App. 2404 note) is amended—

(A) in the second sentence, by striking ''180'' and inserting ''30''; and

(B) by adding at the end, the following new sentence: ''The 30-day reporting requirement shall apply to any changes to the composite theoretical performance level for purposes of subsection (a) proposed by the President on or after January 1, 2000.''.

Mr. REID. I recognize the leader has said there will be no votes on this bill today; therefore, I will ask for the yeas and nays at such time as the leadership determines it is appropriate.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. JOHNSON. Mr. President, in the absence of Chairman GRAMM and Chairman ENZI, in order to expedite consideration of this very important legislation, I will go forward with a brief discussion and my view of the Export Administration legislation.

I rise today in support of the Export Administration Act. I have worked closely on export control issues with Senators ENZI, GRAMM, and SARBANES, and I am pleased that we have reached consideration of this important issue by the full Senate. There are several different classifications of exports. Items which can have both civilian and military applications are considered to be dual-use technology, and those goods are governed by the EAA.

There have been numerous attempts to reauthorize the EAA in the years since it expired in 1990. It is unfortunate that this legislation has gone unauthorized for most of this decade, and I strongly urge the Congress to not forgo this opportunity. Reauthorization becomes even more critical as legal challenges to the continued reliance on the expired EAA through emergency powers winds its way through the courts. After ten years of congressional silence, I am fearful that one of these challenges will ultimately succeed, leaving us without any control over sensitive dual use technologies. At that point, even technology which is universally agreed to be dangerous could be freely exported to countries considered to be direct threats to the United States. Reauthorization of the EAA in of itself adds a tremendous component to our national security.

I want to especially thank Chairman ENZI for his work on this issue. Without his hands-on leadership, we frankly would not be at this point today. S. 1712 is a testament to MIKE's hard work and the widespread support this bill enjoys derives from Chairman ENZI's commonsense approach to issues.

I want to note the important roles played by Banking Committee Chairman GRAMM and Ranking Member SARBANES of Maryland. We have had constructive participation across the board, and that bipartisan cooperation has brought us to this point. That spirit contributed to the unanimous 20–0 vote in support of S. 1712 in the Banking Committee.

We had a simple goal when we embarked on this effort: reduce or eliminate controls on items that do not have security implications and tighten controls on items that raise security concerns. While most everyone can agree on these principles, it is much more difficult to draft the language to accomplish that end.

We worked very closely with concerned Senators, the national security establishment, the administration, and the impacted industries. I believe we addressed the major concerns of each entity. We increased the penalties, making violators of export control laws pay a real price. We made the foreign availability and mass market standards a true measure of what items could be accessed regardless of U.S. sanctions, and provided for those items to be decontrolled.

S. 1712 strengthens our national security. For the first time, the Department of Defense will have unilateral appeal rights if it disagrees with an approved export. Penalties move from $10,000 per violation to up to $1 million per violation.

At one of our eight hearings on this bill, we heard from Representatives COX and DICKS on the Cox Report relative to exports to the People's Republic of China. We directly incorporate fifteen of the Cox Report recommendations in our bill to enhance national security. I might add that reauthorization of the EAA is one of the specific recommendations from the Cox Report.

America benefits when our businesses prosper. Exporting technology has long been an American success story. The technology field will lead our economy into the next century. But, new technologies could prove dangerous in the wrong hands, and our national security depends in part on limiting access to certain technologies. That is the balance we seek to strike, and I believe S. 1712 does that.

I look forward to a vigorous debate of these important issues. Passage of this EAA bill will make a significant contribution to our national security and will help bring transparency to our export control system. I encourage my colleagues to join this bipartisan, balanced approach to these critical issues.

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

The PRESIDING OFFICER (Mr. Burns). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. DURBIN. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business for 10 minutes.

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

THE AMERICAN ECONOMY

Mr. DURBIN. Mr. President, the Senate is about to engage in a debate about our Nation's budget for the next fiscal year which begins in October. When one tries to measure the values of politicians and political parties, the first place to look is how they spend money. Speeches are one thing, but the way we spend our money really explains who we are and what we value.

There is a real difference of opinion now between Democrats and Republicans about how we are going to spend our money in the next budget. On the

Democratic side, we happen to believe we have a strong story to tell the American people about the progress that has been made in America under the Clinton-Gore administration for the last 7 years. In fact, a month or so ago, we completed the longest economic expansion in the history of the United States of America.

It is every political party's dream to be able to stand in this Chamber and say what I just said. Under the leadership of President Clinton and Vice President GORE, America is moving in the right direction. We are creating more jobs, and we are solving problems that people thought were intractable and insolvable not that long ago.

Take a look at the record from 1993 to the year 2000. We turned a record deficit of $290 billion in 1992 into a surplus of $176 billion in the year 2000. We have seen a paydown in our national debt. We have had 107 consecutive months of economic growth, and many new jobs and new houses and new businesses have been created.

Take a look at what they said was going to happen. These are the experts who tell us what we can expect. They said in 1993 that we were going to have a debt increase. They projected it at $761 billion over the last 2 years. In other words, more red ink, more need for us to borrow money and pay interest on it.

What happened instead under the leadership of this President? We ended up with a surplus. We actually paid down the debt of this country by $140 billion.

There are a lot of young people who come to Washington, DC, to visit this Capitol and to see their Government in action. I say to these young people, the best thing we can do for you is to continue on this course. Once this debt starts to go away, the need to pay interest on it goes away as well.

We collect $1 billion a day in taxes from families and individuals and businesses just to pay interest on old debt. We are moving in the right direction. America should not change course. We must keep expanding this economy and creating opportunity.

Take a look at what has happened between the end of 1992 and 1999. More Americans owned homes. This is the American dream, and the dream has gotten better for millions of Americans because the economy is strong and interest rates are under control and inflation is in check.

Take a look, as well, at the incomes of Americans across many groups. Those at the lowest income level all the way to those at the highest income level have seen a steady increase in inflation-adjusted income during the period of the Clinton-Gore Presidency. More people are buying homes, and income levels are going up for virtually every group across America.

Take a look at the tax burden, too, because many people on the Republican side will say taxes have gone up. They have not. Take a look at the median income for a four-person family and the percent of taxes they are paying: 16.8 percent in 1992, 15.1 percent in 1999. The tax burden for the typical family in America has gone down.

Of course, it is good news when it comes to employment. We have the lowest unemployment rate in 30 years: 7.5 percent when the President came to office, now down to 4.2 percent.

The problem most American businesses tell me about when I visit them is: We need to find skilled workers; we have job opportunities; we need the workers to fill them.

Now what are we going to do? We are going to debate a budget resolution in the Senate and the House where the Republicans will come forward and say we need to change all this; we need to try a different approach; things are not working as well as they could.

I think we ought to let history be our guide, and it is suggesting to us that we are on the right path, we are in the right direction, and we do not want to change course and go out on a risky venture.

The real question now is whether the Republican leadership in the Senate will come forward with a budget that has a tax cut proposed by their likely candidate for President, George W. Bush from Texas. It is a substantial tax cut and one, from my point of view, which goes too far and threatens the viability of the Social Security trust fund.

Take a look at what the tax cut means. The Bush tax cut which was proposed during the course of his campaign—and I am sure it will be the centerpiece of his campaign from this point forward—says that if you happen to be in the top 1 percent of American earners with an income above $300,000 a year, your cut is $50,000 each year. Not bad. In the 60-percent range, with income below $39,000, the George W. Bush tax cut is worth about $29 a month.

Does it make sense that we would jeopardize the growth of our economy, keeping our debt under control, paying it down, creating jobs, new businesses, and home ownership to give a tax cut of $50,000 a year to the richest people in America? The Chairman of the Federal Reserve Board, Alan Greenspan, said: Don't do it; it doesn't make sense; it is risky; it is dangerous.

I hope we do not. But the Senate and House Republicans will present their budget, and they will tell us whether they stand behind Governor George W. Bush and their tax cut proposal or they want to stand behind the plan that has brought the economic prosperity we enjoy today.

The President has come forward with a responsible budget. It pays down our national debt, it creates targeted tax cuts, and if we are going to take some of our surplus and give it to American families, it provides we do it for things they need: A $3,000 long-term care tax credit for the fastest growing group of Americans, those over the age of 85, to help the sons and daughters of those who are in older age situations to pay for their long-term care; expanded educational opportunity—we need a new college opportunity tax cut. This is going to help people across the board, regardless of income; A deduction of college expenses so that young people can go to school, improve their skills, and add to our economy and their lives.

Marriage penalty relief is something I think should be done on a bipartisan basis. The President proposes it; money for new accounts, retirement, and expanding the earned income tax credit.

This is the bottom line: In a matter of a few hours, the Senate Budget Committee, under the leadership of Senator DOMENICI, will come forward with a budget, and we will be able to see for the first time whether or not the Republicans on Capitol Hill support George W. Bush's call for a tax cut, a tax cut that has been branded unwise by Chairman Greenspan and one that, by any modest projection, is going to invade the Social Security trust fund.

It will be a test to see what the real issue of this campaign will be: Whether the congressional Republicans back Mr. Bush's idea and want to venture out on some risky and perhaps dangerous venture that could jeopardize the growth in our economy or they want to stay the course on a responsible, fiscally disciplined approach that has come forward in the last 7 years.

The American people are going to have a clear choice. If every election is a pocketbook election, we on the Democratic side welcome it. America's pocketbooks are better now than they were 7 years ago. We believe Americans want to continue this progress and move forward, addressing those people in America who have not benefited from this economic expansion, addressing serious challenges such as expanding education and health care, and doing it in a fiscally sensible way so that at the bottom line, on the last day, in the final chapter, we can say to the next generation of Americans: We paid down this debt, we gave you a strong America moving forward, and now it is your chance to take over.

That is the best thing we can do, and we do not want to jeopardize that by giving tax cuts to wealthy people, spending money we do not have, and ignoring the reality of the progress we have made over the last 7 years.

I can recall when President Clinton came forward with his budget proposal in 1993 that started us on this path of economic expansion.

We could not get a single Republican vote to support it—not one in the House or the Senate. In fact, Vice President GORE cast the deciding vote for the President's budget plan. Not a single Republican Senator would support it. Thank goodness the Vice President was there to do it.

When he cast that vote, we not only won on that issue, the American people won. We embarked on a course which has really given America a great opportunity. This is an optimistic and forward-looking Nation now.

This Presidential campaign, and all of those who are candidates in congressional elections, will now put to the test the question as to whether or not we are going to continue this course of moving forward with the progress in our economy.

To the naysayers who claim to have a better idea, I suggest that historically there has never been a period of greater economic expansion in this country. We want it to continue. We will see this Republican budget tomorrow and find out whether the leaders, the congressional leaders on Capitol Hill, want to continue this course that really moves America forward or if they want some risky new venture that includes the Bush tax cut.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. I ask unanimous consent to be able to speak for up to 15 minutes as in morning business, after which Senator GRAMM be recognized to go back to the bill.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

GAS AND OIL PRICES

Mrs. HUTCHISON. Mr. President, I rise today to speak about the high gasoline prices that every one of our constituents is finding at the gas pump today and about the rise in home heating oil prices my friends from Maine and Vermont were talking about that are hurting their States so much.

In fact, I commend Senator MURKOWSKI for holding a hearing today in the Energy Committee to talk about this issue and what we can do to address it. I was slated to be one of the people testifying at the hearing, but because I was visiting with education leaders from my State, I could not be there and missed the hearing.

I want to speak on this issue because this is a crisis coming down the road. For the people in Maine and Vermont, it is here already. But for our constituents who are going to try to take vacations this summer, it is going to hit them right between the eyes because gasoline prices at the pump are going up, and I see no relief in sight.

The common refrain today is, the United States has no energy policy. That is not really accurate. The United States does have an energy policy, and it is the wrong one. Our policy is to restrict domestic exploration, and in those areas where exploration is permitted, there are punitive taxes and regulations on producers.

The result is that at periods of low prices, such as we had last year—prices on which a small producer cannot break even—those producers leave the business and they do not come back.

The fact is, when it comes to our most precious commodity, we do not control our own destiny. We are seeing our Energy Secretary going hat in hand to foreign countries and saying: Please, produce more oil.

Worse, we had plenty of opportunity to address this crisis. It did not just happen in a vacuum. In 1998 and 1999, crude oil prices hit their lowest point in decades: $9 a barrel, $8 a barrel. Hundreds of thousands of small wells shut down, and thousands of jobs were lost. Of course, it made us more vulnerable because we lost the production. We have ignored this cycle since the oil price shock of the 1970s. Our dependence on oil from foreign countries is now at 55 percent.

Energy-producing and energy-consuming States share two interests: Maintaining a large and reliable source of energy in our own country, and reducing volatility in oil and gas prices.

Unfortunately, the measures proposed by this administration to address the current crisis in home heating oil will not address either of these priorities. There is talk about increased funding for the Energy Department Weatherization Assistance Program, which helps homeowners make their homes more efficient. Others support an increase in the Federal Low-Income Home Energy Assistance Program to provide heating assistance to low-income families. We are discussing a temporary adjustment of EPA sulfur content limits in home heating oil. I have seen requests for additional appropriations for the Coast Guard icebreaking efforts in waterways. We are even considering getting the Federal Government into the price-fixing business by releasing oil from the Strategic Petroleum Reserve.

These are stopgap measures. But the most important thing is, if we enacted all of them, it would not solve the problem. We need a policy that encourages domestic production that is sustainable when prices go below break even.

While the problem is fairly localized now, we are going to see long gas lines this summer or we are going to see people not taking their summer vacations.

Instead, we need the quick fixes—we need to address some of those areas that need fixing right now for low-income families—and we need an energy policy that goes along with it that will sustain domestic production through the busts we have seen in the last 2 years. We need price stability.

The first step toward breaking that cycle is a simple one: Understanding that cold Vermont households and out-of-work Texas wildcatters are two sides of the same coin—our overdependence on foreign energy sources.

At the heart of our growing dependence on overseas sources has been the steady decline in the number of small producers. Wildcatters—small producers—once drilled more than 9,000 wells a year. Last year, there were 778. You wonder why we have an oil shortage? Many of these wells are so small that once they close, they cannot be reopened; it is not financially sound to do so.

What are we talking about? What is a wildcatter? A wildcatter is a person who has a well that produces 15 barrels or fewer a day. There were close to 500,000 such wells across the United States. Together, those wells, at just 15 barrels a day, have the capacity to produce 20 percent of America's energy needs. This is roughly the same amount of oil that is imported from Saudi Arabia. During last year's oil price plummet, more than one-fourth of these small wells closed, most of them for good. We have it within our capacity, in our country, to produce that 20 percent of the oil that is consumed here, which is the same amount we are importing from Saudi Arabia.

The overwhelming majority of producing wells in Texas are these marginal wells. In fact, marginal wells account for 75 percent of all crude production for small independent operators, up to 50 percent for midsized independents and 20 percent for large companies. So even the major companies can make a go of it with the small wells if we do not saddle them with so many costs that it is not financially feasible.

A more sensible energy policy would be to offer tax relief to producers of these smaller wells; that would help them stay in business even when prices fall below break even.

For 2 years I have been working with my great cosponsors—Senators DOMENICI, NICKLES, BREAUX, and LANDRIEU—on legislation that would provide incentives to these small producers. When they can stay in business during these low prices, supply will go up and we will not see that supply shortage causing high price spikes.

I think our legislation provides a quite reasonable tax credit: A $3-a-barrel tax credit for only the first three barrels of daily production in one of these small wells. We offer similar credits for small gas wells.

The marginal oil well credit would be phased out when prices of oil and natural gas actually go up. For oil, it would phase out at $14 to $17 a barrel. We are not talking about having tax credits today when we are paying $30 a barrel for oil; we are talking about tax credits when the price falls below break even. At 14 to 17 barrels a day, a small producer can make it. So when the price goes up, the tax credit goes out. The tax credit is only for the first three barrels in a well. A countercyclical system such as this would keep these producers alive during these record-low prices. They are not grabbing when the price is $20 a barrel; they are trying to stay in business and keep those jobs when the price goes below break even.

There is another benefit to encouraging marginal well production. It has a multiplier effect. In 1997, these low-volume wells generated $314 million in taxes paid to State governments. These revenues were used for State and local schools, highways, and other State-funded projects.

Another part of our plan is to offer incentives to restart inactive wells by