HOUSE OF REPRESENTATIVES—*Thursday, March 6, 1986*

The House met at 11 a.m.

PRAYER

The Reverend Dr. Ronald Christian, assistant to the bishop, American Lutheran Church, Washington, DC, offered the following prayer:

Our Father and our God, generations before us have invoked Your presence at the start of a busy day, before an important occasion, around the breakfast table, or out of the individual's heart and thoughts.

We continue the tradition and dedication of those our forebearers, seeking Your guidance on our activities this day, requesting Your presence in today's deliberations on behalf of our Nation and the world, thankful for daily bread and daily grace, and lifting up our personal needs and worries with unspoken language.

Hear our prayer, O God, and grant us those things that will not be harmful to our well-being nor damaging in our relationships with our neighbors or other countries. Amen.

THE JOURNAL

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

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 534. Joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

The message also announced that the Senate insists upon its amendment to the joint resolution (H.J. Res. 534) "Joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COCHRAN, Mr. MCCLURE, Mr. ANDREWS, Mr. ABDNOR, Mr. KASTEN, Mr. MATTINGLY, Mr. SPECTOR, Mr. HATFIELD, Mr. BURDICK, Mr. STENNIS, Mr. CHILES, Mr. SASSER, Mr. BUMPERS, and Mr. HARKIN, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 360. An act to direct the Secretary of Agriculture to convey, without consideration, to the Nebraska Game and Parks Commission, approximately 173 acres of land within the Nebraska National Forest to be used for the purposes of expanding the Chadron State Park, Nebraska;

S.J. Res. 246. Joint resolution to designate May 25, 1986 as "Hands Across America Day", for the purpose of helping people to help themselves, and commending United Support of Artists for Africa and all participants for their efforts toward combating domestic hunger with a four thousand mile human chain from coast to coast;

S.J. Res. 257. Joint resolution to designate May 2, 1986, as "National Teacher Appreciation Day;"

S.J. Res. 261. Joint resolution to designate the week of April 14, 1986 through April 20, 1986 as "National Mathematics Awareness Week;"

S.J. Res. 262. Joint resolution to authorize and request the President to issue a proclamation designating June 2 through June 8, 1986, as "National Fishing Week;" and

S.J. Res. 265. Joint resolution authorizing and requesting the President to designate the week of March 9 through 15, 1986, as "National Employ the Older Worker Week."

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 540, RELATING TO ADDITIONAL AUTHORITY AND ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE REQUESTED BY THE PRESIDENT

Mr. WHITTEN, from the Committee on Appropriations, submitted a privileged report (Rept. No. 99-483) on the joint resolution (H.J. Res. 540) relating to Central America pursuant to the International Security and Development Cooperation Act of 1985, which was referred to the Union Calendar and ordered to be printed.

PROVIDING FOR AMENDING SENATE AMENDMENT TO HOUSE AMENDMENT TO SENATE AMENDMENT TO H.R. 3128, DEFICIT REDUCTION AMENDMENTS OF 1985

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 390, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 390

Resolved, That upon the adoption of this resolution the House shall be considered to have taken from the Speaker's table the bill (H.R. 3128) to provide for reconciliation pursuant to section 2 of the first concurrent resolution on the budget for fiscal year 1986 (S. Con. Res. 32, Ninety-ninth Congress), with the Senate amendment to the House amendment to the Senate amendment thereto, to have receded from its disagreement to the Senate amendment, and to have concurred in the Senate amendment with an amendment printed in the Congressional Record of March 4, 1986, by Representative Gray of Pennsylvania.

The SPEAKER. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, I yield the customary 30 minutes, for purposes of debate only, to the gentleman from Tennessee [Mr. QUILLEN], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 390 provides procedures for further consideration of reconciliation legislation in the House. Specifically, this rule provides that upon its adoption the House shall be deemed to have taken from the Speaker's table H.R. 3128, the Deficit Reduction Amendments of 1985, with the Senate amendment to the House amendment to the Senate amendment thereto, to have receded from its disagreement to the Senate amendment, and to have concurred in the Senate amendment with an amendment printed in the CONGRESSIONAL RECORD of March 4, by Representative GRAY.

While it appears to be a somewhat complex procedural posture we find ourselves in with regard to this legislation, Mr. Speaker, I would point out that the complexity is primarily a function of the action that took place on reconciliation during the closing hours of the first session of this Congress. I would like to offer just a brief sketch of the process that has taken place on this matter to date.

Reconciliation began as a multitracked legislative effort in the House last year. H.R. 3128 carried the Ways and Means reconciliation provisions; H.R. 3500 carried the reconciliation recommendations of 10 authorizing committees; and the farm bill carried the reconciliation recommendations of the Agriculture Committee. Several other smaller pieces of reconciliation were carried in other bills as well.

When the other Chamber took action on reconciliation in November, their omnibus reconciliation instructions, originally carried in S. 1730,

were inserted in lieu of the House adopted language in H.R. 3128 which was then pending before that body. That constituted the first Senate amendment to H.R. 3128.

Following this action in the other body the House took further action on reconciliation in early December by amending the Senate amendment to H.R. 3128 with the House-passed language of both H.R. 3500 and H.R. 3128—the two primary reconciliation bills adopted by the House. This procedure was simply a device to go to conference with the House positions on the issues in H.R. 3500 as well as the issues in H.R. 3128.

A conference was convened on reconciliation and a conference report was ultimately filed on December 19, 1985. On that same day, the House rejected the conference report and instead amended the Senate amendment to the bill with an amendment consisting of the conference agreement minus Superfund. The other body followed by adopting the conference report without amendment, which reinserted Superfund into the agreement.

That brings us to where we are today. By operation of this rule, the House will amend the Senate amendment to the House amendment to the Senate amendment to H.R. 3128. The rule is self-executing, which is to say that upon adoption of the rule the measure is taken from the Speaker's table and amended with the amendment printed in Tuesday's CONGRESSIONAL RECORD by Chairman GRAY, without any further vote.

As my colleagues are aware, Mr. Speaker, the issue that became the center of controversy in reconciliation during the final days of the last session was the Superfund tax issue. The position of the House on this matter, Mr. Speaker, has always been clear.

As a matter of procedure, the House indicated that H.R. 3128 was not the appropriate vehicle in which to address taxing provisions for Superfund. On two separate occasions, the House adopted reconciliation without Superfund taxes of any kind. The House took the view that the Superfund reauthorization bill, H.R. 2817, was the proper vehicle to consider the taxing issue.

As a matter of substance, the House has also taken a clear position as to the kind of taxing provision it preferred for funding the Superfund Program. By a vote of 220 to 206, the Members of this Chamber expressed their preference for taxing provisions more similar to the current Superfund tax structure, as opposed to a broader-based excise tax.

Notwithstanding the positions taken by this Chamber as to the appropriate procedure and preferred substantive provisions on Superfund, however, this reconciliation measure became a vehicle with which the other Chamber attempted to enact a broad-based excise tax for the Superfund Program.

When the measure emerged from conference, it contained a broad-based Superfund excise tax. The House considered the conference report on reconciliation first without any Superfund taxing provisions, and subsequently with the Superfund tax provisions added by the other Chamber. By a vote of 205 to 151, this Chamber supported reconciliation without Superfund. By a vote of 137 to 211, this Chamber rejected reconciliation with a Superfund excise tax.

These last two votes, occurring on the evening of December 19, constituted the last action taken on reconciliation in the House. The other Chamber likewise maintained their position in a series of recorded votes.

Mr. Speaker, during the intervening months, negotiations have continued on this and other issues. I am very pleased to note that the Superfund tax issue has been severed from reconciliation. It will be treated separately in a conference on Superfund reauthorization. In fact, I understand the House conferees have just recently been appointed on that measure.

In addition to Superfund, Mr. Speaker, I would note that there have been negotiations ongoing on a number of additional items. These issues relate to provisions in H.R. 3128 concerning the Trade Adjustment Assistance Program; several issues related to Outer Continental Shelf activities; several Medicare and Medicaid issues; aid to families with dependent children programmatic changes; and Federal employee health benefit programmatic changes.

Mr. Speaker, the issues I have just mentioned were under negotiation until yesterday. On Monday evening, the House received a proposal on these issues from the other Chamber. The House position in response to that proposal is contained in the amendment which we will adopt upon passage of this rule. In my opinion, the House has gone far in excess of halfway in settling these issues, but I will defer to our colleagues who were directly involved in those negotiations for details on how these matters were ultimately settled.

Mr. Speaker, the savings from the House reconciliation package were originally estimated in the range of $80 billion over 3 years. With the time we have lost in delaying enactment of this legislation, however, we have also lost a considerable amount of the savings originally estimated.

On that issue, I would note that this package does not contain the revenues assumed from a new Superfund tax since that matter has been removed from the bill. Likewise, the Agriculture Committee's savings were carried in separate legislation, the farm bill we enacted last year. We have also lost savings simply because the effective dates for the provisions included in reconciliation have been pushed back considerably from October 1.

Another reason for the decline in estimated savings stems from reestimates which have been performed and which have removed from the total those savings achieved by the authorizations carried in the bill. This was essentially an effort to figure a truer picture of the direct savings which will be achieved by the legislation.

Therefore, the package before the House today, with the Gray amendment, will save $6.9 billion in the current fiscal year and $18.1 billion over 3 years.

To say that we have lost savings in this package, Mr. Speaker, does not, however, diminish the importance of our task. This is $6.9 billion in addition to the savings which have been achieved by the March 1 sequester order. And for the next 2 years, this legislation will reduce the amount of savings we will have to achieve in order to comply with the Emergency Deficit Reduction Act of 1985.

We have been at work on this legislation for a long time. At times it has been a frustrating process. But it has always been a worthwhile effort.

Many Members of both Houses of Congress have invested many hours of work in this product. Some 240 conferees participated in the preparation of the conference report. Moreover, beyond the savings achieved by the legislation, it carries numerous important substantive provisions which simply will not be enacted into law without action on this measure.

Much attention has been devoted over the last several weeks to how we are going to deal with mandatory across-the-board spending cuts. The only real way to deal with this situation is to legislate. We, as Members of Congress, are ultimately responsible for establishing priorities through the budget process. This legislation is an imperative first step in this effort.

What we have before us today is a clear opportunity to demonstrate that the budget process is alive and well; that carefully considered spending reductions can be achieved; and that we are serious about addressing the Federal deficit that will haunt this and future generations if action is not taken now.

Mr. Speaker, this rule is essentially the same procedure as was used by the House in late December. At that time, on a vote of 205 to 151, the House passed that rule and thereby adopted the conference report on reconciliation without Superfund. The proposition before our colleagues today is the same, except for the few smaller changes I have already mentioned. This rule gives the Members of the House a straight up-or-down vote to

again affirm our support for reconciliation without Superfund provisions.

I urge adoption of the rule.

□ 1110

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

Mr. Speaker, as has been ably explained by the gentleman from South Carolina [Mr. DERRICK], the budget reconciliation bill is a very comprehensive measure, and it is a very controversial measure. But we all know that reconciliation is necessary.

Mr. Speaker, I have just received word from the administration that if this bill passes both the House and the Senate in its present form, the President's senior advisors are going to recommend to the President a veto. So we face a problem of working out a measure which will be satisfactory and, goodness knows, negotiations have been going on forever on this measure. Unfortunately, the ranking Republicans on the various committees I understand were not consulted in working out the final package. I was hoping when it came before the Rules Committee this week, that everybody would have worked it out so that when it passed the House today—and I shall vote for it—that it would not be subject to a veto.

Many things have been taken out of it which are objectionable. Many things have been included which are very favorable to Members of the House in certain areas of this country.

Mr. Speaker, I urge adoption of the rule which incidentally means the passage of the resolution as no further debate will come about. The rule will be debated for 1 hour.

Mr. Speaker, I have several requests for time. Our time over here is all taken.

Mr. STARK. I thank the distinguished gentleman from South Carolina for yielding me this time.

Mr. Speaker, the Medicare provisions contained in H.R. 3128 represent important policy changes and many months of work. Under the latest CBO estimates, the conference agreement as passed by the House on December 19, 1985, saves $17.6 billion over 3 years. The amended conference agreement increases the amount of deficit reduction to $18.1 billion. Fiscal 1987 savings amount to $6.4 billion. These savings are needed to help us meet the Gramm-Rudman target of $144 billion for fiscal 1987.

As you all know, we were unable to enact H.R. 3128 prior to adjourning in December because of a disagreement concerning superfund. Since then, we have worked vigorously to revive the bill. In response to a recent offer by the other body, we have reluctantly made a limited number of concessions. Specifically, we have deleted several provisions which would have provided modest, yet needed, increases in benefit protections at low cost to the program. The provisions that were changed to accommodate the administration were, first, reducing the rate of increase for hospitals from 1 percent to 0.5 percent; second, eliminating the expansion of the occupational therapy benefit and the vision care benefit; third, eliminating the provisions relating to durable medical equipment reimbursement, home health reimbursement limits; and the expansion of Medicare appeals.

Despite these changes, H.R. 3128 still contains a number of important provisions which are necessary to the Medicare Program and which result in substantial savings. These include: A half-percent increase in hospital payments; a slower transition to national payment rates for hospitals; special payments for hospitals treating a disproportionate share of low-income patients; a 3-year phaseout of the guaranteed return on equity payments for for-profit hospitals; a prohibition against the "dumping" of hospital emergency patients; an extension of the Medicare physician fee freeze on nonparticipating physicians through December 31 with an increase of about 4.15 percent in payments to physicians agreeing to participate during 1986; and an extension of Medicare coverage to newly hired State and local employees, effective April 1, 1986.

I believe that H.R. 3128, as amended, represents a responsible effort by the Congress to improve the Medicare Program and obtain substantial budgetary savings. If we do not enact H.R. 3128 at this time, important Medicare provisions will expire.

In the public assistance area, the amendment makes two changes to the conference agreement on AFDC and Medicaid quality control. The moratorium on fiscal sanctions in the Medicaid Program is deleted; and a clarifying amendment with regard to the Medicaid moratorium provisions of the 1984 Deficit Reduction Act is deleted.

The amendment retains the moratorium with regard to AFDC fiscal sanctions. It also retains the provision in the conference agreement mandating the AFDC Unemployed Parent Program.

The conference report and the proposed amendment reauthorize the trade adjustment assistance programs for 6 years, until September 30, 1991, retroactively from December 19. The amendment deletes from the conference report program changes which were most objectionable to the administration, but it retains the provisions in the conference report which would improve program administration.

The Superfund provisions contained in the Senate amendment, which we in the House and the administration objected to, have been deleted. As you know, these Superfund provisions are being considered in a separate conference.

In addition, the effective date of the increased Black Lung Trust Fund coal excise tax is postponed from January 1 to April 1, 1986. The new tax on smokeless tobacco would be imposed on July 1 rather than April 1, 1986. Both these changes merely make the taxes prospective and allow time for the effected industries and the Treasury Department to prepare for these tax changes. Other changes in the tax area are merely technical.

Mr. Speaker, I do not agree with all of the changes contained in the amendment to the conference report on H.R. 3128. However, I am willing to accept them in order to get this very important legislation enacted into law.

I find it very distressing to begin working on next year's budget resolution, when we have yet to finish our work on last year's budget. If we do not enact the bill before us today—last year's reconciliation legislation—we will lose $6.7 billion in savings for fiscal 1987 and upward of $20 billion over the next 3 years. This includes $6 billion in revenues, which will reduce the deficit if enacted as part of this bill. If not, they are very likely to be used in future bills to pay for revenue losers or new expenditures.

In addition to the lost savings, failure to enact this bill will result in serious disruptions in the Trade Adjustment Assistance and Medicare Programs. Frankly, I do not see how we can fail to pass H.R. 3128 and expect our constituents to believe that we are serious about reducing the Federal deficit.

I urge my colleagues to support the amendment that is before us today.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the gentleman from Louisiana [Mr. MOORE].

Mr. MOORE. Mr. Speaker and my colleagues, I ask you to vote for this measure before us today. I realize it is unusual, I realize the administration is opposed to it, and I realize it is an unusual procedure. But I really believe very sincerely that unusual actions are now in fact called for. We have been fighting over this reconciliation measure now for a long time. It has been before the House two or three times and been passed two or three times. And we have yet to settle anything. Nothing has finally been resolved.

There is something very important in here. There are a number of things very important in here. But there is one very obviously important to a certain number of States who have been promised fair treatment now for a number of years since 1978 and have not received it. A reconciliation bill would finally settle the issue of a division of the offshore revenues from the Outer Continental Shelf between the Federal Government and those States

that are producing oil off their borders.

The States are entitled to this money. Nobody has ever said they were not. Everybody agrees the States involved are entitled to some money. The question has been: How much?

This finally settles that. It could not come at a better time. Those States are deeply involved now in deficits like they have never seen before because of the falling price of oil. The State I am privileged to be from and represent, Louisiana, now is second in the Nation in unemployment. And we are afraid we are going to overtake West Virginia and become first because of this particular problem.

Oil prices were supposed to be, by our best planners and guessers, $40 a barrel as we are here today. It is $12 a barrel and still falling. It is expected to be maybe $9 a barrel by this summer.

Now that is good for the economy, I do not object to that; but it is awfully tough on those States that are producing it. People are going out of business; unemployment is going up very high because you do not produce oil for that price. You cannot and make money. It is very damaging to the States who are receiving large revenues and taxes and bonuses and royalties and rents such as a State like mine; suddenly they are finding the bottom is falling out of their revenue base. The money is not there to run the State.

So the first reason I would ask you to vote for this is because the States are due it and have been since 1978 and they need it.

The second reason I give you for supporting it is because the States have been promised this money since 1978 when this Congress passed legislation saying those States would get "a fair and equitable share." They have never gotten 1 penny because the Federal Government could never agree on what was fair and equitable to the States concerned.

□ 1125

That in itself is unfair and inequitable.

We have had commitments made by two administrations, Republican and Democrat, that of President Carter and that of President Reagan, saying we are going to settle this issue, we are going to get you your money. But, in fact, it never came. We have gone through negotiations with both administrations. We have yet to settle the issue.

This legislation will settle it. That is the second reason.

The third and final one is the fact that this controversy affects the entire country, not just those States. It ought to be settled.

The money that goes to the Federal Government, and it gets the lion's share of the money, is tied up in the same procedures as the States not being able to get theirs. It is all put aside in a special escrow account, and there the money sits. The Federal Government cannot get its and the State governments cannot get theirs.

This legislation would settle that so the States will finally get theirs, but the Federal Government would also get its, at least $4 billion by some accounts, that would go to reduce the deficit without having to raise taxes or cut spending. We need to pass this legislation to do that.

So, my colleagues, I ask you very sincerely, over the objections of the administration—and I support it, as you well know—over the objections you might have of this unusual procedure, to let us finally get down to business. Let us finally settle the issue. Let us finally get it done. Let us finally pay to the States what they deserve. Let us get the money going to the Federal Government that it cannot use. Let us get this issue off the table where it has been festering now since 1978.

Mr. Speaker, I urge an aye vote for this rule.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. PETRI].

Mr. PETRI. Mr. Speaker, I rise in opposition to the resolution.

There are many reasons to oppose this poor pale remnant of a reconciliation bill that has struggled to the floor today, gasping for breath. It harbors a number of odious provisions that have nothing to do with budget reconciliation and everything to do with finding a nice safe place to hide from excessive scrutiny and the possibility of a separate vote. I suspect it is the proponents of these various evils who have resurrected this bill from the dead, not some high-minded concern about the deficit. If this bill lives, we will be hard pressed to correct its mistakes. If this bill meets its just reward, its good features surely will find new life in other legislation, including budget legislation, this year.

One of the odious provisions of this bill is a national mandatory drinking age of 21, which tramples even further into the dust the beleaguered concepts of Federalism and States rights on which our Nation was founded. Some of our State governments, in their wisdom, have decided that some other minimum drinking age best fits their particular circumstances. Some argue in all sincerity that in their cases a different standard saves the most lives.

Who are we in Congress to decide that they are wrong; that a single national standard must necessarily be the best for everyone on an issue of this type? We should leave this to the States to decide for themselves.

An even more odious feature of this bill is its billion dollar bailout for the tobacco growing industry. Let me explain this. After a hard fight over repeal of the tobacco program in 1981, its proponents promised to reform it so that it operated from then on at no cost to the taxpayers. The result was the No Net Cost Tobacco Act of 1982. Opponents of the program have argued that that law failed to cover large parts of the program's costs, and that tobacco farmers and our Nation would have been far better off without any program at all, but those points are not at issue here today.

We also pointed out over the years that the assessments on farmers under the no net cost law were too small to cover even the officially recognized costs that were being run up.

But always when we complained, we were solemnly assured that the program operates at no net cost to the taxpayers and that the requirements of the 1982 law would be met. Time and again, we have heard the same refrain: No net cost; no net cost. Today we are simply asking the program's proponents to make good on that promise. We are saying, "You made your bed; now lie in it."

But a funny thing has happened. Tobacco proponents now realize that assessments were too small; that there are huge impending official losses; and that covering them under the current law will require much larger assessments that will drastically cut the profits of absentee landlord allotment owners. And now that the no-net-cost promise has become most inconvenient, they would rather forget about it. So they have come up with the bailout proposal in this bill. Under it, the Nation's taxpayers would take over from tobacco growers responsibility for up to a billion dollars of impending losses.

There are two main devices for accomplishing this. First, taxpayers would directly take over all losses on the weather-damaged 1983 burley crop. These losses alone are estimated at $400 million or more.

Second, taxpayers would take over losses on the rest of the no-net-cost crops indirectly, through one giant package deal with the big cigarette companies. The companies would buy all the Government tobacco in storage, paying way too much for the no-net-cost tobacco and way too little for the pre-no-net-cost tobacco, for which the taxpayers are still responsible under current law. In this way, from $300 to $600 million of additional losses will be shifted from the growers' tobacco onto the taxpayers' tobacco.

I have to admire the cleverness of this scheme, but I don't have to stand still for it.

Now I know CBO gives savings numbers for these tobacco provisions, but CBO staff admitted to my office that they have no expertise in tobacco. The numbers came from the people who run the tobacco program, and they are

totally misleading. They assume the tobacco in storage can't be sold without these provisions, which is clearly false, and they ignore the effect of intercrop price jiggering on future liabilities of the growers for assessments.

There are other reasons to oppose this bailout. For example, it raises grave antitrust questions, it hands over to the cigarette companies effective control of the whole tobacco-growing industry, and it will cause continued shrinkage of that industry in favor of foreign tobacco in the years to come. To his credit, the distinguished House Tobacco Subcommittee chairman recognized some of these problems in publicly opposing this plan all last year.

But I believe it is the cost issue that should concern us most. How can we start out the year of Gramm-Rudman by handing over a cool billion dollars to tobacco interests? How can we possible face all the people whose programs will be cut if we do this deed? I ask all my colleagues, please take a stand for fiscal sanity and oppose this bill.

Mr. DERRICK. Mr. Speaker, for the purpose of debate only, I yield 1 minute to the gentleman from North Carolina [Mr. WHITLEY].

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

Mr. Speaker, in response to the remarks by the gentleman from Wisconsin, who just spoke, I would point out several things.

First of all, what we are seeking to do in tobacco is what they probably ought to do in the commodity that the gentleman is very interested in, dairy products. The Federal Government has loaned billions of dollars for millions of pounds of dairy products that have sat in commodity stocks, and they have either rotted in many cases and have become completely worthless, or they have been literally given away.

What we proposed to do in the tobacco amendments that the gentleman opposes is to take pre-1982 tobacco stocks and sell them for the highest dollar we can get from them. It is not a giveaway; it is salvaging the best we can.

The gentleman also alluded to the fact that beginning in 1982, we made a commitment to make this a no-net-cost program. That is right; we have. We continue to do that. These amendments refine the no-net-cost portion of it, and that tobacco that will be sold at less than what stabilization has in it is the pre-1982 tobacco.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Speaker, I thank my colleague from Tennessee for yielding.

Mr. Speaker, may I say that this is the most unusual and extraordinary procedure that we are following. I am the ranking Republican on the Ways and Means Committee. Most of these items, or all of them, are involved in this procedure that we are following today involves our committee. It was not mentioned to me. I was not consulted.

There are many things that have not been mentioned here today that many of you who come from large cities, you are going to hear again from your municipal employees who are going to be blanketed under Medicare without having proper hearings. They have been unable to express themselves as to whether they want Medicare or not.

Mr. Speaker, one thing that concerns me greatly, of course, is vision care, which has been taken out entirely, which deals with optometrists. Many, many communities in my State—I live in a large city—many communities do not have ophthalmologists. They have only the optometrists, who provide good service. I think my distinguished chairman of the Health Subcommittee would agree that that is a good provision. Apparently some deal was cut with someone in the Senate to strike that provision.

Mr. STARK. Mr. Speaker, will the gentleman from Tennessee yield to me?

Mr. DUNCAN. I would be glad to yield.

Mr. STARK. Mr. Speaker, the distinguished ranking member who serves ex officio on our Subcommittee on Health shares the concern with me for the vision care provision that was dropped and other excellent provisions, such as that for occupational therapists.

Often in the spirit of compromise, good programs get jettisoned. I assure the distinguished ranking member of the committee that that was in a concession to the other body, and I also would like to give the gentleman my assurance that this Chair will attempt to revisit those issues and reenact that legislation in this year. I share the gentleman's concern for the vision care and other good provisions, and the gentleman has been a leader in that area. Mr. Speaker, I want the gentleman to know that that is not a provision that will be dropped from the agenda of our committee.

Mr. Speaker, I thank the gentleman for his interest.

Mr. DUNCAN. Mr. Speaker, I thank the distinguished chairman.

□ 1135

So with this procedure, Mr. Speaker, I must strongly oppose portions of this resolution.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Illinois [Mr. MICHEL], our minority leader.

Mr. MICHEL. Mr. Speaker, this reconciliation bill is but a small piece to a very large puzzle.

Reconciliation cannot stand alone. It must be considered in the context of the fiscal 1987 budget—further sequestration, rescissions and deferrals, the constitutional challenges to Gramm-Rudman and deferral procedures, supplemental appropriations, just for openers.

Where does reconciliation fit in?

We don't know. We're not sure.

We have no plan for dealing with these issues. We have no timetables, no goals, no objectives. We don't have any common baselines, or economic projections. We have no task forces, and too few efforts to bring the two bodies together at the negotiating table.

This exercise we are going through is unprecedented. It poses unprecedented obstacles, not the least of which are two court cases raising questions about the constitutionality of what we are doing. If you take the political equation out of the process, there are enough problems here to turn this into a national fiscal fiasco. When you add some rather intense partisan campaign politics to this process, such as field hearings on the President's budget and inventive new budget baselines, then the prospects for our success become extremely limited.

What are our goals? More importantly, what are the goals the American people would like us to achieve?

I think the American people want us to balance the budget. I really believe they want that goal accomplished, and soon. I also believe they want the budget balanced gradually, and without causing harm to the economic growth and stability this country is enjoying. They believe the two are perfectly consistent objectives.

The American people are not going to concern themselves so much with how we get the job done, they just want it done, and they want us to cooperate with each other in the process.

That leaves it up to us to be big boys and girls and work this thing out in a manner that produces some results at the end of the year.

We're not doing that now. We don't have our eyes on the budget. We have them on the ballot box in November. We're suffering from political paralysis around here. No one can move a muscle or utter a word that doesn't have some campaign value.

I don't think the American people are going to want to sit through election-year follies starring their own public servants.

We may never be able to fully explain to them the sly little tricks being played on the baseline or the separate consideration of the President's

budget, but they'll know full well that we are not working together and we are not getting the deficit reduced.

This reconciliation bill is a good representation of our failure. Reconciliation should have been completed last year, not 3 months into this year and we should have had the statesmanship to work out a compromise. We did not. All sides are at fault.

We must not let the same occur on each step through this fiscal maze we have to get through in the next 7 months. We must not let the American people down like we did last year, and the year before that, and the year before that.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of the rule.

I do so despite my great disappointment at the loss of some important Medicare and Medicaid Program reforms.

At the insistence of the Senate and the Office of Management and Budget, the amendment strikes out a number of important provisions that had been agreed to by the House-Senate conferees just last December:

Medicare coverage for vision care services provided by optometrists;

Expanded Medicare coverage for occupational therapy services;

Improved appeal rights for Medicare beneficiaries whose claims for payment under part B have been erroneously denied;

Medicaid coverage for home-based respiratory care services for ventilator-dependent children and others; and

Four Medicaid home and community-based services demonstrations, including one focussing on the special needs of Alzheimer's patients.

These provisions are needed; they represent sound health policy; and they are low-cost. Just 2½ months ago, the Senate agreed to these provisions: In fact, both Medicaid provisions are originally Senate proposals.

I regret that we no longer have agreement on these items.

But it is clear that we do not, and I believe we ought to salvage what is left of this legislation, for much good policy remains.

First and foremost, this bill, as revised, would reduce the Federal deficit by about $3.8 billion next year, and by $11.7 billion over the fiscal year 1986 through fiscal year 1988 period.

Now, $3.8 billion is not an enormous amount of savings. But as those of you who have struggled to find responsible savings well know, it is hardly trivial. In fact, it represents more than 10 percent of the amount of savings we need in order to reach the Gramm-Rudman target of $144 billion next year.

We simply cannot afford to let this opportunity go by.

Second, the bill as amended retains some badly needed improvements in the Medicare and Medicaid programs:

Hospitals participating in Medicare would not longer be allowed to "dump" emergency patients who lack insurance coverage.

Hospitals serving disproportionate numbers of low-income patients would receive an adjustment in their Medicare payments to account for their higher costs.

Medicare payment for the direct costs of medical education would be restructured to make them more cost effective and to promote primary care training.

The Medicare physician fee freeze would be revised to exempt participating physicians.

A physician payment review commission would be established to make recommendations on improvements in Medicare payment methods.

The peer review organizations would be authorized to require second opinions prior to Medicare payment for certain elective surgical procedures.

Pregnant women in two-parent working poor families would be eligible for Medicaid coverage for prenatal and maternity care.

States would be able to offer hospice services to their terminally ill poor.

States would have greater flexibility in providing Medicaid home and community-based services to their elderly and disabled poor who would otherwise be placed in nursing homes:

In short, Mr. Chairman, this bill is one of those rare marriages of budgetary savings and good health policy. I urge my colleagues to support the rule.

I want to note, for the benefit of those who will implement and interpret this legislation, the purpose of one of the changes made by the amendment provided for under this rule. The amendment revises the effective date of the clarification contained in section 9517(c) of the conference agreement relating to health insuring organizations [HIO's] under Medicaid. Under the amendment, the clarification applies to entities that first become operational on or after January 1, 1986, with the following exception. In the case of HIO's that first become operational on or after January 1, 1986, but for which implementing waivers had been granted by the Health Care Financing Administration under section 1915(b) of the Social Security Act prior to that date, all of the regulatory requirements set forth in section 1903(m) of the act apply, other than those at clauses 1903(m)(2)(A)(11) (limiting the percentage of public prepaid patients to 75) and 1903(m)(2)(A)(vi) (relating to disenrollment without cause upon one month notice). The nonapplicability of these two requirements extends only during the period for which the related 1915(b) waiver granted prior to January 1, 1986, is effective. It is the understanding of the House conferees that the exception created by this amendment applies only to the following HIO's: HealthPASS in Philadelphia, PA; Kitsap Physician Service Sound Care Plan in Kitsap, Mason, and Jefferson Counties, WA; and the Organized Health System, San Mateo County, CA.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Ohio [Mr. PEASE].

Mr. PEASE. Mr. Speaker, I rise to urge passage of this resolution because contained in the reconciliation bill is a 6-year extension of the Trade Adjustment Assistance Program. That is one of the programs that died on December 18, when we failed to pass a reconciliation bill. Thousands of American workers who are eligible have been unable to collect their benefits in the last 2½ months and are waiting desperately for us to act.

The provisions in this reconciliation package for trade adjustment assistance are excellent provisions. It is retroactive back to December 19. It deletes a couple of provisions which were especially burdensome and loathsome to the administration, and yet it also contains some provisions not costly, I might add, which will improve the administration of the TAA Program.

It also links participation in TRA weekly benefits to participation in job search and job club activities which I think will be satisfying to a lot of our Members.

And, finally, it is consistent with Gramm-Rudman. It would apply the 4.3-percent cut effective March 1.

I urge passage.

Mr. DERRICK. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana [Mr. HUCKABY].

Mr. HUCKABY. I thank the gentleman for yielding.

Mr. Speaker, I was somewhat disappointed in the minority leader's statement. He seemed not to be supporting this reconciliation bill as such. I certainly agree we should have passed it last year, but I think to pass it now is much better than not to pass it at all because it contains some $7 billion, approximately, for deficit reduction for fiscal year 1987. Four billion dollars of that is a result of legislation that my colleague, the gentleman from Louisiana [Mr. BREAUX] and I introduced several months ago involving the OCS offshore oil and gas settlement.

The States, the coastal States, will only receive 27 percent instead of 50 percent of these revenues. Hence, $4 billion will be freed up from escrow and go into reducing the Federal deficit next year. In addition to that, much needed funds to the coastal States and funds which could not come at a better time due to the rapid falling price of oil.

Mr. DERRICK. Mr. Chairman, for the purpose of debate only, I yield 1 minute to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, the amendment that would be adopted upon the passage of this rule contains a technical correction of section 4016 of the reconciliation bill, concerning the liability of Amtrak for labor protection payments. The conferees agreed to adopt a provision that would make it clear, for purposes of determining the eligibility of Amtrak employees for labor protection payments,

that "discontinuance" does not include a frequency reduction or seasonal suspension of service the effect of which is a temporary suspension of service, unless such frequency reduction or seasonal suspension reduced service below three round trips per week on a route.

Through a mistake in the drafting process, section 4016 and the conference report were altered and have a different meaning than that intended by the conferees. This technical correction restores the legislative language necessary to reflect the conferees' original intent and objective, which I have just described. The amending language will permit Amtrak to make either a frequency reduction or a seasonal suspension the effect of which is a temporary suspension of service without incurring labor protection costs, unless in either case the three-round-trip-per-week criterion is breached.

This technical correction has been worked out by the majority and minority staffs in both bodies and has been reviewed by representatives of Amtrak and labor, who have agreed that the language accurately reflects the conferees' intent. I urge the adoption of the rule and the amendment.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. DAUB].

Mr. DAUB. Mr. Speaker, I am pleased to have the opportunity to commend my colleagues for their diligent and patient efforts in bringing this legislation to the House floor.

Certainly, there are many provisions of this compromise measure that deem special merit. Specifically, I would note that the conference agreement remedies several provisions with which I had earlier voiced concern:

The contentious Superfund provisions have been removed and are now being dealt with in a separate conference.

The specific earmarking of 1 cent of the 16 cent cigarette tax—a process that I strongly oppose—has been dropped.

The proposed salary increase for Members of Congress has been eliminated.

The provisions authorizing a new State teenage-pregnancy block grant for AFDC recipients have been dropped.

Most especially, I was pleased to note that numerous improvements were made in the Medicare provisions of H.R. 3128. The agreement includes an increase in Medicare payments to hospitals—and while we were not able to achieve as much of an increase as we may have originally sought, I want to commend the conferees on recognizing the need for some increase.

The agreement would also apply the revised hospital area wage index prospectively to hospitals, for discharges occurring after May 1, 1986. As the original House sponsor of the legislation, I recognize the importance of this one provision to countless hospitals.

Finally, with regard to the Medicare provisions, I commend the conferees on the compromise reached on the transition to national DRG payment rates: The legislation would continue the transition at a rate of 55 percent Federal specific/45 percent hospital specific.

Again, I commend the efforts for this series of achievements on budget reconciliation. Nonetheless, I do have reservations that this legislation does not adequately address our structural deficit problem. The large deficits we face are certainly not the result of the American people not being taxed enough. These deficits are the result of Government spending too much money.

Thus, my concern with respect to this legislation is that half of the deficit reduction included in the bill comes from increased revenues. Reconciliation should reduce the deficit by cutting spending exclusively. Although I support many provisions of the legislation, I sincerely regret that it does not fully address—and even exacerbates—our structural deficit problem.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Tennessee [Mr. FORD].

Mr. FORD of Tennessee. Mr. Speaker, I urge the adoption of this resolution. I believe that the House has gone the extra mile in trying to get this deficit reduction package enacted. Chairman GRAY's amendment represents a delicate balance between protecting those agreements reached in conference that are of greatest importance to the House while moving in other areas in an effort to reach accord with the Senate and the White House.

I am particularly pleased that the House is standing firm with regard to the AFDC Unemployed Parent Program. In half the States, AFDC benefits are paid only to families in which the primary wage earner is absent from the home. This misguided policy encourages family breakup. In the conference agreement, we abolish this antifamily policy by mandating that all States provide assistance to needy two-parent families.

Mr. Speaker, I have been shocked that OMB continues to oppose mandating the Unemployed Parent Program. I suggest that the director of OMB start reading the President's speeches. The President has repeatedly stressed his profamily agenda and alluded to welfare policies that encourage the breakup of the family. Denying AFDC benefits to two-parent families is the single, most notorious antifamily welfare policy. The House wants to abolish this policy. If the President means what he says, he wants to abolish this policy. It is time that the President's staff got the message. I never thought I would find myself saying this, but on this issue, they should let Reagan be Reagan. This is a profamily amendment.

Again, Mr. Speaker, I urge the adoption of this resolution.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. Mr. Speaker, I rise in support of the conference report on H.R. 3128, the Deficit Reduction Amendments. Of critical importance to me, and to other coal State Representatives, is the retention in this legislation of the provision relating to the Black Lung Program as it was included in the conference agreement on the budget reconciliation bill that was considered on the House floor late last year.

Under the black lung provision before us today, we have managed to insure the future solvency of the Black Lung Disability Trust Fund without incurring the disastrous effect on coalfield employment and coal markets that would have resulted under the Reagan administration's proposed 50-percent increase in the current black lung excise tax assessed on coal.

In fact, adoption of the administration proposal would have further aggravated the indebtedness of the trust fund, and as such, jeopardized payments to black lung beneficiaries by burdening the coal industry with such a level of excessive taxation that would surely have resulted in mine closings, and subsequently, fewer payments into the trust fund.

Under current law, a temporary excise tax on coal production of the lesser of $1 per ton for underground-mined coal and 50 cents per ton for surface-mined coal, or 4 percent of the price for which the coal is sold, is deposited into the Black Lung Disability Trust Fund in support of payments to beneficiaries who suffer from the crippling effects of black lung disease.

This level of taxation was imposed in 1982 as a temporary increase from the original levels of the lesser of 50 cents per ton for underground-mined coal and 25 cents per ton for surface-mined coal, or 2 percent of the selling price for which the coal is sold, in an effort to reduce the deficit in the trust fund; a deficit created primarily due to interest charges assessed on trust fund borrowing from the U.S. Treasury. Under current law, the excise tax imposed in 1982 would revert to prior year levels after January 1, 1996, or on January 1 as of which all principal and interest owed the Treasury by the trust fund have been paid.

Unfortunately, the temporary increase in the excise tax imposed in

1982 has failed to dramatically reduce the indebtedness of the Black Lung Disability Trust Fund, primarily because of skyrocketing interest charges from the U.S. Treasury.

For this reason, and in an effort to make the trust fund solvent, the coal industry—in the form of the Bituminous Coal Operators Association and coal labor in the form of the United Mine Workers of America—proposed a compromise to the administration position that the coal excise tax be increased by 50 percent. This compromise has been adopted by the conferees.

Under the black lung provision in the conference agreement, the black lung coal excise tax would be increased by 10 percent, to the lesser of $1.10 per ton for underground mined coal and 55 cents per ton for surface mined coal, or 4.4 percent of the sales price, through December 31, 1995. In addition, the provision provides for a one-time, 5-year forgiveness of the current interest payments on the cumulative indebtedness of the trust fund. It is also my understanding that the exising termination for this excise tax increase is retained under the provision in the conference agreement.

Mr. Speaker, under the administration proposal, disaster would have occurred in the coalfields of this Nation. Many smaller coal mines would have closed due to their inability to pay such an exorbitant tax and we would have witnessed increased levels of unemployment among the coal labor work force. That disaster has been averted primarily due to the persistent efforts on behalf of this compromise provision of the gentleman from Florida, SAM GIBBONS, and the chairman of the Committee on Ways and Means, DAN ROSTENKOWSKI. These two gentlemen have shown they care deeply for the well-being of the American coal miner and all of us who share this sentiment owe them a deep debt of gratitude.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. DONNELLY].

Mr. DONNELLY. Mr. Speaker, I rise in strong support of the fiscal year 1986 reconciliation legislation before us today. This bill, crafted in a spirit of compromise, retains important provisions of H.R. 3128, reconciliation legislation passed by the House during last session. I am particularly pleased that it includes the provision of H.R. 3128 that only newly-hired employees be required to pay a Medicare payroll tax. I first proposed that provision many months ago when reconciliation was first considered in the Ways and Means Health Subcommittee. I am delighted that this provision remains a part of the House bill, and I commend my colleagues who have sat on the conference committee for their perseverance in adhering to the House position on this issue.

The question of mandatory Medicare coverage for State and local employees is of particular importance in my own State of Massachusetts. Virtually none of Massachusetts' 300,000 State and local employees are currently paying into the Medicare system. Because they were originally denied coverage by the Social Security and Medicare systems, public employees have developed health and retirement programs that are comparable, and often superior to, Medicare coverage. They neither want nor need to participate in the Medicare system. Mandatory coverage for all State and local employees, moreover, would cost State and local governments in Massachusetts $18 million in 1986, and $75 million in 1987. It is a cost they simply cannot absorb all at once.

Massachusetts is not the only State that would be severely affected by mandatory universal coverage; nearly every teacher, firefighter, and police officer in the country would be affected. Every one of them would face a tax increase in the form of the 1.45 percent Medicare payroll tax on their earnings. With these public servants under siege now more than ever, facing the uncertainty of how Gramm-Rudman cuts will affect them, a tax increase is not only unfair, it sends the wrong message. It sends the message that public employees will continue to unduly bear the brunt of deficit reduction efforts. I do not believe this is a course Congress should take.

Requiring that only newly hired State and local employees be required to pay into Medicare is a workable, gradual transition to the new system. It is a reasonable way for State and local governments, and their employees, to adjust to the new system without major disruption. It is the only fair way to integrate State and local employees into Medicare, and to avoid fiscal crisis in States like Massachusetts.

The conferees deserve the congratulations for their dedication to making the budget process work during extremely difficult negotiations. I urge a vote in support of this bill.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of this rule primarily because of the provisions reflecting the disposition of revenues under section 8(g) of the Outer Continental Shelf Lands Act. This disposition of funds is long overdue. It was mandated originally by the 1978 act and has been pending all this time. It is an equitable distribution.

Frankly, it is, at a minimum, very fair, because western lands currently provide for a sharing of revenues from onshore development of Federal lands on a 50-50 basis between the States and the Federal Government.

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In this instance, despite all the impact on the Outer Continental Shelf, and its adjoining coastal States, these States under this agreement will only get 27 percent of the revenues produced on the Outer Continental Shelf.

So it is a compromise, and I do indeed support it, and I rise in support of this rule allowing for House to amend H.R. 3128, the omnibus reconciliation bill, and send it back to the Senate with these amendments.

I am supporting this rule because it will essentially protect the budget savings provisions reported by both the Interior and Merchant Marine and Fisheries Committees dealing with the disposition of revenues under section 8(g) of the Outer Continental Shelf Lands Act. 8(g) revenues are those derived from Federal offshore oil and gas leases within 3 miles of State boundaries.

In meeting the reconciliation savings required under this year's budget resolution, both the Interior and Merchant Marine and Fisheries Committees have finally and equitably resolved how the Federal Government and 7 coastal States should share the $6.1 to $7.9 billion in estimated 8(g) revenues.

Some Members will criticize the distribution formula in this bill as a bailout and Federal windfall for only seven coastal States, but I would make the following points in reply:

Over the years billions in revenues have been collected by the Federal Government from oil, gas, and other mineral development on Federal onshore lands. This onshore mineral development occurs primarily in States west of the Mississippi where over 90 percent of our Federal lands exist. These Western States have always split the billions and billions in revenues from onshore development with the Federal Government on a 50-50 basis.

Yet, the Federal-State split for the offshore revenues provided in this reconciliation package will be 73 percent for the Federal Government and only 27 percent for the States.

This 73 percent Federal share means over $4.3 billion in immediate revenues to the U.S. Treasury and billions more in the outyears.

Mr. Speaker, the distribution formula in this latest amendment to H.R. 3128 is the only equitable formula that addresses coastal State concerns regarding the existing 8(g) escrow account, future 8(g) revenues, royalty payments, and the recoupment of 8(g) revenues collected since 1978 that were not placed in escrow.

The 27 percent State share of all these 8(g) revenues are desperately needed by my State of Louisiana where unemployment rates are still well above the national average and where the environmental impacts from intense offshore development have never been adequately addressed.

By approving the 8(g) revenue distribution formula in this rule and reconciliation package, the Federal Government gets the best deal

and we have for the first time our best chance to resolve a complex Federal-State dispute that began in the Carter administration and that has been debated in the Interior and Merchant Marine and Fisheries Committees since 1977.

And so it is that for the most part, I support the rules.

But I do have reservations about this package.

One reservation stems from section 19 of this compromise, which effectively gives the States a veto over OCS leasing decisions. That concerns me greatly.

A Governor could accept the revenues from existing production under this compromise and yet still put a moratorium on all future production on his State's Outer Continental Shelf. That should give us great cause for concern, and we should look at this provision carefully before it goes to the President for his signature.

Finally, I have to say that I have grave concern about the provision in the reconciliation bill which effectively coerces the States into changing their legal drinking age to 21.

Mr. Speaker, as much as all of us want to end the horrors of drunk driving, it is wrong for the Federal Government to coerce the States into changing their legal drinking age to 21. But that is exactly what this conference report does, out of the noblest of intentions, by permanently cutting necessary highway funds to those States that fail to comply with Washington's mandate.

I have lost members of my own family to alcohol related highway accidents, and I fully understand the grief of those who have lost loved ones to drunk drivers, but this is not the way to attack a serious problem. The ends do not justify the means and burying this provision in the reconciliation bill is no way to legislate.

The legal drinking age should be left to State legislatures, whose members know the local demographics, customs and mores better than anyone at the Federal level. The great problems associated with drunk driving defy uniform classification by the National Government. Statistics are legion and we could quote them all night, but the fact is that some States have voluntarily raised their drinking age only to see an increase in per capita alcohol related deaths. Thus, an approach that succeeds in New Jersey may not succeed in Louisiana because the two States are different in many vital respects.

Recently, two Case Western Reserve University professors conducted a study of 15 States where the minimum drinking age was raised to 21. In only 2 of 15 States was there a reduction in the percentage of 18-to-20-year-old deaths. In fact, in many of the 15 States, 18-to-20-year-olds accounted for a higher percentage of deaths after the minimum age was raised. Yet proponents of raising the drinking age argue that the 18-to-20 age group causes an excessive proportion of alcohol-related accidents. What they do not tell you is that the National Transportation Safety Administration found that drivers in this age group actually cause fewer alcohol-related fatalities than those in the 21-to-24 age group. Moreover, a nationwide study in January of 1984 indicated that 37-year-olds are the most likely age group to be involved in an alcohol-related accident.

Clearly, it is individuals, not age groups, which are the drunk driving killers on our roads. It is these guilty individuals, not their innocent peers, who should be made to pay for their irresponsible actions. I would like to see tougher laws being imposed on DWI offenders in every State. In particular, more licenses should be suspended, longer jail sentences should be imposed on repeat offenders, and imprisonment should be mandatory for any drunk driver who injures or kills another human being. In addition, the State should upgrade their educational programs to warn youths of the dangers of driving under the influence of alcohol.

Unfortunately, in 1984 Congress hastily passed legislation that cut off a portion of State highway funds, for a 2-year trial period, wherever the drinking age was not raised to the age of 21. I strongly opposed this legislation, and have introduced a bill in the 99th Congress to repeal it. But, now we learn that a provision has been inserted into the reconciliation bill to make this interference with States' rights permanent.

Mr. Speaker, simply raising the drinking age will not stop drunk driving. One way or another the drunks will still be out on the road, but millions of law-abiding young men and women will have a right taken from them unfairly. I would hope this provision will be deleted before the President signs the reconciliation package.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] has 9 minutes remaining, and the gentleman from Tennessee [Mr. QUILLEN] has 7 minutes remaining.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Louisiana [Mr. BREAUX].

Mr. BREAUX. I thank the gentleman for yielding me this time.

Mr. Speaker, it is absolutely amazing that we hear veto talk about this legislation. I would only bring to the Members' attention that the legislation has already indeed passed the House on one occasion; it has passed the other body on a separate occasion. The bill that we have before us today is essentially the same bill that has passed the House and the Senate once before.

In addition to that, the major objections that were brought up when we debated this bill in the House are not in this bill any more. All references to the Superfund broad-based tax, which I supported, are not in this legislation anymore. We have taken out the essential, objectionable features that were debated on the House floor when we had this bill before us last time.

The fact that the Executive Office of the President through OMB is threatening a veto of this bill is absolutely unbelieveable in my opinion. With regard to the offshore oil and gas settlement that is objected to by OMB, we have compromised this legislation. We have given up every time we had an opportunity to do that. We have given up almost 80 percent of the amount of funds that OMB said were too much to go to the coastal States.

Eighty percent of the funds we have already compromised, and yet OMB says we want to whittle you down just a little bit further; we want to bring you to your knees until you finally have to say uncle and give up in order to get OMB's approval.

I would simply say that the law requires a fair and equitable settlement for the coastal States. Giving up 80 percent of what the original House- and Senate-passed bill included I think is a fair and an equitable compromise, and any threat by OMB at this late date to say if you do not go all the way, if you do not give us 110 percent of what we demand, we are going to threaten a veto of this legislation. It is not in keeping with good, sound Government policy. It is breaking faith with all of the coastal States who get half of what the interior States get from oil and gas production.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of this resolution. I had not intended to speak, but since our colleague from Wisconsin [Mr. PETRI] had made the statement regarding tobacco, I felt it necessary to respond.

This bill and its provisions relating to tobacco is good for the budget because it will save $235 million in outlays between fiscal 1986 and 1988 and that is stated in a letter and its compendium from the Congressional Budget Office. I will be happy to show that to you if you desire. So that is the result of lower price supports.

This resolution is good for the American taxpayers because it is the best alternative for the taxpayers in relation to tobacco. If this bill does not pass, these current problems which we are in now will continue. Declining competitiveness of American tobacco;

climbing no-net cost fees which will eventually destroy this program.

If that happened, tobacco farmers would forfeit the tobacco currently used as collateral for their nonrecourse loans. The Government would then be left with at least the 1.2 billion pounds of tobacco worth about $2.7 billion now under loan. USDA would be forced to sell this tobacco at reduced fire sale prices to the detriment of the American taxpayer.

So it is less expensive to pass this bill than to not pass it. Finally, it is good for American agriculture. Lower prices will make American tobacco more competitive in the world market, improving our balance of trade. The bill requires the cigarette manufacturers to share in the financial risk of growing tobacco. Today, growers shoulder the entire risk.

This bill helps to maintain the financial stability in the tobacco belt covering some 21 States, and will prevent further stress on the Farm Credit System.

In sum, let me say this: These provisions in this bill in relation to tobacco are good for the budget, they are good for the American taxpayer, and they are finally good for the American agriculture movement.

Mr DERRICK. Mr Speaker, I yield such time as he may consume to the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of the conference report on H.R. 3128. Title XI contains provisions urgently needed to put the Pension Benefit Guaranty Corporation [PBGC], the agency which insures that workers get their private pensions when their companies are in financial difficulty, back on a sound financial footing. The bill would strengthen the PBGC plan termination insurance program in two significant ways. First, the premium that single-employer plans pay the PBGC is raised from $2.60 per year per plan participant to $8.50, effective January 1, 1986. Second, the single-employer program is restructured to limit access to PBGC assistance only to those cases in which worker's pensions are jeopardized because their employers are in genuine financial difficulty.

The termination insurance program is administered by a self-financing government corporation, the Pension Benefit Guaranty Corporation. The PBGC was created in 1974 to assure that pension benefits earned by workers would be paid even if the employer terminated the plan in an underfunded condition. The program covers about 30 million retired and working Americans and is financed solely by premiums paid by covered plans and by liability paid to the PBGC by employers that terminate underfunded plans.

One of the important provisions of the bill improves the chances for PBGC to recover on its claims for waived contributions and other amounts not paid due to the granting of waivers of ERISA's minimum funding requirements by the Internal Revenue Service. The bill authorizes the Secretary of the Treasury to require security for the waived amounts under certain circumstances. Under current law, minimum funding requirements under both title I of ERISA and the Internal Revenue Code may be waived if business hardship is demonstrated. Neither current law nor these amendments affect any contractual obligation an employer might have to make required contributions to a plan. Thus a recent case, *UAW* versus *Keystone Consolidated Industries, Inc.* (No. 84-1722, Feb. 3, 1986), in which the seventh circuit overturned enforcement of an aribtrator's award requiring an employer to make annual plan contributions in accordance with its contractual obligation under a pension agreement, even though it had obtained a waiver of the minimum funding requirement under section 303 of ERISA and section 412 of the Internal Revenue Code, does not accurately reflect current law.

In addition, the bill contains an explicit provision requiring that PBGC not proceed with a plan termination if the termination would violate the terms and conditions of an existing collective bargaining agreement. The enactment of this provision is in no way meant to diminish the already clear meaning of section 404(a)(1)(d) of Employee Retirement Income Security Act of 1974 [ERISA] which expressly requires that a fiduciary's duties be discharged "in accordance with the documents and instruments governing the plan * * *." Rather, this provision is an endorsement of judicial decisions such as *Terones* versus *Pacific States Steel Corp.*, 526 F. Supp. 1350 (N.D. Calif. 1981), holding that a company cannot unilaterally terminate a collectively bargained pension plan, when such termination is in violation of the terms of any agreement between the parties.

Finally, the bill does not make any substantive changes in the law affecting an employer's ability to recover excess asset once all liabilities to participants and beneficiaries under section 4044 of ERISA are satisfied. We expect that the issue of reversions will be separately considered at a later date. In connection with the Subcommittee on Labor-Management Relation's oversight activity in this area, it has come to our attention that some participants are not receiving the full value of their accrued benefits even if there are excess assets. This occurs when participants, who are entitled to an annuity at an age earlier than the normal retirement age, elect to take a lump sum instead of the annuity benefit. Under PBGC's practice and its regulations, the value of the lump sum is the present value of the normal form of benefit payable at normal retirement age. See 29 CFR 2619.26(b)(1). The effect of this practice is to deprive the participant electing a lump sum of the value of the annuity between the entitlement date and the normal retirement date. It has the effect of increasing the amount of the reversion at the expense of the participant. ERISA does not, and never did, authorize such a practice or regulation, either as applied to excess asset cases or other cases. I certainly expect that PBGC will immediately take appropriate steps to clarify this issue and conform its practice and regulations to the law and the original intent of Congress.

Mr. Speaker, because the bill the conferees adopted is similar to the Committee on Education and Labor's provisions contained in title III of H.R. 3500, for purposes of determining congressional intent in adopting those provisions, the most authoritative source of legislative history on the single-employer termination insurance reforms can be found in the report on H.R. 3500, the Omnibus Budget Reconciliation Act of 1985, H. Rept. 99-300, 99th Congress, 1st session, pp. 278-320.

The Committee on Education and Labor has been working for over 4 years on these issues. We are delighted that the conference report before the House today contains provisions to strengthen the PBGC Program established under title IV of ERISA. I want to take this opportunity to commend the members of the Subcommittee on Labor-Management Relations, especially the ranking member, Congresswoman MARGE ROUKEMA, and the members of the full committee, especially Chairman AUGUSTUS HAWKINS and ranking member Congressman JIM JEFFORDS, for their tireless efforts to get this legislation passed. In addition, we appreciate the cooperation of our colleagues on the Committee on Ways and Means, especially Chairman DAN ROSTENKOWSKI and ranking member Congressman JOHN DUNCAN, in assuring that this critical worker protection legislation is enacted. Finally, I want to thank the conferees for their diligent work in producing the bill before us today. We are most appreciative of the cooperation we received from our House colleagues, as well as the Senate Committees on Labor and Human Resources and Finance.

The report on H.R. 3500 cited above also contains the committee's views on the health insurance continuation coverage provisions found in title X of this bill before us today. We are pleased that the conferees have in-

cluded provisions in the bill that requires group health plans to offer a continuation option to certain groups of qualified beneficiaries, including widows and dependent children, divorced spouses and dependent children, Medicare ineligible spouses and dependent children, the unemployed—and those who have a reduction of hours such that they would lose health coverage—and dependent children who no longer qualify under the plan. We are pleased that the conferees have recognized the pressing need for those groups to have available continued access to affordable medical care.

I urge support of the conference report.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. I thank the gentleman for yielding to me.

Mr. Speaker, I rise in favor of this rule and in favor of the bill. It is timely, and it should be passed.

Mr. Speaker, I rise in support of this legislation. H.R. 3128 would make significant reductions in spending for fiscal year 1986. We have worked long and hard to produce a reconciliation bill and it would be a shame to just let this bill die. This bill does reduce spending. It may not go as far as we would have liked, but we should pass it, nevertheless.

There are several important policy adjustments and corrections in this bill for my State.

First, it finally provides a fair and equitable resolution to the Outer Continental Shelf controversy. Under the bill, 73 percent of the revenues from offshore oil wells would flow to the Federal Treasury. This would reduce the deficit by $4 billion immediately and by millions more in the future.

An initial payment of $456 million would be made to the State of Texas. In the future, Texas and other States would receive 27 percent of all future rents, bonuses, royalties, and interest. This is fair and equitable. The Federal Government is simply paying the State of Texas for its share of offshore oil revenues.

Second, passage of H.R. 3128 would result in additional Federal Medicaid dollars flowing to Texas in recognition of the State's declining per capita income. There would be additional Medicaid savings for the State as a result of a provision renewing a waiver of Medicaid regulations that has allowed Texas to care for the elderly in their homes as a less costly alternative to nursing home care in cases where more intensive medical attention is needed.

Third, H.R. 3128 makes important changes in the Medicare program for Texas. For the first time, Medicare would make additional payments to hospitals serving a disproportionate share of low-income patients. These hospitals have added costs because low-income patients are generally sicker and require a higher intensity of care and services. This adjustment recognizes these added costs and attempts to adjust Medicare's payment rates to these hospitals accordingly. This is a very important provision for public hospitals in Texas which handle the bulk of indigent care in Texas.

But beyond these specific proposals, H.R. 3128 reduces the deficit and that is what we must do today. We can disagree on the details and specifics, but the bottom line is that this bill reduces the deficit. We should pass this bill and get on with the job of producing next year's budget.

Mr. DERRICK. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. I thank the gentleman for yielding me this time.

Mr. Speaker, the agreement reached by the House and Senate last year on the concurrent resolution on the budget instructed the Committees on Veterans' Affairs to report changes in laws within their jurisdiction sufficient to reduce budget authority and outlays by $300 million in fiscal year 1986, $400 million in fiscal year 1987 and $450 million in fiscal year 1988. Our committee target was $1.15 billion for the 3-year period.

Had H.R. 3128 been enacted last year, the Committee on Veterans' Affairs would have met its targets. According to the Congressional Budget Office [CBO], had title XIX(19) been enacted by January 1, we would have exceeded the mandated targets by $142 million in budget authority and $127 million in outlays. Our own committee estimate—which includes cost estimates from VA—was about $60 million higher.

Mr. Speaker, the savings contained in this bill for function 700 are real savings and I am hopeful the other body will accept this measure. According to the latest Congressional Budget Office estimate, savings for function 700—veterans' benefits and services—will total almost a billion dollars during the remainder of this fiscal year and the next 2 fiscal years. It should be noted however that over 3 full years, the savings in budget authority would total $1.4 billion.

Subtitle A of this title would reform and improve eligibility for veterans health care in VA facilities. It is the same as the conference agreement on H.R. 3128 (H. Rept. 99-453), except that certain effective dates have been revised to permit the orderly transition from existing law.

The savings resulting from this title would be achieved mostly through revenues from insurance companies who are insurers of veterans. Provisions contained in this measure would also reform and improve eligibility for veterans' health care in VA facilities. Under current law health care for all veterans is discretionary. If a bed is not available on a given day, any veteran may be denied needed care. Service-connected veterans are not usually turned away since these veterans are given priority by the Veterans' Administration. Under our health-care reform package, the Veterans' Administration would be required to provide hospital care to certain categories of veterans when determined by the administrator to be medically necessary. Included are: Service-connected veterans, former POW's, veterans exposed to certain herbicides and ionizing radiation, World War I veterans, veterans drawing pension from the VA, any veteran with one dependent whose income does not exceed $18,000—or $15,000 for a single veteran—with an increase of $1,000 for each additional dependent.

These veterans would be entitled to health care. The other body proposed to provide a comprehensive entitlement to only two categories of veterans. The meaning of the entitlement which was proposed was not different in the House and Senate bills; the difference was "who is entitled". The conference report generally follows the House bill. I think veterans understand well the meaning of an entitlement, and this bill does not change that meaning at all. I understand that there may be some reservations about this concept by those who do not believe that veterans deserve special health-care benefits, but I can assure my colleagues that we have no such reservations.

Any non-service-connected veteran with income above the limits mentioned above may also receive care provided space and resources are available; those whose income exceeds $25,000—or $20,000 for a single veteran—plus $1,000 for each additional dependent, must agree to make certain modest payments which are fully explained in the conference report; generally, these payments are less than amounts which would be payable under Medicare. In no event would the veteran be required to pay more than $492 for inpatient, nursing home, or outpatient care for 90 days of care during a 12-month period.

In making a determination whether the veteran would be required to pay the deductible, the Veterans' Administration would be required to use the same criteria and procedure that is now used in determining annual income and net worth for pension purposes.

The bill also authorizes the Veterans' Administration to recover from health insurers the reasonable costs of care furnished in VA facilities to insured veterans who have non-service-connected disabilities. Most of the savings in title 19 would be realized through this provision of the bill. Most health insurance plans and contracts contain exclusionary clauses which bar reimbursement to the United States for care provided in Federal health-care facilities. The bill would effectively nullify any contract provision agreed to after the date of enactment of this measure which seeks to bar recovery in connection with care furnished in VA facilities.

This makes the VA similar to private hospitals for insurance purposes.

Subtitle B of this title—former subtitle C—would establish an Advisory Committee on American Indian Veterans. In addition, the Administrator of Veterans' Affairs would be required to conduct an epidemiological study of long-term adverse health effects, if any, in females who served in the Armed Forces of the United States in the Republic of Vietnam and who were exposed to herbicides containing dioxin during such service.

The reform provisions contained in this bill are fair to veterans. It is easy to administer. It sets out our commitment to take care of service-connected disabled veterans and the non-service-connected veteran most in need. The committee proposal does not bar any veteran from the health care system and, if implemented, will force the agency to better plan to meet the future needs of our Nation's veterans.

Our committee has met its targets and I urge my colleagues to support this reconciliation measure.

The former subtitle B of title XIX would have provided a cost-of-living adjustment [COLA] of 3.1 percent for veterans receiving compensation for service related disabilities and for eligible survivors and dependents receiving dependency and indemnity [DIC] benefits from the Veterans' Administration. This measure was considered separately and passed last December (H.R. 1538) and signed by the President on January 13, 1986 (Public Law 99-238). Accordingly, this subtitle has been deleted from H.R. 3128.

Mr. Speaker, veterans will be affected in this budget crunch, but the House Members should be commended for their support in veterans compensation, pensions, medical care, and home loans. Veterans have real friends in the House Members.

Mr. QUILLEN. Mr. Speaker, I yield 1 minute to the gentleman from Vermont [Mr. JEFFORDS].

Mr. JEFFORDS. I thank the gentleman for yielding me this time.

Mr. Speaker, before proceeding with an explanation of the intent behind the ERISA changes contained under this legislation I would like to make several points in connection with the development of these provisions.

First, the ERISA single employer termination insurance revisions in title XI are the product of nearly 5 years of effort by the members of the Committee on Education and Labor to fashion a workable compromise acceptable to the administration and other groups representing retirees, organized labor, and the business community. That these diverse interests have now agreed on the need for and the general parameters of the reform package means that a balance has been struck in the legislation that will help restore the long-term solvency of the PBGC while maintaining the critical support of the termination insurance program by those who must ultimately pay its costs. Appropriate credit must be given to my chairman, GUS HAWKINS, and particularly to MARGE ROUKEMA and BILL CLAY, the ranking member and chairman, respectively, of the Subcommittee on Labor-Management Relations who together with their other subcommittee members worked so diligently to carefully craft a reform package that addresses the complex problems in an effective manner.

I would also like to personally thank the Secretary of Labor, Bill Brock, for his extensive efforts to educate the Members of this Congress to the urgent need to put into place the new design for the single employer program.

Second, there should be no mistaking the relevancy that the ERISA changes have to deficit reduction. The PBGC single employer program had a $462 million deficit as of September 30, 1984, and a negative cash flow. The deficit has continued to grow to about $1.3 billion after taking into account the roughly $600 million unfunded liability of two large plans that were recently terminated. This development has, unfortunately left the conferees with no alternative but to adopt the larger premium level among the three committee bills. The premium increase to $8.50 contained in title XI and the reforms, when considered together, are estimated by the Congressional Budget Office to result in a reduction in Federal outlays of about $666 million over the next 3 fiscal years—1986-88.

Finally, I have this observation to make in connection with the provisions of title X—continuation coverage under group health plans. However meritorious the provisions of these amendments may be, they were included by each of the four committees without the benefit of hearings or the usual perfecting legislative process which has proven so beneficial to improving other ERISA legislation. I would encourage each of the three agencies given regulatory authority under the conference agreement to exercise extreme care to coordinate and cooperate fully to fashion a workable regulatory structure along the lines with which plan sponsors have become accustomed under ERISA and the Internal Revenue Code.

It should be noted that the conferees did not include a specific provision preempting State law in connection with the federally mandated health care continuation coverage. Instead the conferees decided to rely on the general construct of Federal law under which State laws will be preempted if they conflict with the new federally mandated health care continuation coverage provisions, or if they would otherwise frustrate the operation of these provisions.

In order to bring Federal law fully into conformance with the Federal policy under the Social Security Act that Medicaid funds may not be used unless Medicaid is the payer of last resort, title IX of this legislation includes an exception to the section 514 ERISA preemption provision to allow State law to apply in connection with ERISA covered plans to the extent necessary to effectuate this Federal policy.

The following is an explanation of the agreement reached by the conferees in connection with the ERISA single employer termination insurance changes.

The general framework sets forth requirements for terminating a plan and the level of employer liability.

As under current law, an employer may stop pension accruals at any time by freezing the plan, but service for vesting purposes must continue until plan termination. An employer would be allowed to terminate the plan if one of the following criteria are met:

First, standard termination; the plan assets must be sufficient to pay all benefit commitments. Benefit commitments would include all nonforfeitable benefits, plus plant shutdown benefits and Social Security supplements to the extent participants are entitled to such benefits on the date of termination. Benefit commitments would not include death benefits—other than a qualified preretirement survivor annuity.

Second, distress termination; the employer must meet at least one of the following standards of financial distress:

Chapter 7 bankruptcy liquidation;

Chapter 11 bankruptcy reorganization if the bankruptcy judge approves the termination; or

PBGC determines that either the employer is unable to pay debts when due and unable to continue in business, or pension costs have become unreasonably burdensome as a result of a declining work force.

Following a distress termination, the employer would have the following responsibilities to PBGC and the participants.

With respect to liability to PBGC:

First, as under current law, 100 percent of the unfunded guaranteed benefits, limited by 30 percent of the employer's net worth, is payable in full on plan termination.

Second, if 30 percent of net worth is less than 100 percent of the underfunding, the remaining underfunding, up to 75 percent of the total underfunding, will be paid off over time. The payment schedule will be worked out by the PBGC and the employer.

Third, there is a limitation on annual payments; in any year in which

the employer is not profitable, the employer would be liable for 50 percent of the annual payment due under the payment schedule negotiated above. The remainder would be deferred until the next year.

With respect to liability to participants:

First, the value of the claim generally is 75 percent of the difference between vested and guaranteed benefits; the termination trustee will work out a payment schedule.

Second, there is a cap on liability; in no case could the total liability to participants exceed 15 percent of the total vested benefits under the plan.

Third, there is a limitation on annual payments; in any year in which the employer is not profitable, the employer would be liable for 25 percent of the annual payment due under the payment schedule negotiated above. The remainder would be deferred, on an annual basis, until the PBGC's claim is extinguished.

With respect to Bankruptcy Code issues; there are no amendments to the Bankruptcy Code. The status of the PBGC's 30 percent of net worth claim will remain the same as under current law. The Senate language establishing priority for PBGC's additional claims is dropped.

With respect to to termination procedures:

Advance notice is required; 60 days advance notice before termination must be given to participants and unions; 15 days advance notice must be given before freezing accruals.

Post termination audits are required; PBGC must annually perform an audit, a statistically significant selection of terminating plans to determine whether participants and beneficiaries have received the benefits to which they are entitled. For each plan selected for audit, a statistically significant selection of participants and beneficiaries must be checked.

Enforcement authority; private actions may be brought by participants, beneficiaries, plan administrators, employers, and unions. As under current law, PBGC may also sue.

With respect to funding waivers; the Secretary of the Treasury is authorized to require that security be provided as a condition of granting a waiver of the minimum funding standard. In addition, if the amount of the outstanding waived liability is greater than $2 million, the Secretary must notify the PBGC and consider its comments. PBGC would have a 30-day comment period.

With respect to evasion of liability; if a person enters into a transaction, a principal purpose of which is to evade liability, and the plan terminates within 5 years of the transaction, PBGC may assess liability against that person as if the transaction had never occurred. This rule would apply to transactions after January 1, 1986. The final language clarifies that such a person would not include a financial institution that merely lends funds in connection with such a transaction.

With respect to studies; two studies would be mandated.

The PBGC would be required to study the premium structure—including the possible use of a risk and/or exposure-related premium structure—and make recommendations for change, if necessary. An advisory group appointed by the chairmen of the House Committees on Education and Labor and Ways and Means and the Senate Committees on Labor and Human Resources and Finance would analyze and critique the study. The study would be due no later than 1 year from enactment and the advisory group's report would be due no later than 6 months after the PBGC had completed its study.

In addition, the Secretary of Labor would be required to conduct a study of terminations of overfunded pension plans. The report, together with any recommendations for statutory change, must be submitted to the committees named above.

With respect to premiums; the single employer premium is increased from $2.60 to $8.50 per participant per year, effective for plan years beginning January 1, 1986.

With respect to plan assets; transitional relief is provided to publicly held real estate entities by assuring an effective date for final regulations issued by the Department of Labor defining "plan assets" with which final regulations are promulgated.

In addition, the Secretary of Labor must adopt final regulations defining "plan assets" by December 31, 1986.

GAO authority to examine plan records; pursuant to a congressional request, the Comptroller General would be authorized to examine certain plan documents. Any information gathered under this authority would not be available to the public.

Notwithstanding these good provisions, I must vote against this bill.

Mr. Speaker, I come before the House to make my colleagues and the young people of this country aware of the attempt that is being made here to discriminate against a small segment of our population. Hidden away in the reconciliation bill is section 4104, which will make permanent the penalties imposed on those States which have not raised their drinking age to 21.

I come before the House, as I did back in December, to protest the manner in which this provision has been added to the reconciliation bill, and to urge my colleagues to vote against this rule and send the bill back to the Rules Committee for a rule which will allow us to debate the merits of the national minimum drinking age.

The reason why I continue to bring this issue before the House is that we treated our young people in the same shabby fashion back in the summer of 1984, when by unanimous consent at 1 a.m. we passed the national minimum drinking age law. Just like we are about to do now: No hearings, no committee process, no meaningful debate, and no vote. And I am not willing to sit back and let this provision be snuck by the House in a similar fashion, especially in light of recent studies which suggest that raising the drinking age may actually increase alcohol related traffic fatalities among the affected age groups.

The national minimum drinking age was hailed as a panacea for the problem of drunk driving. However, new studies are now available which indicate that this legislation may have the exact opposite effect. A study by Prof. Jack DeSario and Frederic Bolotin of Case Western Reserve University of Cleveland found that of the 15 States that raised their drinking age between 1979 and 1983, only 2 experienced a subsequent decline in the percentage of alcohol-related traffic fatalities among the affected age group. And in those two States, tougher punishments accompanied the increase in the drinking age.

The study found that in 8 of the 15 States which increased their drinking age, the percentage of alcohol-related fatalities in the affected age group actually rose. If the goal of the national minimum drinking age is to reduce drunk driving deaths, as the proponents have stated it is, then I would suggest that we are making a mistake. Raising the drinking age prevents young adults from drinking in the controlled atmosphere of a bar or restaurant and forcing them into their cars. Particularly in rural States like Vermont, this is an unwise approach.

Kansas raised its drinking age to 21 in 1985. According to the Kansas Club and Tavern Association, wholesale sales to bar and restaurants decreased 25 percent; yet sales to package stores increased 30 percent. This suggests to me that 18- to 20-year-olds are consuming about the same amount of alcohol, but they are doing so in their cars, in their dorm rooms, and in private homes. In these settings it is much more difficult to control excessive drinking. There is no bartender to shut someone off if they have had too much to drink.

Similar studies conducted at the Wharton School of the University of Pennsylvania and Pensacola Junior College reach the same conclusion. Raising the drinking age does not reduce alcohol-related fatal accidents.

Back in 1971, after prolonged national debate, the Congress voted to lower

the age of adulthood to 18. We judged that those old enough to die for our country are old enough for all rights, obligations, and privileges of citizenship.

But last year, with no debate, without even a vote, the Congress approved legislation which instructs the Department of Transportation to withhold highway trust fund money from those States which do not have a 21-year-old drinking age, 5 percent in fiscal year 1986 and 10 percent in fiscal year 1987. Now we will be asked to approve, again with no debate, an amendment added by the other body to the reconciliation bill which requires the Transportation Department to withhold 10 percent of Federal funds in fiscal years 1988 and beyond. This is money that the taxpayers of these States have paid into the highway trust fund. Yet we say, "We know what's best for your State, so we're going to take your money away until you do what we say."

In taking this ill-conceived action, Congress is led to believe that it is addressing the national tragedy of drunk driving. Is it? No, because drunk driving is a national problem which cuts across the entire age spectrum.

We are all aware of the statistic that 18- to 21-year-olds make up 9 percent of the country's drinking population, yet they are involved in 17 percent of all alcohol-related accidents. This figure is high, but what of the remaining 83 percent of the accidents?

On a national basis, under 20-year-old drivers account for a high percentage of all fatal car accidents, alcohol related or not. This can be explained in part by their inexperience and propensity to drive with a "heavy foot." The insurance companies certainly see it this way and adjust their rates accordingly. I know this for a fact—I pay for my son's car insurance.

When looking at raising the drinking age to reduce the number of car accidents involving individuals under 20, I think we have to realize that this group, historically, are problem drivers. Data for all fatal car accidents in 1970 show that drivers less than 20 accounted for 15 percent of all accidents. This is of course prior to the time the drinking age was generally reduced to 18 across the country. In 1983, this group still accounted for 15 percent of all fatal accidents.

A few other statistics of interest are worth noting at this time. In 1983, 17- to 20-year-olds were involved in 18.8 percent of all alcohol-related fatal accidents. In this same year, 21- to 24-year-olds accounted for 22.2 percent of these accidents. Figures from my own State of Vermont show roughly the same relationship with 17- to 20-year-old drivers accounting for 22 percent of alcohol-related fatal accidents and 21- to 24-year-olds accounting for 27 percent. If the answer to drunk driving is raising the drinking age, shouldn't we be looking at raising the age to 24? Or, is not the more logical answer to direct educational and other special programs toward our younger generation?

I am concerned because this national minimum drinking age legislation is a phony solution to a very real problem. We need to find real solutions to this national problem, not raise the drinking age and pat ourselves on the back. Many States are enacting tough new drunk driving laws and increasing enforcement of drunk driving laws. State and local governments and school officials are developing innovative education programs. These are the steps the Congress should be encouraging.

In my home State of Vermont, bar and restaurant owners are implementing call-a-cab programs. Students at the University of Vermont have organized a "free ride home" for students and local residents who have had too much to drink. We should be commending these students, not taking away the opportunity to make responsible choices about alcohol. We should be educating students about the dangers of drinking and driving, and increasing public awareness of the tragedy of drunk driving with alcohol education programs.

Proponents of the national minimum drinking age cite benefits of uniformity among the States. We hear about how the present system encourages 18- to 20-year-olds to drive across State borders to obtain alcohol. However, this legislation creates a whole new set of problems for border States. The largest city in Vermont with a college population of 13,400 is a quick drive to the Quebec province where the drinking age is 18. This situation exists all across the northern tier where cities such as Buffalo, Detroit, Duluth, Grand Forks, Spokane, and Seattle, with an estimated combined population of 180,000 18- to 21-year-olds, are all within striking distance of Canadian provinces where the drinking age is less than 20. Along our Mexican border, cities such as Brownsville, Corpus Christi, El Paso, Tucson, and San Diego are all within easy reach of a drinking age less than 21. The combined population of 18- to 21-year-olds in these cities is approximately 152,000. All in all, the total 18 to 21 population that will be tempted to cross international borders is probably close to a half million.

The 21st amendment to the Constitution preserves the rights of States to regulate the sale of intoxicating liquors within their borders. Residents of my home State of Vermont resent the Federal Government blackmail on this State issue, and the Vermont Legislature has passed a joint resolution which, and I quote,

• • • Expresses on behalf of the people of the State of Vermont its outrage and opposition to very intrusive actions by the federal government on the drinking age.

Vermonters are correct in implying that the Congress is sticking its nose in somewhere it doesn't belong. This is a State issue. Even as we pass historic legislation which will shift massive Federal responsibilities back to the States, we choose blackmail on an issue which is unquestionably under the jurisdiction of the States.

Mr. Speaker, I resent the way this issue has been brought before the House, and I urge my colleagues to defeat this rule. This is, obviously, an attempt to circumvent the legislative process. What an example to set for our young voters.

Mr. QUILLEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. I thank the gentleman for yielding to me.

Mr. Speaker, for nearly a year, Congress and the executive branch have been working together to enact a reconciliation bill that will result in significant deficit reduction. By necessity deficit reduction has become the major priority for Congress, the President and the Nation. Unfortunately, there are those in Congress who have chosen to use the reconciliation process to advance a variety of measures unrelated to deficit reduction and contrary to the interests of many Americans. Falling into this category are the provisions making permanent the withholding of highway funds for States not meeting federally mandated minimum drinking age standards.

During its consideration of the reconciliation bill the Senate added provisions making permanent the withholding of highway funds for States not succumbing to Federal blackmail on the drinking age issue. The House-Senate conferees left those provisions intact and now the proposed rule on the bill denies members an opportunity to specifically vote on this issue.

The drinking age provisions in the reconciliation measure take away the privileges of taxpaying adults, without an opportunity for meaningful debate and without a vote.

These provisions are inconsistent with the responsibilities we grant young adults. Legally, they may marry, raise a family, borrow over $100,000 to buy property, and or be convicted of any crime. As lawmakers, it strikes me as unjustifiable that we maintain certain expectations of our young adults and simultaneously deny them commensurate privileges.

It has not been proved that raising the drinking age will decrease drinking and driving. States which have raised the legal age have not seen a decline in total liquor sales. In fact, alcohol-related accidents and deaths have increased for the age group affected in some of these States. The legislation may result in the opposite of its intent, increasing the incidence of "illegal" drinking and driving.

I oppose Federal minimum age drinking requirements and oppose the manner in which these requirements have been included in a bill intended to address the problem of the Federal deficit. Increasing the minimum drink-

ing age to 21 will not cure the national problem of drinking and driving, nor will it aid the cause of deficit reduction.

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Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. WYLIE].

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

I have asked for this time so that I might inquire of the distinguished chairman of the Budget Committee with reference to the housing portion of this conference report.

My inquiry really goes to the language that would track the language included in title II of H.R. 3128. Title II was the title which was devoted to housing programs under the Banking Committee's jurisdiction, and it is my understanding that this conference report only includes four items, and those are savings in the rural housing programs, the section 108 CD loan guarantee program, public housing operating subsidies and changes in public housing debt financing.

Can the chairman of the Budget Committee tell me if my assumptions are correct and that we have not gotten into any jurisdiction which would be procedurally not in line with that thought?

I yield to the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. I would say to the gentleman that his assumptions are absolutely correct. This bill does not contain those items.

Mr. WYLIE. I thank the gentleman for his answer. With that answer, I will support the conference report. I think it is a good one as far as the jurisdiction of the Banking Committee is concerned.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the very distinguished chairman of the Budget Committee, the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Speaker, today we have pending before us an important budgetary measure—reconciliation. If enacted, this package would save the American taxpayers $6.9 billion this year and $18.1 billion over 3 years.

At the end of last session, Congress failed to agree to the pending reconciliation bill. The House and the other body, in acting on the conference report on H.R. 3128, agreed on all but one issue: Superfund revenues.

Since December, the leadership of the House and the other body, the leaders of the committees of both houses with matters in dispute, and White House representatives have spent endless hours negotiating a final resolution to Superfund as well as other matters which arose since then in the reconciliation package.

The House made an offer to the other body modifying the final reconciliation package several weeks ago. On Monday, the other body responded to that offer. Today's amendment is the House's response, including changes to Medicare, Medicaid, trade adjustment assistance, Superfund, and Outer Continental Shelf oil programs. While none of us may agree with every element of the reconciliation bill, the final product deserves our support.

It is my hope that if this amendment is agreed to today, the other body will move expeditiously to approve the final package and the President will sign the bill.

In proposing the pending amendment, the House has moved considerably toward meeting the concerns and objections of both the other body and the White House. Still, the final package will be a bill maintaining the House position of fairness and equity.

We must act now to build momentum toward action on the fiscal year 1987 budget. If the other body fails to act or if the President fails to sign the reconciliation bill, what type of signal would this send about our resolve toward deficit reduction?

Last December, Members of both bodies rallied to the trumpet call of Gramm-Rudman. Are those same Members today prepared to turn a deaf ear to the real action it takes to meet our deficit goal? On one day, the White House touts the desperate need for budget savings. The next day, his advisers signaled opposition to a reconciliation package simply because it isn't the President's precise program.

Mr. Speaker, the political talk of deficit reduction is cheap, but the real price of deficit reduction is met through action. We have talked long enough, today we will act by voting "yes" on the pending measure.

Mr. Speaker, it has come to my attention that explanatory language on Nuclear Regulatory Commission fees—subtitle G of title VII of the conference report on H.R. 3128—was inadvertently omitted when the conference report was filed in December. I submit that language for the RECORD in order to clarify the intent of the conference on this issue:

STATEMENT OF MANAGERS RE NRC FEES

The House Budget Reconciliation legislation directs the Nuclear Regulatory Commission to collect user fees and charges that, when added to other amounts collected by the Commission, total one-half of its budget. Under the Independent Offices Appropriation Act of 1952 (31 U.S.C. Sec. 9701), the Commission currently assesses fees which are expected to total $60 million in FY 1986. The House provision adds additional authority, which is expected to result in more than $150 million per year in additional revenues, assuming the current level of NRC expenditures. Discretion is left to the NRC to establish the details of the charges in the rulemaking. However, under the House provision, the Commission must consider the costs of regulating various classes of licensees. The Senate Reconciliation legislation contained no such provision.

The conferees agreed to require the NRC to assess and collect annual charges from its licensees in an amount that, when added to other amounts collected by the Commission, shall not exceed 33 percent of the Commission's budget for each fiscal year. Assuming the current level of NRC expenditures, this is expected to result in the collection of additional fees in an amount up to approximately $80 million per year for each fiscal year. The charges assessed pursuant to this authority shall be reasonably related to the regulatory service provided by the Commission, and fairly reflect the cost to the Commission of providing such service. This is intended by the conferees to establish a standard separate and distinct from the Commission's existing authority under the Independent Offices Appropriation Act of 1952 in order to permit the Commission to more fully recover the costs associated with regulating various categories of Commission licensees. This authority is not intended, however, to authorize the Commission to recover any costs that are not reasonably related to the regulatory service provided by the Commission, nor is it intended to authorize the Commission to recover any costs beyond those that, in the judgment of the Commission, fairly reflect the cost to the Commission of providing a regulatory service.

The Commission may assess and collect annual charges from its licensees only after the expiration of 45 calendar days, as calculated in accordance with this provision, following receipt by the Congress of a report by the Commission regarding its authority to collect annual charges prior to the enactment of this provision, including the authority provided pursuant to the Independent Offices Appropriation Act of 1952. This report must be completed by the Commission and submitted to the Congress within 90 days after the enactment of this Act. In addition, the Commission must promulgate rules, after notice and opportunity for public comment, establishing the amount of the charges to be assessed pursuant to this authority, before any such charges may be assessed. It is the intention of the conferees that, because certain Commission licensees, such as universities, hospitals, research and medical institutions, and uranium producers have limited ability to pass through the costs of these charges to the ultimate consumer, the Commission should take this factor into account in determining whether to modify the Commission's current fee schedule for such licensees.

Mr. QUILLEN. Mr. Speaker, as I said and the Members have heard, this is a very comprehensive measure. I have listened intently to what has been said.

I regret very much that the ranking minority members of the committees were not taken in on the deliberations. I think that was a drastic mistake.

I regret to hear someone from another State that does not grow burley tobacco hack away at the program.

I regret to hear others who are very much in discord with what is in this measure.

With all of that in mind, however, this bill has some good provisions and I think that when it gets to the

Senate, it will be toned down or honed up and will be made workable so that the President will be able to sign it; although now as it is presented before this House, it is a veto proposition in my opinion.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 4 minutes to the distinguished majority leader, the gentleman from Texas [Mr. WRIGHT].

Mr. WRIGHT. Mr. Speaker, this is the acid test. This is the time. The time for talk really has passed. Now it is the time for action. This is an opportunity to save $18 billion off the deficits of the next 3 years.

The question we face is really a fairly simple one. Do we make good on the pledge that we made in the budget resolution that passed last year so overwhelmingly or will we renege on that pledge?

This is the only opportunity we will have to make good on that pledge and this is a fine vehicle on which to do it. It represents that best compromise that was possible.

When we passed the budget, we actually signed a promissory note to the effect that we were going to make certain savings on future budgets.

Now, here is our opportunity to sign the check that pays off that promissory note. Do we sign the check and redeem the note or do we say, "Well, no, let's put that on a credit card and we'll pay you some other time."

Now is the time, now is the opportunity.

These matters involved in this reconciliation bill, which will save some $6.9. almost $7 billion in the current fiscal year, will save $6½ billion in fiscal year 1987 and $18 billion in the next 3 fiscal years were not matters of major controversy last December when both the House and Senate passed all the provisions in this bill identically and hung up on one question that now has been removed from the bill, the question of how we finance the Superfund. There are not any matters involved in this legislation that were considered major controversies last December. It does important things that need to be done. It resolves the issue of the tabacco tax so that the States are not hung out on a limb. It resolves the issue of major reforms in Medicare. It extends the Trade Adjustment Assistance Act otherwise expiring and provides important help for those millions of workers thrown out of jobs by imports.

It settles the matter hanging controversy since 1978 over the Outer Continental Shelf revenues and how they should be divided among our States.

None of these things was a matter of controversy last December. This bill with all those things intact passed this House and with all those matters intact passed the other body.

Now, there may be some minor controversies. Obviously, any time you have to save $18 billion someone, somewhere, is going to be upset by some provision in the bill. It is a major bill and some Members give the impression today that they would rather insist on the right to drink whiskey at the age of 18 than they would to save $18 billion; but it seems to me that they have their priorities somewhat askew.

This deficit is like a toothache. It is not going to go away. Either we go to the dentist and have it attended to or we settle down for a long, long term of a dull and steady ache.

The time for talking has passed. The time for dental work is here, so let us go to the dentist today. Let us pass this bill, save $18 billion, relieve our Budget Committee's and our budget process of $6½ billion that they will have to find elsewhere to save if we do not do it in the next fiscal year.

The time is here to vote. Let us vote "aye" in a bipartisan way and send a strong message to the other body and the White House that we are intent on saving this $18 billion.

Mr. QUILLEN. Mr. Speaker, I reclaim the balance of my time and yield such time as he may consume to the gentleman from Alabama [Mr. CALLAHAN].

Mr. CALLAHAN. Mr. Speaker, I rise in support of this legislation. Specifically, I support the measure's amendments to section 8(g) of the Outer Continental Shelf Lands Act. This section deals with the equitable sharing of revenues by States and the Federal Government resulting from oil and gas leasing on OCS lands within 3 miles of a State's seaward boundary.

After many years of disagreement over the term "fair and equitable" and several lawsuits, the Congress has attempted to resolve the dispute by clarifying the meaning of "fair and equitable." Passage of this legislation would mean that States will finally have an opportunity to receive a fair share of funds currently held in escrow.

This measure, if enacted, would distribute 27 percent of the OCS revenues currently held in escrow to the seven affected States. The remaining 73 percent would accrue to the Federal Treasury. That translates into a deficit reduction in fiscal year 1986 of more than $4 billion. Furthermore, the distribution formula would be set in law ensuring that the Federal Government would receive 73 percent of all future revenues derived from the 8(g) zone.

Mr. Speaker, the section 8(g) agreement is far from perfect. However, the history of the dispute between the States and the Federal Government begged for a reasonable legislative initiative. It is notable that the parties involved are not totally satisfied with this language. The States wanted us to give them more; the administration wanted us to give the States less. I think we struck the middle ground in developing this compromise. It is fair and equitable, it is a deficit reducer, and it ends an unpleasant situation. This settlement is long overdue.

It is time to settle the section 8(g) issue and I suggest that we get on with it. I urge adoption of the rule.

Mrs. ROUKEMA. Mr. Speaker, I rise to support the ERISA single employer termination insurance provisions contained under title XI.

Our Committee on Education and Labor has taken the lead in calling for a national retirement income policy which is responsive to the present and future needs of our Nation's retirees. The ERISA title IV termination insurance program is certainly a cornerstone of this policy, and the efforts today to shore up the single employer fund will help assure that the ERISA foundation remains a solid one.

Mr. Speaker, I want to commend the other members of our committee who have worked on a bipartisan basis over the past 4 years to design legislation which addresses the complex problems facing the Pension Benefit Guaranty Corporation [PBGC] in its financing of employee and retiree pension benefits under terminated single employer pension plans. Additionally I commend the Secretary of Labor, Bill Brock, the new Executive Director of the PBGC, Kathy Utgoff, and the other administration officials who met untiringly and who kept an open mind about the specific language of the reforms until a workable compromise could be fashioned. I am satisfied at this point that the reform package is reasonable, responsible, and will prove workable in helping reduce PBGC financing needs in the future.

The provisions adopted by the conferees which are contained in title XI strengthen the Single-Employer Termination Insurance Program in three ways—first, by placing the PBGC back on a sound financial footing by increasing the premium payed by covered plans; second, by restructuring the system to limit access to PBGC assistance to only those cases in which workers' pensions are jeopardized because their employers are in genuine financial difficulty; and third, by assuring that, to the greatest extent possible, workers receive their full earned benefits when plans terminate.

The actuarial deficit of the PBGC has already passed $1 billion and, without further action, would reach $6 billion by the end of this century. To meet these demands, as well as the directives of the Committee on Education and Labor in the House budget resolution, the legislation increases the premium for the Single-Employer Termination Insurance Program from its present $2.60 per capita to $8.50 for plan years beginning in 1986.

To merely enact a premium increase is not enough, however. After nearly a half-decade of study and debate it has been clearly demonstrated that there is a pressing need for reforms as well, to ensure that access to the insurance program is limited to companies which are faced with genuine hardships. As a result the legislation includes features that will

discourage the "dumping" of pension liabilities onto the PBGC.

At present, it is possible for an employer to receive a minimum funding waiver without providing any security to secure repayment of the waived contribution. The revisions permit the IRS to impose security conditions in connection with such waivers after actively taking into account any comments or concerns the PBGC may have.

Also, at present a company can, in certain circumstances, "dump" unfunded pension benefits on the PBGC and continue in business with little or no liability for those benefits. The revisions require an employer to meet one of three statutory distress tests before being able to terminate an underfunded plan. The employer would also be subject to additional liability to the PBGC in the event the employer's liability exceeds 30 percent of net worth. Appropriate reductions in the payment of such liability would be provided during an employer's nonprofit years.

Currently a controlled group of corporations can spinoff a financially distressed affiliate with large unfunded pension benefits and escape any resonsibility for any subsequent claim against the PBGC. The reforms clarify that an employer remains liable if there is an "evasion" of liability. The conference agreement also clarifies that such liable persons do not include financial institutions that merely lend funds in connection with evasive transactions.

Finally, the reforms require a plan sponsor to fully fund for vested benefits if the plan is to be terminated other than in a distress situation. This enhances the protection of employee vested benefits in cases in which the sponsor can afford to meet the promised level of benefits. In the case of a distress termination, 75 percent of vested but nonguaranteed benefits would be protected by means of additional employer payments to a termination trust. Appropriate reductions in the payment of such liability would be provided during an employer's nonprofit years.

Generally, while these provisions of the single-employer reform package are only prospective in nature, it is intended that their application help avoid the kind of future program funding crisis that faced Social Security only a few years ago. In summary the case for the enactment of these single employer termination insurance reforms is a compelling one.

The conference agreement also contains title X—continuation coverage under group health plans. These provisions amend title I of ERISA to require group health care plans to include either an 8-month or 3-year continuation option for certain unemployed, widowed, divorced, and Medicare ineligible spouses and dependent children. Plans could require such persons to pay the cost of such coverage. The ERISA provisions, although solely within the jurisdiction of the Committee on Education and Labor, were added to the legislation under exceptional circumstances and are deserving of further congressional scrutiny as to their operation in practice.

Mr. PANETTA. Mr. Speaker, I rise today in strong support of H.R. 3128, the Deficit Reduction Amendments of 1985. This legislation contains two important provisions which will allow for the further development and utilization of hospice care in the United States. One provision approved by the House Ways and Means Committee would make the hospice benefit under Medicare a permanent program. At present, this benefit is scheduled to terminate at the end of this fiscal year. In addition, a provision approved by the House Energy and Commerce Committee would allow States to fund hospice programs using Medicaid funding. This would allow the poor and the elderly, eligible for Medicaid and suffering from a terminal illness to receive treatment in a hospice program.

As you know, Mr. Speaker, Congress adopted legislation in 1982 which provided coverage of hospice care under Medicare. This program has proven successful and has provided compassionate care to many terminally ill Medicare patients. However, the program has not operated without difficulty. In implementing this program, we have seen constant delays by the Department of Health and Human Services in issuing regulations, meeting deadlines laid out in the authorizing legislation. Also, hospice programs throughout the country have experienced enormous difficulties in obtaining reimbursements from their intermediaries. Even with the administrative hurdles and barriers which hospice programs have had to encounter, many terminally ill patients and their family members have been served by hospice program from around the country participating in Medicare. The results we have seen clearly indicate that the hospice program deserves to be a permanent part of Medicare. Furthermore, I am hopeful that by making this program permanent the approach to this program by the Department of Health and Human Services will be modified and we will see a more effective and responsive implementation. Also, by making this program permanent any uncertainity by health care providers will be removed and greater participation can be expected.

Mr. Speaker, the Medicaid provision will give States the option to fund hospice programs under the Medicaid Program. While the majority of persons in this country suffering from a terminal illness are elderly, there is a sizable population of Medicaid eligible persons who also may choose to utilize hospice care. I think we should make this option available to Medicaid patients similar to the option currently made available to Medicare beneficiaries. The compassionate and cost-effective alternative offered through the use of hospice should be part of the Medicaid program. Congress has displayed strong support for hospice in the past, and once again, I urge the support of my colleagues for the hospice provisions contained in this measure.

Mr. NIELSON of Utah. Mr. Speaker, though there are many reasons why I oppose this legislation, I rise in support of passage of the House amendments to the conference report on H.R. 3128. One of its key provisions would reauthorize the Trade Adjustment Assistance Program. I do not agree with all of the changes this legislation would make in the program. However, I do feel that it offers certain improvements that are both necessary and prudent in order for TAA to live up to the promises we have made to those workers who have lost their jobs due in part to the unprecedented flood of cheap—and often government-subsidized—foreign imports.

My own district has been particularly hard hit by our inability to reauthorize the TAA Program and to live up to our commitments. I could recite a long list of names of Utahans who are anxiously awaiting the restoration of their readjustment allowances, who have continued to hang on, while watching the utility companies turn off their heat and electricity, the finance companies repossess their cars, and the banks forclose on their homes. I get 25-plus calls a day asking me, "How much longer, Mr. Congressman? How much longer will we have to wait before the Federal Government fulfills its part of the agreement?"

I'm afraid the casualty list will continue to grow, so long as we in Congress fail to do our part and restore the trade readjustment allowance these workers depend on to help pay their bills during retraining. We can accomplish this by supporting the conference report to House Resolution 390. I urge my colleagues to do so.

Mr. FRENZEL. Mr. Speaker, H.R. 3128 has many more liabilities than assets. It was originally supposed to save at least $60 billion over 3 years. This creampuff will, with a little luch, break, save only $12 billion.

Worse, half of the 3-year savings come from increased taxes. That is a pretty sorry record of reconciliation. Whatever effort was expended to develop this harmless substitute could have been better spent elsewhere. H.R. 3128 wasn't worth the trouble.

The pension features alone warrant a negative vote. No firm in its right mind will ever want to create a defined benefit pension plan again. That surely was not the intention of the committee of jurisdiction, but that is the inevitable result.

This bill extends trade adjustment assistance for 6 years over the objections of the administration. The administration is willing to provide $100 million for this assistance under the Job Partnership Training Act, but it is unwilling to fund this function twice; 6 years of duplication is too much.

Under the existing TAA Program, beneficiaries are required to look for a job and accept suitable employment when it becomes available. This is also the requirement for unemployment compensation and, as far as I know, all Government unemployment compensation programs. The TAA provisions in this reconciliation bill make the Government responsible for the cost of job clubs and job workshops in addition to the cost of training and already generous job search and relocation allowances. It seems big brother government wants to leave no stone unturned in making unemployment a comfortable state to be in for trade impacted workers.

Masquerading as improvements in the TAA Program, these provisions require that beneficiaries enroll in a job workship or a job club before weekly allowances can be paid. Those who have already taken such workshops and club programs get benefits without doing anything further. Job workships and clubs, as defined in this legislation, can consist of 1 day to 2 weeks of discussions of job openings, resume writing, interviewing techniques, and so forth. The cost of such programs can run

from a couple of hundred dollars to a couple of thousand dollars.

Here you have the ludicrous situation of mandating that an unemployed worker bill the Government for job clubs and workshops—and participate in such activity for as little as 1 day—before that worker is eligible to collect up to 56 weeks of benefits from the Government. Programs that ensure escalating cost should not receive the serious attention of Congress at a time when good programs are struggling under tight budget constraints.

One real improvement this legislation makes in the TAA Program is to eliminate direct loans and loan guarantees to trade impacted firms. At least the taxpayer will no longer have to pay for the high percentage of defaults that have consistently occurred under existing law.

The conferees have created a far worse program that, according to CBO, will cost $321 million in fiscal year 1987. This is definitely an increase over the existing program of about $90 billion a year. These costs could continue to rise over the 6-year lifespan of the new program. Most assuredly we will have a wave of newly created and Government-funded job clubs and job workshops.

Another feature of this bill gives certain States a favored status with respect to Outer Continental Shelf energy revenues. Energy-consuming States are being asked to give even more to energy-producing States. That is not fair, and this kind of decisionmaking has no place in a reconciliation bill.

The tobacco features, as noted by previous speakers, are also flawed.

According to the administration, this bill contains nearly $4½ billion in program expansions. Nobody ever intended that reconciliation bills would be used to increase spending, but House Democrats found a way to spend more under the guise of reducing deficits.

The way this bill comes to the House is also a perversion of our normal procedures. When the Rules Committee heard the bill, no one seemed to understand what was in it. No Republican had anything to do with it. Nor, apparently, did the other body. The adminstration says it will veto the bill. It certainly should.

I shall vote against this bill because it not only falls far short of reasonable deficit reduction aspirations, but it also expands spending, and makes other imprudent policy decisions. It should be defeated.

Mr. JONES of North Carolina. Mr. Speaker, I rise in support of the rule on the budget reconciliation conference report.

We are facing an unusual situation today. This is an instance in which we are seeking to change portions of a conference report after the conferees have agreed to a compromise and both Houses of Congress have voted in support of that compromise.

It has become clear that further changes to the conference report are needed to obtain a Presidential signature. As a result, two major concessions have been made on issues affecting the Outer Continental Shelf. The 8(g) language has been changed to reduce significantly the sums to be paid to certain coastal States.

Also the "Buy America" provision has been substantially weakened by providing a procedure for case-by-case waivers in instances of economic hardship, in addition to other exemptions previously contained in the conference report. These concessions by House Members are significant and they do not come easily.

I hope that the leaders of the other body will recognize how far the House has come in its departures from the House conference report. We may not have satisfied the OMB position in every way but it would be a major miscalculation if the other body refused to approve this product or if the President would not sign it.

This matter contains several important provisions reported from the Committee on Merchant Marine and Fisheries. I would like to address three of those provisions specifically.

In title VI, subtitle D would enact the Ocean and Coastal Management and Development Block Grant Act. This subtitle would institute a concept known commonly as Outer Continental Shelf [OCS] revenue sharing. This body has considered and passed such legislation several times in the past, in particular, H.R. 5. I would like to take this opportunity to explain some of the major provisions of subtitle D.

The concept of OCS revenue sharing implements a simple but important principle: Investment of revenues from nonrenewable ocean resource development into management of renewable ocean resources at the State and local level. This is achieved through a program of targeted block grants. The justifications and principles for such a program are outlined in detail in the committee report on H.R. 5 (No. 98–206). Although incorporating many of the provisions of H.R. 5, subtitle D of title VI contains specific differences which warrant explanation.

An important distinction is made regarding the definition of the terms "coastal State" and "coastal territory." For the purposes of this bill, the Commonwealth of Puerto Rico is to be considered as a coastal State. This change was made in order to account for significant ocean and coastal management problems faced by the Commonwealth of Puerto Rico.

Several changes were made to the structure of the Ocean and Coastal Resources Management and Development Fund. First, the program's starting date has been delayed until fiscal year 1988; this will allow an appropriate period for the implementing agency to prepare an administrative framework and to draft necessary regulations. Second, the mechanics of the fund have been somewhat altered to reflect a compromise between the House and Senate bills. Annually, beginning in fiscal year 1988, this fund will accrue 20 percent of the annual increase in Federal OCS revenues beyond $5 billion; this approximates the level of OCS revenues received in fiscal year 1985.

In fiscal year 1988, the fund will be capped at $150 million. The cap will rise to $300 million in fiscal year 1989. After fiscal year 1989, this cap will increase by 5 percent per year. There are several advantages to this altered framework. First, it links funds available for State block grants to the annual growth or decline of OCS mineral leasing receipts. Second, it provides coastal States with a direct share of, and interest in, the revenues generated by the Federal OCS Leasing Program.

As in H.R. 5, no expenditures will be made from the fund, for any purposes, except as provided in appropriations acts.

Subtitle D authorizes annual ocean and coastal resource management and development block grants to coastal States, including Great Lakes States and Territories. No State may receive a block grant under this legislation until that State has submitted a pregrant report and provided opportunity for public comment on such report. The pregrant report and public comment requirements are discussed in detail in the committee report on H.R. 5. Additionally, the requirement that the State establish a trust fund for receipt of block grant moneys was added to provide improved enforcement and audit capabilities.

The formula mechanism for allocating block grants is adopted from H.R. 5 utilizing the five, equally weighted criteria contained in that bill. This five-part formula is discussed in detail in the section-by-section analysis and in Appendix A of House Report 98–206. Several special modifications in the weighting of, and eligibility for, certain criteria were made to produce a more equitable distribution of block grant funds among the various States. The discussion contained in the House committee report, however, is still relevant and provides strong guidance regarding the various formula elements.

Only certain ocean and coastal enhancement and management activities are eligible for funding through a State block grant: Activities authorized by the Coastal Zone Management Act of 1972; activities authorized pursuant to the Coastal Energy Impact Program [CEIP]; activities for the enhancement, management and development of living marine resources; and activities for the preservation, enhancement and management of natural resources including coastal habitats. Regarding the first two categories-CZMA and CEIP activities—the description in Appendix B of the House Report 98–206 remains relevant. The latter two categories of allowable uses are slightly modified from those contained in H.R. 5. It is important to emphasize that a coastal State is not required to have an approved coastal zone management program as a prerequisite to the expenditure of funds under any of the funding categories outlined in this section.

Section 6035 of subtitle D, like section 6 in H.R. 5, provides for assistance to local governments. This provision is adapted from that in H.R. 5, with minor modifications. The intent of this section is to ensure not only that States will provide their local governments with an adequate proportion of block grant funds, but also equally important that each State receiving a block grant establishes a mechanism which effectively solicits and considers the needs and priorities of its many local governments. It is the intent of this provision to ensure that State block grant funds are used to assist those local governments which have the greatest responsibility in performing ocean and coastal management activities. Local government activities in managing the effects of coastal related energy facilities are considered especially important. The proportion of a State's block grant which must

be allocated to local government activities is 33⅓ percent.

Section 6036 contains provisions for an annual audit of block grant funds perceived by any State. Such provisions indicate congressional intent for close Federal oversight of State block grant expenditures. This audit requirement is the primary mechanism by which the implementing Federal agency may ensure compliance with the provisions of this act. It is also the primary mechanism for ensuring that State block grant expenditures reflect the national interests in ocean and coastal management.

The second matter I would like to bring to your attention is subtitle E of title VI which reauthorizes the Coastal Zone Management Act of 1972 [CZMA]. The Committee on Merchant Marine and Fisheries has considered this legislation during 2 days of intensive hearings conducted by the Subcommittee on Oceanography, chaired by our distinguished colleague, Ms. MIKULSKI. We are convinced by the testimony, as well as our 13 year oversight of the CZMA, that important national interests are being well served by this program.

Twenty-three States and five territories have developed impressive CZM programs with the encouragement of Congress and the help of some Federal funding. These States have voluntarily assumed the primary responsibility for managing their shorelines. The program's voluntary nature demonstrates respect for the tradition in the United States of local and State responsibility for land use planning. Rather than overriding local and State authority for this important task, Congress has encouraged coastal States to utilize their full authority. Furthermore, through the CZMA, Congress has provided a constant reminder to coastal States of their vital role in promoting common interests shared by all States, whether coastal or landlocked.

Because the CZMA has been so successful and because pressures on the coast are constantly increasing, the committee recognizes the need to enhance the total level of support for this program. However, we are not recommending increased Federal support; rather, increases would come from greater coastal State matching contributions. Beginning in fiscal year 1989 and beyond, there would be a 50/50, rather than 80/20. Federal/State partnership.

By reducing the share of Federal involvement in CZM, we do not want to give the misimpression that this program is not serving national interests. On the contrary, our Nation will always need to play an active role in overseeing the wise management of our coastal areas because important national concerns are being served. The increasing State share reflects the fact that State programs are beginning to mature. Further implementation should be accomplished on the basis of an equal partnership.

These amendments do more than simply equalize the Federal/State partnership in coastal zone management. Other important provisions are contained in the bill—

It requires States to promptly submit for Federal review and approval any program changes they may have and clarifies that no amendment may be implemented as part of a federally approved coastal program unless it has first been approved by the Secretary of Commerce. Therefore, unless a proposed amendment has been so approved, it may not be implemented with the use of CZM funds and may not be used to enforce Federal consistency with the State's program.

It allows the Secretary of Commerce to reduce funding for programs which are not making satisfactory progress in identifying and protecting coastal resources of national significance.

Some dormant provisions of the act are repealed and the National Estuarine Sanctuary Program is strengthened to reflect an emphasis on research, so that our knowledge and awareness of estuaries will be improved, and we can better provide for their continued health.

These provisions of subtitle E are carefully balanced. They enjoy bipartisan support. In this regard, I would like to acknowledge the thoughtful contributions of Congressmen NORM LENT, our full committee ranking member, and NORM SHUMWAY, ranking member on the Oceanography Subcommittee as well as my colleague, subcommittee Chairwoman BARBARA MIKULSKI. With their assistance, you have before you a subtitle of the reconciliation conference report which continues the important work of managing our Nation's coastal zone and reduces the need for additional spending over the next several years.

Finally, I would like to address a provision in title VIII of the conference report. Title VIII includes amendments to the Outer Continental Shelf Lands Act [OCSLA].

Subtitle B of title VIII involves an amendment to section 19 of the law, dealing with the relationship between the Secretary of the Interior and the Governors of affected coastal States with respect to OCS lease sales and development and production plans.

The House and Senate conferees agreed on language that would require the Secretary to give equal weight to the need for oil and gas and the need to protect other resources and uses of the coastal and marine environment that are affected by offshore energy development.

In my judgment, the conferees did not mean that in any particular lease sale or development plan, there will be equal oil and gas resource benefits and environmental costs.

Rather we intended that the Secretary consider, with equal seriousness, resource development values, on the one hand, as against environmental protection values, on the other.

The conferees also decided to delete section 19(D) of the law which provides that the Secretary's decision to accept or reject a Governor's recommendation shall be final and shall not, alone, be a basis for invalidation of the proposed action in any suit or judicial review, unless found to be arbitrary or capricious.

The "arbitrary or capricious" language is taken from the Administrative Procedure Act. To make certain that the scope of judicial review of the Secretary's decision, under the language of the amendment, shall be that applied to final Federal agency actions by the Administrative Procedure Act, 5 U.S.C. 706(2)(A)—"arbitrary and capricious, an abuse of discretion, or otherwise not in accordance with law"—the conferees reinserted that standard at the end of subsection (C), as modified by the amendment. Scrutiny of the Secretary's decisions under section 19, therefore, will be limited to those standards specified in 5 U.S.C. 706(2)(A).

Mr. HAMMERSCHMIDT. Mr. Speaker, as the ranking member of the House Veterans' Affairs Committee, I rise in strong support of H.R. 3128's provisions on veterans' programs. This bill would be of great benefit to service-connected disabled veterans and to needy veterans. We are in a time of difficult decisions because of the imperative for deficit reduction.

The Committee on Veterans' Affairs at the outset adopted a bipartisan approach to the budget for the VA, and when the joint budget resolution for fiscal year 1986 instructed a savings of $300 million for the VA, the committee again acted on a bipartisan basis to achieve the savings. We are now well into the fiscal year, but it is not too late to achieve at least some of the budgetary savings and the health care reforms, which continue to produce savings in the out years.

The principal vehicles for meeting the budgetary goals for the VA are reform of veterans' health care eligibility and third-party reimbursement from health care insurance.

It was necessary to work out differences with the other body on much of the reform of veterans' health care eligibility. Both bodies began with their own means tests and strengthened commitments to provide health care. The third-party reimbursement proposals had only technical differences, which were easily resolved.

There is no need to repeat the details of the health care eligibility reform which the chairman, SONNY MONTGOMERY, has outlined. Suffice it to say, for the first time ever, the Government is formally committed to providing hospital care for service-connected and truly needy veterans. For the first time ever, the universe of veterans for whom the VA is going to provide hospital care is clearly defined.

I would have preferred the income line of the means test be drawn somewhat higher than allowed by the compromise with the other body. However, the $15,000 limitation for single veterans and the $18,000 limitation for married veterans provide a starting point and could possibly be adjusted in the future, if experience shows that they are too low.

Mr. Speaker, I hope the reform of health care eligibility with its strengthened commitment to provide hospital care is as pleasing to our Nation's veterans as it is to me. This legislation adopts the framework of the original House bill. It is a truly historic step which confirms that the Congress intends for the Veterans' Administration hospital system to keep essential its present form for many years to come.

This important legislation in large part owes its existence to the leadership and personal dedication of my friend and colleague, SONNY MONTGOMERY, chairman of our committee. He has been most instrumental in bringing this veterans' legislation to the floor.

Also a special note of appreciation should go the chairman of the House Budget Com-

mittee, BILL GRAY, to its ranking member, DEL LATTA, and to MARVIN LEATH, a member of the Veterans' Affairs Committee on temporary leave of absence to the Budget Committee.

Mr. Speaker, I urge my fellow Members to support the veterans' provisions of this measure, which will achieve both a desirable savings in the VA budget and a significant reform of veterans' health care eligibility.

Ms. MIKULSKI. Mr. Speaker, I rise today to speak in support of the proposed House amendments to the budget reconciliation bill. This bill proves that we in Congress can make difficult choices to reduce the deficit.

It shows that we can meet human needs, yet keep our fiscal responsibility. It shows we can sweat the details by deciding which programs work and which ones do not; which ones we should keep, which ones we should cut.

This bill is a budget cutter and a deficit dampener. I will save American taxpayers billions of dollars over the next 3 years without reducing our quality of life.

But, as is true with any large budget package, there is good news and bad news.

For Marylanders, the goods news includes the fact that this reconciliation bill has a "Mikulski amendment" which saves the State of Maryland almost $8 million in penalties caused by the failure of a contractor to provide the State with a certified management information system for the Maryland Medicaid Program.

Without this amendment, the State would have to pay these penalties to the Federal Government, and would thereby have to reduce funds available to provide health care to low-income people under Medicaid.

Another good part of this reconciliation bill is the fact that it extends the authorization for Amtrak. That means thousands of Maryland jobs are being saved, as well as important rail service for thousands of Maryland commuters who live in Baltimore and work in Washington.

The bill also continues Federal support for hospice services for the terminally ill. It penalizes hospitals and doctors who refuse to treat emergency patients because of a lack of insurance or ability to pay, and it sets up experiments to determine the cost effectiveness of Medicare coverage for preventive health care.

For Maryland and American workers, the bill extends the Trade Adjustment Assistance Program for 6 years. This program provides important assistance to workers and companies hurt by foreign competition. It also protects American jobs by including a "buy American" provision for materials and supplies used on oil rigs in offshore drilling.

As I said before, there is good news and some bad news in this bill. The bad news includes the fact that this bill does not reduce the deficit by as much as the earlier budget bill we passed.

Another piece of bad news in this bill is the failure to include the "Mikulski Medicare vision" amendment which the House approved in a previous reconciliation bill.

This amendment would have saved money for Medicare by providing coverage for vision care services provided by optometrists. Medicare currently only covers vision services if they're provided by ophthalmologists, usually at higher fees than those charged by optometrists. By including my amendment, this bill would have saved money and made vision care services more widely available for Medicare users.

Even though I'm disappointed at certain aspects of the budget reconciliation bill, I supported it. I did so because I believe it is important to create a frame work for our future.

To build that future, we must rid ourselves of the deficits facing us: Budget deficit, trade deficit, research and development deficit, and what I call our education deficit.

This budget reconciliation bill goes a long way toward reducing the biggest of our deficits—our budget deficit. That's why I proudly supported the House amendments to this bill.

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

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. PETRI. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 314, nays 86, not voting 34, as follows:

[Roll No. 41]

YEAS—314

Akaka	Byron	Edwards (CA)
Alexander	Callahan	Edwards (OK)
Anderson	Campbell	Emerson
Andrews	Carper	English
Annunzio	Chandler	Erdreich
Anthony	Chapman	Evans (IL)
Archer	Clay	Fascell
Armey	Clinger	Fazio
Aspin	Cobey	Feighan
Atkins	Coble	Fields
AuCoin	Coelho	Fish
Barnes	Coleman (TX)	Flippo
Bartlett	Combest	Foley
Barton	Conte	Ford (MI)
Bateman	Cooper	Ford (TN)
Bates	Courter	Fowler
Bedell	Coyne	Frank
Bellenson	Crockett	Franklin
Bennett	Daniel	Frost
Bentley	Darden	Fuqua
Bereuter	Daschle	Gallo
Berman	Daub	Garcia
Bevill	Davis	Gaydos
Biaggi	de la Garza	Gejdenson
Bliley	Dellums	Gephardt
Boehlert	Derrick	Gibbons
Boggs	Dickinson	Gilman
Boland	Dicks	Glickman
Boner (TN)	Dingell	Gonzalez
Bonior (MI)	DioGuardi	Gordon
Bonker	Dixon	Gradison
Borski	Donnelly	Gray (PA)
Bosco	Dorgan (ND)	Green
Boulter	Dowdy	Guarini
Boxer	Downey	Hall (OH)
Breaux	Duncan	Hall, Ralph
Brooks	Durbin	Hamilton
Brown (CA)	Dwyer	Hammerschmidt
Broyhill	Dymally	Hatcher
Bruce	Dyson	Hawkins
Bryant	Early	Hayes
Burton (CA)	Eckart (OH)	Hefner
Bustamante	Eckert (NY)	Heftel
Hendon	Mica	Sensenbrenner
Henry	Mikulski	Shelby
Hertel	Miller (CA)	Sikorski
Holt	Miller (WA)	Sisisky
Hopkins	Moakley	Skeen
Horton	Montgomery	Skelton
Howard	Moody	Slattery
Hoyer	Moore	Smith (FL)
Hubbard	Morrison (CT)	Smith (NE)
Huckaby	Mrazek	Smith (NJ)
Hughes	Murphy	Snowe
Hutto	Murtha	Snyder
Jacobs	Natcher	Spence
Jenkins	Neal	Spratt
Jones (NC)	Nelson	St Germain
Jones (OK)	Nichols	Staggers
Jones (TN)	Nielson	Stallings
Kaptur	Nowak	Stark
Kasich	O'Brien	Stenholm
Kastenmeier	Oakar	Stokes
Kemp	Oberstar	Strang
Kennelly	Obey	Studds
Kildee	Olin	Sweeney
Kindness	Ortiz	Swift
Kleczka	Owens	Synar
Kolbe	Panetta	Tallon
Kostmayer	Parris	Tauke
LaFalce	Pease	Tauzin
Lantos	Penny	Taylor
Leach (IA)	Pepper	Thomas (GA)
Leath (TX)	Perkins	Torres
Lehman (CA)	Pickle	Torricelli
Lehman (FL)	Price	Towns
Leland	Pursell	Traficant
Lent	Quillen	Udall
Levin (MI)	Rahall	Valentine
Lightfoot	Ray	Vento
Lipinski	Regula	Visclosky
Livingston	Reid	Walgren
Loeffler	Richardson	Watkins
Long	Ridge	Waxman
Lott	Rinaldo	Weaver
Lowry (WA)	Roberts	Weber
Lujan	Robinson	Weiss
Luken	Rodino	Wheat
Lundine	Roe	Whitehurst
MacKay	Roemer	Whitley
Manton	Rogers	Whittaker
Markey	Rose	Williams
Martin (NY)	Roukema	Wilson
Martinez	Rowland (CT)	Wirth
Matsui	Rowland (GA)	Wise
Mavroules	Roybal	Wolf
Mazzoli	Russo	Wolpe
McCloskey	Sabo	Wortley
McCollum	Savage	Wright
McCurdy	Scheuer	Wyden
McHugh	Schneider	Wylie
McKernan	Schroeder	Yatron
McKinney	Schuette	Young (AK)
McMillan	Schumer	Young (MO)
Meyers	Seiberling	

NAYS—86

Applegate	Hyde	Ritter
Badham	Ireland	Saxton
Bilirakis	Jeffords	Schaefer
Broomfield	Kanjorski	Schulze
Brown (CO)	Kramer	Sharp
Burton (IN)	Lagomarsino	Shaw
Carney	Lewis (CA)	Shumway
Chappie	Lewis (FL)	Shuster
Cheney	Lloyd	Siljander
Coats	Lowery (CA)	Smith (IA)
Coughlin	Lungren	Smith, Denny (OR)
Craig	Mack	Smith, Robert (NH)
Crane	Madigan	Smith, Robert (OR)
Dannemeyer	Marlenee	Solomon
DeLay	Martin (IL)	Stangeland
DeWine	McCain	Stratton
Dornan (CA)	McCandless	Stump
Dreier	McEwen	Sundquist
Fawell	McGrath	Swindall
Fiedler	Michel	Thomas (CA)
Florio	Miller (OH)	Vander Jagt
Frenzel	Mitchell	Volkmer
Gekas	Molinari	Vucanovich
Gingrich	Moorhead	Walker
Goodling	Morrison (WA)	Yates
Gregg	Oxley	Young (FL)
Gunderson	Packard	
Hansen	Pashayan	
Hiler	Petri	
Hunter	Porter	

NOT VOTING—34

Ackerman	Gray (IL)	Myers
Addabbo	Grotberg	Rangel
Barnard	Hartnett	Rostenkowski
Boucher	Hillis	Roth
Carr	Johnson	Rudd
Chappell	Kolter	Slaughter
Coleman (MO)	Latta	Solarz
Collins	Levine (CA)	Traxler
Conyers	McDade	Whitten
Edgar	Mineta	Zschau
Evans (IA)	Mollohan	
Foglietta	Monson	

□ 1225

The Clerk announced the following pair:

On this vote:

Mr. Coleman of Missouri for, with Mr. Zschau against.

Messrs. HUNTER, APPLEGATE, and LEWIS of Florida changed their votes from "yea" to "nay."

Messrs. WORTLEY, LEACH of Iowa, and LUJAN changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to the provisions of House Resolution 390 the House recedes from its disagreement to the Senate amendment and concurs with an amendment to the Senate amendment to the House amendment to the Senate amendment to the bill H.R. 3128, as follows:

Amendment to the Senate amendment to the House amendment to the Senate amendment to H.R. 3128:

In section 4016, insert "or seasonal suspension" after "adjustment in frequency"; and insert "adjustment or" after "service unless such".

In subparagraph (F)(ii) of paragraph (10) of section 204(b) of the Magnuson Fishery Conservation and Management Act, as proposed to be amended by section 6021, strike out "from such nations".

In subsection (b)(2)(B) of section 315 of the Coastal Zone Management Act, as proposed to be amended by section 6044, strike out "environmental" and insert "environment".

In section 3A of the National Ocean Pollution Planning Act of 1978, as proposed to be added by section 6072(2)—

(1) amend subparagraph (B) of subsection (a)(2) to read as follows:

"'(B) be headed by a director who shall—

'(i) be appointed by the Administrator,

'(ii) serve as the Chair of the Board, and

'(iii) be the spokesperson for the program;'";

(2) insert a quotation mark and a period after the period at the end of subparagraph (D) of subsection (b)(2); and

(3) strike out paragraph (3) of subsection (b).

In section 6085—

(1) insert "and duties" after "functions" in the long title of the Act of August 6, 1947 cited in such section; and

(2) strike out "'or subdivision thereof'" and insert "'or subdivision thereof,'" in paragraph (2).

In section 8003, amend the first sentence of the proposed section 8(g)(2) of the Outer Continental Shelf Lands Act to read as follows:

Notwithstanding any other provision of this Act, the Secretary shall deposit into a separate account in the Treasury of the United States all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profit taxes, derived from any lease issued after September 18, 1978, of any Federal tract which lies wholly or partially within three nautical miles of the seaward boundary of any coastal State.

In section 8004(a), strike out "January 1, 1986" and insert in lieu thereof "April 15, 1986".

In section 8006(a), insert "issued after September 18, 1978" after "any Federal leases".

In section 8006(a)(1), insert "issued after September 18, 1978" after "derived from any lease".

Amend section 8201 by striking out the close quote and period at the end and inserting in lieu thereof the following new paragraph:

"(4)(A) Notwithstanding the provisions of this subsection, a lessee may petition the Secretary for a waiver of the requirements of this subsection.

"(B) The Secretary shall assign an Administrative Law Judge to conduct a hearing on the record on the petition and make a finding for the Secretary.

"(C) The Administrative Law Judge shall recommend to the Secretary that the Secretary grant such waiver if the Administrative Law Judge finds that the lessee's exploration or development and production plan cannot be carried out solely because of the additional costs that would be incurred as a result of the requirements of this subsection.

"(D) If the Secretary receives the recommendation from the Administrative Law Judge provided in paragraph (C), the Secretary may grant the waiver if the Secretary concurs with the finding of the Administrative Law Judge.".

In subtitle A of title IX, strike out sections 9203, 9212, 9302, 9311, and 9312, and conform the table of contents of title IX accordingly.

In section 9101—

(1) in subsection (a), strike out "FEBRUARY 28" and "February 28" and insert in lieu thereof "APRIL 30" and April 30", respectively;

(2) in subsections (b), (e)(1)(B), (e)(2)(B), (e)(2)(C), and (e)(3)(B), strike out "1 percent" and insert in lieu thereof "1/2 percent";

(3) in subsection (d), strike out "December 19, 1985" and insert in lieu thereof "March 15, 1986";

(4) in subsection (e)(1)(A), strike out "March" and insert in lieu thereof "May";

(5) in subsection (e)(2)(B), strike out "5 months" and "7 months" and insert in lieu thereof "7 months" and "5 months", respectively; and

(6) in subsection (e)(3)(B), strike out "7/12" and insert in lieu thereof "5/24".

In section 9102—

(1) in subsection (d)(2)(B), strike out "5 months" and "7 months" and insert in lieu thereof "7 months" and "5 months", respectively, and

(2) in subsection (d)(3), strike out "March" and insert in lieu thereof "May".

In section 9103, in subsections (a) and (b)(2), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9104, in subsections (a) and (c)(1), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9105, in subsections (a) and (e), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9123(b), strike out "January" and insert in lieu thereof "April".

In section 9124(b)(1), strike out "April" and insert in lieu thereof "July".

In section 9128, strike out "will go" and insert in lieu thereof "went".

In section 9201(d), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9211(e), strike out "February" and "April" and insert in lieu thereof "May" and "July", respectively, each place each appears.

In section 9301—

(1) in subsection (a), strike out "JANUARY 31" and "January 31" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsection (b), strike out "11-month", "February", "January 31", "4-month", and "January 1986" and insert in lieu thereof "8-month", "May", "April 30", "7-month", and "April 1986", respectively, each place each appears; and

(3) in subsection (c)(5), strike out "July" and insert in lieu thereof "October".

In section 9303—

(1) in subsection (b)(2), strike out "April", "1987" and "December 31, 1986" and insert in lieu thereof "July", "1988", and "December 31, 1987", respectively, and

(2) in subsection (b)(5)(A), strike out "April" and insert in lieu thereof "July".

In section 9304(b)—

(1) strike out "11-month" and "February" and insert in lieu thereof "8-month" and "May", respectively;

(2) in paragraph (1) in the matter before subparagraph (A), insert "at any time" after "in the case of any physician who"; and

(3) in paragraph (1)(B), strike out "is not a participating physician" and all that follows through "September 30, 1985, or" and insert in lieu thereof "was not a participating physician (as defined in section 1842(h)(1) of the Social Security Act) on September 30, 1985, and who is not such a physician".

In section 9307(c)—

(1) in paragraph (1), strike out "subsection (1)" and insert in lieu thereof "subsection (k)";

(2) in paragraph (2), strike out "after subsection (k), added by section 146(a) of this title," and insert in lieu thereof "at the end"; and

(3) in the subsection added by paragraph (2), strike out "(l)(1)" and insert in lieu thereof "(k)(1)".

In subtitle B of title IX, strike out sections 9504, 9513, and 9521, and conform the table of contents of title IX accordingly.

In section 9501(d)(1), strike out "April" and insert in lieu thereof "July".

In section 9505(b)(1)—

(1) strike out "sections 9501 and 9504" and insert in lieu thereof "section 9501", and

(2) strike out "(VI)" and "(VII)" and insert in lieu thereof "(V)" and "(VI)", respectively

In section 9506(a), in proposed subsection (k)(2) of section 1902 of the Social Security Act, insert "(other than by will)" after "established".

In section 9511(b) strike out "January" and insert in lieu thereof "April".

In section 9517(c), amend paragraph (2) to read as follows:

(2)(A) Except as provided in subparagraph (B), the amendments made by paragraph (1) shall apply to expenditures incurred for heatth insuring organizations which first become operational on or after January 1, 1986.

(B) In the case of a health insuring organization—

(i) which first becomes operational on or after January 1, 1986, but

(ii) for which the Secretary of Health and Human Services has waived, under section 1915(b) of the Social Security Act and before such date, certain requirements of section 1902 of such Act.

clauses (ii) and (vi) of section 1903(m)(2)(A) of such Act shall not apply during the period for which such waiver is effective.

In section 9522, insert "(or submitted during 1986 by)" after "granted to".

In section 9523—

(1) in subsection (a) strike out "CONTINUED" and "continue" and insert in lieu thereof "RENEWED" and "renew", respectively, and

(2) In subsection (b)—

(A) strike out "continued" and insert in lieu thereof "renewed".

(B) strike out "the date of the enactment of this Act" and insert in lieu thereof "December 31, 1985".

In section 9526, at the end of subsection (a) of proposed section 1920 of the Social Security Act, add the following:

"(F) Section 310(b)(1) of Public Law 96-272 (relating to continuing medicaid eligibility for certain recipients of Veterans' Administration pensions).

In section 12301—

(1) in subsection (b)—

(A) strike out "or 1903(u)" in paragraph (1), and

(B) strike out "titles IV-A and XIX" and insert in lieu thereof "title IV-A" each place it appears; and

(2) after subsection (d), strike out "and 1982.".

In section 12304(a)(3), immediately before the semicolon at the end of the proposed new subparagraph (C), insert the following: "; but the State shall not be subject to any financial penalty in the administration or enforcement of this subparagraph as a result of any monitoring, quality control, or auditing requirements".

Part 1 of subtitle A of title XIII of the bill is amended to read as follows:

PART 1—TRADE ADJUSTMENT ASSISTANCE

SEC. 13001. SHORT TITLE.

This part may be cited as the "Trade Adjustment Assistance Reform and Extension Act of 1986".

SEC. 13002. ELIGIBILITY OF WORKERS AND FIRMS FOR TRADE ADJUSTMENT ASSISTANCE.

(a) WORKERS—Sections 221(a) and 222 of the Trade Act of 1974 (19 U.S.C. 2271(a); 2272) are each amended by inserting "(including workers in any agricultural firm or subdivision of an agricultural firm)" after "group of workers".

(b) FIRMS.—

(1) Subsections (a) and (c) of section 251 of the Trade Act of 1974 (19 U.S.C. 2341) are each amended by inserting "(including any agricultural firm)" after "a firm".

(2) Paragraph (2) of section 251(c) of the Trade Act of 1974 (19 U.S.C. 2341(c)(2)) is amended to read as follows:

"(2) that—

"(A) sales or production, or both, of the firm have decreased absolutely, or

"(B) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and".

SEC. 13003. CASH ASSISTANCE FOR WORKERS.

(a) PARTICIPATION IN JOB SEARCH PROGRAM REQUIRED.—

(1) Subsection (a) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(a)) is amended by adding at the end thereof the following new paragraph:

"(5) Such worker, unless the Secretary has determined that no acceptable job search program is reasonably available—

"(A) is enrolled in a job search program approved by the Secretary under section 237(c), or

"(B) has, after the date on which the worker became totally separated, or partially separated, from the adversely affected employment, completed a job search program approved by the Secretary under section 237(c).".

(2) Section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended by adding at the end thereof the following new subsection:

"(c) If the Secretary determines that—

"(1) the adversely affected worker—

"(A) has failed to begin participation in the job search program the enrollment in which meets the requirement of subsection (a)(5), or

"(B) has ceased to participate in such job search program before completing such job search program, and

"(2) there is no justifiable cause for such failure or cessation.

no trade readjustment allowance may be paid to the adversely affected worker under this part on or after the date of such determination until the adversely affected worker begins or resumes participation in a job search program approved under section 237(c).".

(3) Subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311(a)) is amended—

(A) by striking out "training," in clause (2) and inserting in lieu thereof "training and job search programs,"; and

(B) by striking out "and (3)" and inserting in lieu thereof "(3) will make determinations and approvals regarding job search programs under sections 231(c) and 237(c), and (4)".

(b) QUALIFYING WEEKS OF EMPLOYMENT.—The last sentence of section 231(a)(2) of the Trade Act of 1974 (19 U.S.C. 2291(a)(2)) is amended by striking out all that follows after subparagraph (C) and inserting in lieu thereof "shall be treated as a week of employment at wages of $30 or more, but not more than 7 weeks, in case of weeks described in paragraph (A) or (C), or both, may be treated as weeks of employment under this sentence.".

(c) WEEKLY AMOUNTS OF READJUSTMENT ALLOWANCES.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

(1) by striking out "under any Federal law," in subsection (c) and inserting in lieu thereof "under any Federal law other than this Act",

(2) by striking out "under section 236(c)" in subsection (c) and inserting in lieu thereof "under section 231(c) or 236(c)", and

(3) by striking out "If the training allowance" in subsection (c) and inserting in lieu thereof "If such training allowance".

(d) LIMITATIONS.—

(1) Paragraph (2) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)(2)) is amended by striking out "52-week period" and inserting in lieu thereof "104-week period".

(2) Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end thereof the following new subsection:

"(e) No trade readjustment allowance shall be paid to a worker under this part for any week during which the worker is receiving on-the-job training.".

SEC. 13004. JOB TRAINING FOR WORKERS.

(a) IN GENERAL.—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended—

(1) by striking out "for a worker" in subsection (a)(1)(A) and inserting in lieu thereof "for an adversely affected worker",

(2) by striking out "may approve" in the first sentence of subsection (a)(1) and inserting in lieu thereof "shall (to the extent appropriated funds are available) approve",

(3) by striking out "under paragraph (1)" in subsection (a)(2) and inserting in lieu thereof "under subsection (a)",

(4) by striking out "this subsection" in subsection (a)(3) and inserting in lieu thereof "this section",

(5) by redesignating paragraphs (2) and (3) of subsection (a) as subsections (e) and (f), respectively,

(6) by inserting at the end of subsection (a) the following new paragraphs:

"(2) For purposes of applying paragraph (1)(C), a reasonable expectation of employment does not require that employment opportunities for a worker be available, or offered, immediately upon the completion of training approved under this paragraph (1).

"(3)(A) If the costs of training an adversely affected worker are paid by the Secretary under paragraph (1), no other payment for such costs may be made under any other provision of Federal law.

"(B) No payment may be made under paragraph (1) of the costs of training an adversely affected worker if such costs—

"(i) have already been paid under any other provision of Federal law, or

"(ii) are reimbursable under any other provision of Federal law and a portion of such costs have already been paid under such other provision of Federal law.

"(C) The provisions of this paragraph shall not apply to, or take into account, any funds provided under any other provision of Federal law which are used for any purpose other than the direct payment of the costs incurred in training a particular adversely affected worker, even if such use has the effect of indirectly paying or reducing any portion of the costs involved in training the adversely affected worker.

"(4) The training programs that may be approved under paragraph (1) include, but are not limited to—

"(A) on-the-job training,

"(B) any training program provided by a State pursuant to section 303 of the Job Training Partnership Act,

"(C) any training program approved by a private industry council established under section 202 of such Act, and

"(D) any other training program approved by the Secretary,", and

(7) by inserting after subsection (c) the following new subsection:

"(d) Notwithstanding any provision of subsection (a)(1), the Secretary may pay the costs of on-the-job training of an adversely affected worker under subsection (a)(1) only if—

"(1) no currently employed worker is displaced by such adversely affected worker (including partial displacement such as a re-

duction in the hours of nonovertime work, wages, or employment benefits),

"(2) such training does not impair existing contracts for services or collective bargaining agreements,

"(3) in the case of training which would be inconsistent with the terms of a collective bargaining agreement, the written concurrence of the labor organization concerned has been obtained,

"(4) no other individual is on layoff from the same, or any substantially equivalent, job for which such adversely affected worker is being trained,

"(5) the employer has not terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created by hiring such adversely affected worker,

"(6) the job for which such adversely affected worker is being trained is not being created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals,

"(7) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222,

"(8) the employer certifies to the Secretary that the employer will continue to employ such worker for at least 26 weeks after completion of such training if the worker desires to continue such employment and the employer does not have due cause to terminate such employment,

"(9) the employer has not received payment under subsection (a)(1) with respect to any other on-the-job training provided by such employer which failed to met the requirements of paragraphs (1), (2), (3), (4), (5), and (6), and

"(10) the employer has not taken, at any time, any action which violated the terms of any certification described in paragraph (8) made by such employer with respect to any other on-the-job training provided by such employer for which the Secretary has made a payment under subsection (a)(1).".

"(b) ON-THE-JOB TRAINING DEFINED.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended by adding at the end thereof the following new paragraph:

"(16) The term 'on-the-job training' means training provided by an employer to an individual who is employed by the employer.".

"(c) AGREEMENTS WITH THE STATES.—Section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

(1) by amending subsection (a)(2) by inserting "but in accordance with subsection (f)," after "where appropriate,"; and

(2) by adding at the end thereof the following new subsections:

"(e) Agreements entered into under this section may be made with one or more State or local agencies including—

"(1) the employment service agency of such State,

"(2) any State agency carrying out title III of the Job Training Partnership Act, or

"(3) any other State or local agency administering job training or related programs.

"(f) Each cooperating State agency shall, in carrying out subsection (a)(2)—

"(1) advise each adversely affected worker to apply for training under section 236(a) at the time the worker makes application for trade readjustment allowances (but failure of the worker to do so may not be treated as cause for denial of those allowances), and

"(2) within 60 days after application for training is made by the worker, interview the adversely affected worker regarding suitable training opportunities available to the worker under section 236 and review such opportunities with the worker.".

SEC. 13005. JOB SEARCH ALLOWANCES.

(a) IN GENERAL.—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary shall reimburse any adversely affected worker for necessary expenses incurred by such worker in participating in a job search program approved by the Secretary.".

(b) DEFINITIONS.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319), as amended by section 13004(b) of this Act, is further amended by adding at the end thereof the following new paragraph:

"(17)(A) The term 'job search program' means a job search workshop or job finding club.

"(B) The term 'job search workshop' means a short (1 to 3 days) seminar designed to provide participants with knowledge that will enable the participants to find jobs. Subjects are not limited to, but should include, labor market information, résumé writing, interviewing techniques, and techniques for finding job openings.

"(C) The term 'job finding club' means a job search workshop which includes a period (1 to 2 weeks) of structured, supervised activity in which participants attempt to obtain jobs.".

SEC. 13006. ADJUSTMENT ASSISTANCE FOR FIRMS.

(a) TECHNICAL ASSISTANCE.—

(1) Paragraph (1) of section 252(b) of the Trade Act of 1974 (19 U.S.C. 2342(b)(1)) is amended to read as follows:

"(1) Adjustment assistance under this chapter consists of technical assistance. The Secretary shall approve a firm's application for adjustment assistance only if the Secretary determines that the firm's adjustment proposal—

"(A) is reasonably calculated to materially contribute to the economic adjustment of the firm,

"(B) gives adequate consideration to the interests of the workers of such firm, and

"(C) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development.".

(2) Section 252 of the Trade Act of 1974 (19 U.S.C. 2342) is amended by striking out subsection (c) and redesignating subsection (d) as subsection (c).

(3) Paragraph (2) of section 253(b) of the Trade Act of 1974 (19 U.S.C. 2343(b)(2)) is amended by striking out "such cost" and inserting in lieu thereof " such cost for assistance described in paragraph (2) or (3) of subsection (a)".

(b) NO NEW LOANS OR GUARANTEES.—Section 254 of the Trade Act of 1974 (19 U.S.C. 2344) is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of this chapter, no direct loans or guarantees of loans may be made under this chapter after the date of enactment of the Trade Adjustment Assistance Reform and Extension Act of 1986.".

SEC. 13007. EXTENSION AND TERMINATION OF TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Section 285 of the Trade Act of 1974 (19 U.S.C. 2271, preceding note) is amended—

(1) by striking out the first sentence thereof and inserting in lieu thereof "(a)",

(2) by striking out the section heading and inserting in lieu thereof "SEC. 285. TERMINATION.", and

(3) by adding at the end thereof the following new subsection:

"(b) No assistance, allowances, or other payments may be provided under chapter 2, and no technical assistance may be provided under chapter 3, after September 30, 1991.".

(b) CONFORMING AMENDMENT.—The table of contents of the Trade Act of 1974 is amended by striking out the item relating to section 285 and inserting in lieu thereof the following:

"Sec. 285. Termination.".

SEC. 13008. AUTHORIZATION OF APPROPRIATIONS.

(a) WORKERS.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking out "1982 through 1985" and inserting in lieu thereof "1986, 1987, 1988, 1989, 1990, and 1991".

(b) FIRMS.—Subsection (b) of section 256 of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

(1) by inserting "for fiscal years 1986, 1987, 1988, 1989, 1990, and 1991" after "to the Secretary",

(2) by striking out "from time to time", and

(3) by striking out the last sentence thereof.

SEC. 13009. EFFECTIVE DATES; APPLICATION OF GRAMM-RUDMAN.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), the amendments made by this part shall take effect on the date of the enactment of this Act.

(b) JOB SEARCH PROGRAM REQUIREMENTS.—The amendments made by section 13003(a) apply with respect to workers covered by petitions filed under section 221 of the Trade Act of 1974 on or after the date of the enactment of this Act.

(c) EXTENSION AND AUTHORIZATION.—Chapters 2 and 3 of title II of the Trade Act of 1974 (19 U.S.C. 2271, et seq.) shall be applied as if the amendments made by sections 13007 and 13008 had taken effect on December 18, 1985.

(d) APPLICATION OF GRAMM-RUDMAN.—Trade readjustment allowances payable under part I of chapter 2 of title II of the Trade Act of 1974 for the period from March 1, 1986, and until October 1, 1986, shall be reduced by a percentage equal to the non-defense sequester percentage applied in the Sequestration Report (submitted under the Balanced Budget and Emergency Deficit Control Act of 1985 and dated January 21, 1986) of the Comptroller General of the United States for fiscal year 1986.

Strike out subtitle B of title XIII and redesignate the following subtitles accordingly.

Strike out subsection (d) of section 13202 and insert in lieu thereof the following:

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to smokeless tobacco removed after June 30, 1986.

(2) TRANSITIONAL RULE.—Any person who—

(A) on the date of the enactment of this Act, is engaged in business as a manufacturer of smokeless tobacco, and

(B) before July 1, 1986, submits an application under subchapter B of chapter 52 of the Internal Revenue Code of 1954 to engage in such business,

may, notwithstanding such subchapter B, continue to engage in such business pending final action on such application. Pending such final action, all provisions of chapter 52 of such Code shall apply to such appli-

cant in the same manner and to the same extent as if such applicant were a holder of a permit to manufacture smokeless tobacco under such chapter 52.

Strike out subsection (c) of section 1320 and insert the following:

(c) EXISTING REDUCTION IN RATES FOR PERIOD AFTER TEMPORARY INCREASE RETAINED.—So much of subsection (e) of section 4121 (relating to temporary increase in amount of tax) as precedes paragraph (2) is amended to read as follows:

"(e) REDUCTION IN AMOUNT OF TAX.—

"(1) IN GENERAL.—Effective with respect to sales after the temporary increase termination date, subsection (b) shall be applied—

"(A) by substituting '$.50' for '$1.10',

"(B) by substituting '$.25' for '$.55', and

"(C) by substituting '2 percent' for '4.4 percent'."

In section 13203(d), strike out "December 31, 1985" and insert in lieu thereof "March 31, 1986".

In section 13205(a)(1), strike out "of the Internal Revenue Code of 1954".

In subsection (a)(2) of section 13205, strike out "of such Code" each place it appears.

In section 13205, strike out "December 31, 1985" and "January 1, 1986" and insert in lieu thereof "March 31, 1986" and "April 1, 1986", respectively, each place either appears.

At the end of paragraph (2) of section 1303(d) of the Internal Revenue Code of 1954 (as proposed to be added by section 13206(a)), insert the following:

In applying subparagraph (B), amounts which constitute earned income (within the meaning of section 911(d)(2)) and are community income under community property laws applicable to such income shall be taken into account as if such amounts did not constitute community income.

In section 13207(c), strike out "September 12, 1985" and insert in lieu thereof "September 12, 1984".

In subparagraph (A) of section 531(g)(1) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out "performed" and insert in lieu thereof "performs".

In paragraph (2) of section 531(g) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out subparagraph (B) and insert in lieu thereof the following:

"(B) if—

"(i) such organization is described in section 501(c)(6) of the Internal Revenue Code of 1954 and the membership of such organization is limited to entities engaged in the transportation by air of individuals or property for compensation or hire, or

"(ii) such organization is a corporation all the stock of which is owned entirely by entities referred to in clause (i), and".

In clause (vi) of section 57(a)(9)(E) of the Internal Revenue Code of 1954 (as proposed to be added by section 13208(a)), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In clause (vii) of such section 57(a)(9)(E), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In section 14001(a)(2), strike out "amounts".

In section 19001(a), strike out "and Compensation Rate Amendments of 1985" and insert in lieu thereof "Amendments of 1986".

In section 19011—

(1) strike out "April 1, 1986" in the last sentence of subsection (e)(2) and insert in lieu thereof "July 1, 1986"; and

(2) in subsection (f)—

(A) strike out "April 1, 1986" each place it appears and insert in lieu thereof "July 1, 1986";

(B) strike out "March 31, 1986" both places it appears in paragraph (2)(A) and insert in lieu thereof "June 30, 1986"; and

(C) strike out "April and May 1986" in paragraph (2)(B) and insert in lieu thereof "July and August 1986".

Strike out subtitle B of title XIX (and redesignate subtitle C as subtitle B).

In section 19031(b)(2), strike out "April 1, 1986" and insert in lieu thereof "July 1, 1986".

In section 19032—

(1) strike out "February 1, 1986" in subsection (a) and insert in lieu thereof "May 1, 1986"; and

(2) strike out "November 1, 1986, and November 1, 1987," in subsection (f) and insert in lieu thereof "February 1, 1987, and February 1, 1988,".

GENERAL LEAVE

Mr. DERRICK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H. Res. 390, the resolution just agreed to.

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

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate has passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1614. An act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will now entertain 1 minute requests, pending other legislative business.

LEGISLATIVE PROGRAM

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

Mr. LOEFFLER. Mr. Speaker, I rise for the purpose of determining the schedule for the remainder of the day and for next week, and the times of votes that might occur today.

Mr. FOLEY. Will the gentleman yield?

Mr. LOEFFLER. I yield to the gentleman.

Mr. FOLEY. Mr. Speaker, the Committee on Rules is now considering a rule which would make in order the consideration of H.R. 4306, to amend certain sections of the 1985 farm bill. It is anticipated that the Rules Committee will grant such a rule today, and it is our intention to call up such a rule when it is available, and to consider, if the appropriate leave is granted by the House, to consider H.R. 4306 today; or in the alternative to take from the Speaker's table as the rule may permit the Senate-passed bill on the same subject matter.

I believe it is the intention of the Chair to designate 1-minute speeches and to proceed with special orders with the understanding that we will return to official business of the House when the Committee on Rules has filed the rule.

Mr. LOEFFLER. Does the distinguished majority whip have any feel as to what time today we might adjourn?

Mr. FOLEY. I would assume that the consideration of the rule and the consideration of the bill if the rule is granted would probably continue the House in business until somewhere around 4:30 or 5 o'clock this afternoon, perhaps earlier.

Mr. LOTT. Would the gentleman yield?

Mr. LOEFFLER. I yield to the distinguished minority whip.

Mr. LOTT. The Committee on Rules is meeting at this moment, and expects to be through with the rule within the next 25 to 30 minutes at the very most. So we should be able—OK. I understand they have just completed. So we should be able to have it here on the floor by 1:30 or so, and it would take I guess about an hour and a half after that, probably?

□ 1235

Mr. FOLEY. As I say, if the rule is available and adopted, I would hope we could conclude business by 4 o'clock this afternoon.

Mr. Speaker, if the gentleman will yield further, the program for today I have already announced. That will conclude legislative business, although the House will meet on pro forma session tomorrow.

On Monday the House will also meet in pro forma session.

On Tuesday we will consider seven bills under suspension of the rules:

H.R. 4240, to Increase the Limitation on Emergency Relief Projects of Catastrophic Nature, and Natural Disasters.

H.R. 969, conservation services bill.

House Joint Resolution 17, amendments to Hawaiian Homes Commission Act of 1920.

S. 1396, to settle unresolved claims of White Earth Indian Reservation, MN.

H.R. 3556, land exchange at Fort Story.

H.R. 4329, Anglo-Irish Peace Agreement for Ireland and Northern Ireland.

House Resolution 389, commend Inter-American Foundation for its 15th anniversary and contributions to U.S. development assistance in Latin America and the Caribbean.

Votes will be postponed on Tuesday until the conclusion of debate on the suspensions. But votes will be taken Tuesday if ordered on any of the suspensions considered on Tuesday.

On Wednesday and the balance of the week, the House will meet at 3 p.m. on Wednesday, 11 a.m. on Thursday, and the balance of the week, to consider H.R. 1920, the Indian gambling bill, subject to a rule being granted. This announcement is made subject to the usual reservations: conference reports may be brought up at any time and further business may be announced later.

Mr. LOEFFLER. I then take it from the distinguished majority whip that the gentleman does not intend to have other legislation then that may be up on the floor of the House on Wednesday and Thursday of next week.

Mr. FOLEY. Yes; I would underscore the gentleman's thought that there may be additional business scheduled that is not part of this announcement.

Mr. LOEFFLER. Does the gentleman have any idea what it may be, any ideas of legislation that may be considered at that time.

Mr. FOLEY. It is possible that there coud be legislation with reference to the so-called lie detector bill, the polygraph legislation.

Mr. LOEFFLER. Is it the intention of the majority leadership to be in session on Friday of next week?

Mr. FOLEY. We have not made a decision not to be in session on Friday at this time, but will advise the House as soon as a determination is made. It has to be assumed at this time.

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

ADJOURNMENT TO MONDAY, MARCH 10, 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow, Friday, March 7, 1986, it adjourn to meet at 12 noon on Monday next.

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

There was no objection.

REQUEST TO DISPENSE WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

Mr. WALKER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO HAVE UNTIL MIDNIGHT, TUESDAY, MARCH 11, 1986, TO FILE A REPORT ON H.J. RES. 540 RELATING TO ADDITIONAL AUTHORITY AND ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE REQUESTED BY THE PRESIDENT

Mr. PRICE. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services have until midnight, Tuesday, March 11, 1986, to file a report on House Joint Resolution 540, relating to Central America, pursuant to the International Security and Development Cooperation Act of 1985.

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

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the Chair's prior announcement, we will be returning to legislative business.

At this time, the Chair will entertain 1-minute requests.

JOHN N. McMAHON, DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE

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

Mr. BOLAND. Mr. Speaker, I was saddened to learn of the resignation of John N. McMahon as Deputy Director of Central Intelligence.

I knew John well for the 8 years that I chaired the Permanent Select Committee on Intelligence.

During that time, he held such important posts as Deputy Director of Central Intelligence for the Intelligence Community, CIA Deputy Director for Operations, CIA Deputy Director for Intelligence, and, finally, Deputy Director of Central Intelligence.

During his career of 34½ years, John has supervised the major collection and analytical areas within the CIA, and has occupied the two key posts for management of the intelligence community.

He has served three Presidents—President Ford, President Carter, and President Reagan—and has earned the respect and admiration of each.

It is equally significant that, in the process, he earned the intense loyalty of those who worked for him.

Mr. Speaker, in the estimation of all those who have dealt with him, including all members—past and present—of the Permanent Select Committee on Intelligence, John McMahon was a professional's professional.

If Bill Casey has provided the flair and been the lightning rod for the CIA, John McMahon has been its steady hand and its continuity.

He is a man whose word is accepted by proponents and critics of the administration's programs, by critics and supporters of intelligence.

He gained his reputation through a thoroughly honest and consistently fair approach to every issue he addressed.

John McMahon was just what the Central Intelligence Agency needed in the post-Church and Pike committee days.

He showed us that the Nation's best and brightest people were in responsible positions in the management of our intelligence services and that intelligence was still an honorable profession.

The intelligence community and the Nation will miss his exceptional leadership in the days ahead.

AGRICULTURAL REBELS

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

Mr. MARLENEE. Mr. Speaker, the smoldering resentment against dictatorship is rising.

The administration's manipulation of farm policy regulation has forced me to conclude the only way to have America's agricultural grievances recognized in the White House is to organize an effort of agricultural rebels.

We agricultural rebels want equal access to be heard.

We want access to justice.

We want recognition of rural America's nightmare. We want correction of the regulation-manipulation attitude that is being used to torpedo the farm bill and that is wrecking the farm economy.

We recognize the Contra situation in Nicaragua is serious, but even more serious is the suffering, hardship, and displacement in our own farm country.

When we agricultural rebels have been heard, then we can talk Contra aid.

Mr. Speaker, producers are going to ask, "Were you with the rebels representing agricultural grievances?"

TAX AMNESTY PROGRAM GETTING CLOSER AND CLOSER

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

Mr. BIAGGI. Mr. Speaker, tax amnesty is getting closer. As the author of the first legislation introduced in the House to provide tax amnesty, I was heartened to read President Reagan's comments in today's Washington Post. The President said his administration was examining "very closely" the possibility of a tax amnesty program and saw it as a possibility for ending "a solution in which we are losing billions and billions a year from people who are not paying their fair share."

It is obvious that in recent weeks there has been considerable movement on tax amnesty. Since the time I first introduced my bill in April 1985, I felt the idea made sense. The most compelling reason for tax amnesty is its appeal as a powerful but painless tool in our deficit-reduction campaign.

A 6-month national tax amnesty as I propose in H.R. 2031 could raise between $15 and $20 billion in new revenues. This would help not only to reduce our deficit, but the scandalously high rate of national tax delinquency. The Treasury Department estimates, that for 1985, the "tax gap" will reach $90 billion.

The Federal Government has had the benefit of the successful programs tried by 13 States for amnesty. The most successful is the most recent—in my home State of New York where $341 million was raised in only 3 months. This was 60 percent higher than expected.

Tax amnesty looks as though it is going to happen. It should, it is an idea whose time has clearly come.

SANDINO WOULD BE ROLLING OVER IN HIS GRAVE

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

Mr. LAGOMARSINO. Mr. Speaker, Sandino's grandson is in Washington today. This may be the only place you hear about it, even though he held a press conference today.

In case you don't know, Sandino is the patron saint of the Communist regime in Nicaragua. Only if Sandino knew how his name has been corrupted, he'd be rolling over in his grave.

Sandino's grandson, Aristides Pavon, says:

> My grandfather was never a Communist. He was against all foreign influence including the Americans or the Communists who tried to manipulate his movement. He would have been violently opposed to the Cuban and Soviet influence in our country today.

Sandino's grandson was jailed by the Sandinistas for 3 years, and they tortured him in an effort to get him to back their regime. But he refused. He believes the only way to force the Sandinistas to change their policies is to support the democratic resistance in Nicaragua.

As American labor leader Bill Doherty says, "There are more Sandinistas, the true Sandinistas, fighting in the freedom forces than there are in the Sandinista militia."

THE 50TH ANNIVERSARY OF THE NATIONAL COUNCIL OF NEGRO WOMEN, INC.

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

Mr. WEISS. Mr. Speaker, it is my privilege to congratulate the National Council of Negro Women on the occasion of its 50th anniversary. Today many of my New York neighbors and constituents are gathering at the rotunda of the Bronx Supreme Court House to commemorate this auspicious event.

For a half century, the National Council of Negro Women has brought together black women and their organizations in a united effort to improve the quality of life for our communities and our Nation.

From the vision and imagination of its founder, Mary McLeod Bethune, to the spiritual leadership of its indomitable president, Dorothy I. Height, The national council has never faltered in its determination to harness the collective power of women to eliminate racism and sexism from our society.

The national council has always been in the forefront of developing and promoting programs which open doors and offer opportunities to the poor, the oppressed, and those to whom equality has traditionally been denied. In the early years it was advocacy for fair employment opportunities and practices, Federal housing programs, an end to segregation of the Armed Forces, particularly efforts to integrate black women into the WAVES, WACS, and Army Nurse Corps. The council has fought for educational excellence, voter education and registration, and an accurate census count to insure that blacks and other minorities receive a fair share of the Nation's benefits.

Today, the national council is a coalition of 30 national organizations with 210 local sections which reach 4 million people. Together they are confronting the increasing impoverishment of the black family, through advocating and providing job training for minority youth and single black female heads of household, and developing and championing meaningful teenage pregnancy prevention programs.

Since 1958, Dorothy Height has been president, coordinating the council's national services and unifying the affiliates' outreach to broaden "this national framework which was begun under Mrs. Bethune, and which promises to add incalculable cleansing and greatness to this country as a whole."

Our country is indeed greater for the contributions of the National Council of Negro Women.

WOMEN'S HISTORY WEEK

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

Mrs. MEYERS of Kansas. Mr. Speaker, this is Women's History Week, and Kansas women have contributed much to that history.

Lutie Lytle was the first black woman lawyer in America.

Georgia Neese Clark Gray was the first woman Treasurer of the United States.

Lucy Hobbs Taylor was the first woman dentist in the world.

Susanna Mador Salter was the first woman elected mayor of a U.S. city.

Nellie Cline was the first woman lawyer to practice before the U.S. Supreme Court.

Hattie McDaniel was the first black woman to receive an Academy Award.

Margaret Hill McCarter was the first woman to address a Republican National Convention.

Osa Johnson was the first woman to explore the South Seas.

Amelia Earhart was the first woman to fly solo across the Atlantic.

Nancy Landon Kassebaum is the first woman elected to the U.S. Senate without being preceded by her husband.

And Lynette Woodard is the first woman to play basketball for the Harlem Globetrotters.

Mr. Speaker, I'm pleased to recognize these Kansas women who have been pioneers of equality for all women.

I WILL NOT TAKE THE ADVICE OF JEFFREY ZUCKERMAN

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

Mr. MITCHELL. Mr. Speaker, I will not heed the advice of Mr. Jeffrey Zuckerman, nominee as General Counsel, for the Equal Employment Opportunity Commission.

Mr. Zuckerman recommends that, if after my retirement, I seek employment in the private sector, I should apply for a job as a porter.

Congresswoman Mary Rose Oaker will not follow Mr. Zuckerman's advise either. He recommends that if she should seek employment in the private sector, she should apply for a job as a file clerk.

This strange man Mr. Zuckerman says blacks, women, and minorities can best fight discrimination by offering to work for lower wages than white employees. This bizarre statement is incredible. Mr. Reagan described a leader of one the Arab States as "Flakey" I describe Mr. Zuckerman as "shakey."

Come to think of it a lot of flakey—shakey people have been associated with the Reagan administration.

There was a Secretary of the Interior who was a beaut! I think it was he who saw the Beach Boys as a subversive influence in America.

There was another guy who was Secretary of Labor. Some of his statements matched Mr. Zuckerman's in being eccentric.

There was a little lady, little in mind especially, who held that black males in America could not be freed from 10,000 years of jungle freedom.

There is another person in this administration who held that the parents of press people were canines.

Flakey, shakey-bizarre-eccentric.

No, Mr. Zuckerman—"Tote that barge, lift that bale" days are gone forever.

No, Mr. Zuckerman—women are no longer non-entities in the work place.

No, Mr. President—their parents were not female dogs.

□ 1250

SISYPHUS AND HIS DOLLAR

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

Mr. DANNEMEYER. Mr. Speaker, the story of Sisyphus springs to mind as we read the latest trade deficit figures. According to Greek mythology, the gods punished the shrewd and greedy king of Corinth by condemning him in eternity to roll uphill a heavy stone which was always to roll back when he reached the end of the slope.

The Commerce Department reported that in January our merchandise trade deficit reached an all-time high of $16½ billion, as opposed to $15 billion in December and $11½ billion in January 1985. There can be little doubt that this dismal result is a direct consequence of Government policy to beat down the value of the dollar in the foreign exchanges. This policy is a loud and clear signal to our exporters that they should delay the repatriation of their export earnings and finance their new exports through dollar loans that can be later repaid with cheaper dollars. Thus the export statistics must show a decline. The same policy is also a loud and clear signal to our importers to the effect that they should step up their imports as the same goods will cost them more dollars later. So the importers are filling all the warehouse space they can find and finance their inventories with dollar loans which they expect to repay with depreciated dollars. Thus the import statistics must show a rise, making the gap between imports and exports even wider.

Uncle Sam cuts a pathetic figure as he is working at the Sisyphean task of reducing the trade deficit by beating down the value of the dollar. The more and the longer he makes the dollar decline, the worst the trade deficit will get.

A more appropriate way of solving our trade problem may be to stabilize the dollar, rather than destabilize it. As the speculative flows and pools of goods in search of foreign exchange profits dry up, so will our trade deficits evaporate.

FIREARMS LEGISLATION

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

Mr. HUGHES. Mr. Speaker, one of the things that seems to generate more heat than light around this institution is firearms legislation.

A few months ago, many special interest groups predicted that firearms legislation would never come through the House process and urged Members to sign a discharge petition discharging the Subcommittee on Crime from its legislative responsibilities.

I am happy to report, Mr. Speaker, that those folks were absolutely wrong. This morning, my Subcommittee on Crime reported out a firearms bill unanimously, with bipartisan support, one that goes to the full committee next week, a bill that in fact is balanced, that balances the interests of law-abiding sportsmen and other citizens who have legitimate reason for owning and possessing and using a firearm with the interests of society in trying to protect themselves from those that abuse a firearm.

Mr. Speaker, I think my colleagues well know that I am a sportsman myself of long standing, and I will take a back seat to no one who suggests that they are sensitive and I am not sensitive to the interests of the sporting public.

I am also one who has come from a background of law enforcement, and I know how important it is for us to provide proper tools for the law enforcement community to do their job in identifying those and prosecuting those who would abuse a handgun in particular in a commission of a felony.

The legislation is a strong measure. It imposes mandatory prison terms on those that would use a machinegun in the commission of a violent offense or a drug offense, and does many other things that I am sure that my colleagues will support.

Mr. Speaker, I hope my colleagues will take a look at the bill. Read it; do not accept what has been spoonfed to us. Read the bill, and I am sure you will find it as one you can support.

LET US AVOID A BUDGETARY STALEMATE

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

Mr. GRADISON. Mr. Speaker, the fiscal year 1987 budget is a critical one, both in meeting the deficit targets mandated by Gramm-Rudman, and for sustaining economic growth. It deserves a serious effort free of shortsighted political posturing.

Republicans on the Budget Committee have demonstrated that they are ready to devote the necessary effort to the task before us. We returned early from the February recess and reviewed the President's budget with OMB Director James Miller. We have met with all the ranking minority members of the authorizing and appropriating committees, and we are now meeting with other Republican colleagues. We have repeatedly expressed our willingness to cooperate with the Democratic majority in fashioning the kind of budget which preserves essential functions of government and keeps taxes low.

So far, however, the Democratic majority has not approached this year's budget cycle with the seriousness required to address the issue successfully. Nor have they been forthcoming to our offer to cooperate on a viable bipartisan budget. To avoid budgetary stalemate, especially as we have to meet a tight schedule, I urge my Democratic colleagues to change their policy and embark promptly upon a course of serious bipartisan budget deliberations.

YOU CAN RUN, BUT YOU CAN'T HIDE

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

Mr. GRAY of Pennsylvania. Mr. Speaker and colleagues, once again we are back at the point where we are talking about partisan positions on budget.

As chairman of the House Budget Committee, I want to make it very clear that we are going to come forward with the President's budget. He has asked that we consider it. He has asked in television ads around the

country, he has asked through his Secretaries and Cabinet members and, yes, just the other day he wore a T-shirt that said, "Save Our Budget."

We are prepared to call upon Members of the House to consider that budget.

I think it is interesting that they would spend more time talking about what Democrats are going to do, rather than talking about whether they support their own President's budget.

Second, if this House turns down the President's budget, we will move at that time to construct an alternative. Is it not interesting that the Members on the minority side want to construct an alternative before even considering their own President's budget? I think they are giving a new definition to cut and run: The President cuts, they run. But as one great American said, "You can run, but you can't hide."

RESTORE THE 1986 COLA TO MILITARY AND FEDERAL RETIREES

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

Mrs. BENTLEY. Mr. Speaker, the Civil Service Retirement System for Federal and military retirees is designed to provide a fair, livable annuity to those who have worked for the U.S. Government and vested in the program.

The Federal retirement program also serves as a leading incentive for personnel to pursue a career in the U.S. Government. In 1981, Congress voted to eliminate one of the semiannual cost-of-living adjustments. In 1982, Congress voted to reduce the COLA one-half for retirees under the age of 62. Most recently, Congress voted to eliminate the COLA due in January 1986.

During this time when it is in our best interest to bring the ever growing deficit under control, it should be mandatory to share the burden equally and not jeopardize the security of our Government and military retirees. A dependable retirement system is necessary to promote our Government and national defense.

Mr. Speaker, I urge this Congress to restore the 1986 COLA to Federal and military retirees and work to maintain a dependable Federal retirement system in following years.

H.R. 3803, TRUTH IN IMPORT ADVERTISING BILL

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

Mr. TRAFICANT. Mr. Speaker, in October 1985, 30.4 percent of all new cars sold in American were imported. In December 1985, 33.4 percent of new cars sold in American were imported.

Is it any wonder that we have had a $148.5 billion deficit for 1985? And now we start off 1986 with a bang, like Mr. DANNEMEYER said, with a $16.5 billion trade deficit in January alone. Projected annually, we will escalate a trade deficit of over $200 billion in 1986, and no one is pushing a button around here.

I have lost nearly every manufacturing job in my district, and what I have left is threatened.

No matter what accomplishments the 99th Congress shall make, it will all go in vain historically if we do not intervene and challenge this trade deficit problem.

I have introduced H.R. 3803, which is known as the Truth in Import Advertising Bill. What it says is basically this: If the President has not done anything, if the Congress has not done anything, if the Senate has not done anything, let us give the American people a chance to do something. It would require labels that either say "Made in America" or "Not Made in America" on every item or every package that is sold in this country.

Mr. Speaker, let us give our people a chance.

□ 1300

IS IT RED BAITING? IS IT McCARTHYISM?

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

Mr. MICHEL. Mr. Speaker, as the rhetoric begins to heat up on the Contra issue, we might pause to agree upon some ground rules.

Yesterday one member of the Democratic side made an accusation of "red baiting" against the administration.

I have even heard the word "McCarthyism" used against those of us who favor aid to the Contras.

The dictionary defines McCarthyism as: "The use of tactics involving personal attacks on individuals by means of widely publicized indiscriminate allegations especially on the basis of unsubtantiated charges."

By that definition it is those who have been falsely accusing other of red baiting who are guilty of McCarthyism.

It is an old trick—falsely accusing others of a vicious act, but it has no place in this House.

Many of us—on a bipartisan basis—agree with the administration that if the Contras are not aided, the future of Central America will belong to communism.

We may be wrong. Or we may be right. History will judge. But let's not accuse us or the administration of red baiting for so believing.

Those who continue to engage in this name-calling will be the ones guilty of 1980's McCarthyism.

Let's stick to the facts and avoid the tactics we all deplore.

DELETION OF NAME OF MEMBER AS COSPONSOR OF H.R. 4286

Mr. MATSUI. Mr. Speaker, I ask unanimous consent that my name be deleted as a cosponsor of H.R. 4286.

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

There was no objection.

THE COMPREHENSIVE GOVERNMENT INTRUSION ACT OF 1985

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

Mr. ARMEY. Mr. Speaker, rumor has it that H.R. 700 is about to be brought to the floor for consideration. Rumor has it that this bill may be brought under a closed rule.

Mr. Speaker, I cannot resist reminding people that my name for this bill is the Comprehensive Government Intrusion Act of 1985. It is a bill that in consideration within two committees we managed earlier to give something of a technical knockout, and it had disappeared for a long time. But rumor has it that the timing now for reconsideration and perhaps bringing this bill to the floor is based on the fact that the gentleman from Ohio (Mr. LATTA) will not be able to be with us due to his hospitalization, and the rumor goes on to say that under those circumstances the bill can be brought back under a closed rule where we will have no opportunity to amend it in such a way as to give the rights in the bill to the unborn, who so richly deserve that consideration, along with everybody else.

Mr. Speaker, I think it is extremely unfortunate that we on this side of the aisle and those of us who may oppose favorite legislation by leaders in the House have to devise our plan for response based on rumor.

Let us get the cards on the table and let us get the bill out to consider, if that is what we intend to do.

THE PRESIDENT'S BUDGET

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

Mr. WALKER. Mr. Speaker, I thought someone might want to reply to the rather incredible statement made by my distinguished colleague, the gentleman from Pennsylvania, the chairman of the Budget Committee, a few moments ago.

The chairman of the Budget Committee came before us and suggested that, first of all, we as legislators have no obligation except to work on the President's budget and bring the President's budget to the floor and consider that without change. He criticized the minority for taking a look at the President's budget and trying to find out ways that we might be able to modify it to make it into a better budget. I think that is responsible legislating. That is what we should be doing. That is precisely what the Democrats have been unwilling to do. Their party's position has been on this floor to criticize the President's budget without coming up with a budget of their own. I think it is appalling, and I think for the Budget Committee chairman to come to this floor and suggest that that is the right course of action, that they are going to do nothing, they are simply going to wait, they are simply going to run the President's budget out here as a political charade, I think it is appalling. It is high time that the Democrats begin to be responsible in this body, begin to do the job of budgeting. They are the ones who refuse to have their committees take up the sequestering under Gramm-Rudman. They are the ones who voted down a proposal to have sequestering done by the committees here in a responsible way rather than across the board. It is high time politics is done the right way in the name of the American people.

NICARAGUAN AID

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

Mr. SOLOMON. Mr. Speaker, a little while ago a Member of this Congress accused the administration of redbaiting on the issue of the Nicaraguan aid which is coming before our Foreign Affairs Committee in just a few minutes.

Let me just say this: The administration is not redbaiting anybody. The administration is not saying that if you are opposed to the Nicaraguan aid that you support communism.

What the administration is saying is that, if you oppose the Nicaraguan aid bill, that that could lead to aiding and abetting the spread of communism, but it in no way impugns any Member of this House. There is no question that every single Member of this House on both sides of the aisle are patriotic Americans. If you were not, you would not be here today. But the point has to be made that we need the support of the Nicaraguan aid bill today if we are going to thwart what is happening in Central America tomorrow.

SPECIAL ORDER REQUESTS

The SPEAKER pro tempore. The Chair will take special order requests. Is there any Member in the House who requests a special order?

Mr. BURTON of Indiana. Mr. Speaker, I have requested a special order of an hour later today, but I think that the Committee on Rules will be coming back prior to the conclusion of my remarks. So would it be in order to wait and take my special order at the conclusion of business today?

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

Mr. BURTON of Indiana. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Speaker, I was going to request a 5-minute special order, if the gentleman will yield for that purpose.

The SPEAKER pro tempore. The gentleman's rights will be protected.

The Chair recognizes the gentleman from Massachusetts [Mr. FRANK].

GRAMM-RUDMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. FRANK] is recognized for 5 minutes.

Mr. FRANK. Mr. Speaker, we are going to begin a process today known as the "I didn't mean it when I voted for Gramm-Rudman parade." We have a majority of the Members in this body who voted for Gramm-Rudman. But apparently the text of Gramm-Rudman which was available at the time was in some language other than English because we have Members on this floor and in this body who voted for Gramm-Rudman who would now have us believe that they did not know what was in it.

I counted up as of yesterday 22 bills had been filed to undo parts of Gramm-Rudman.

Now, some people voted against that particular piece of legislation and, quite consistently, we are trying to either repeal or amend it. But I am fascinated by the parade of our colleagues, who, having voted for it, and then having gone home and found their voters and constituents did not necessarily think it was a good idea, have now come back and are seeking exceptions to it.

We were told that the beauty of Gramm-Rudman was it did not allow exception, it was across the board, it generated pressure.

Well, it generated pressure, all right. It generated so much pressure that some of those who voted for it have wilted early on. And I have to say that if people are wilting in the cold of February and March, I expect that we are going to have a mass wilt come the thaw which we will see in May.

We have had a whole series of bills filed by Members who apparently want to go back to their constituents and say, "When I voted for Gramm-Rudman, of course I did not mean you." That I think will go down with "the check is in the mail" and some other famous sayings as a maxim that I think will not command total credibility.

Today we are going to have this with regard to the dairy program. Gramm-Rudman was supported and many of them who voted for it now want to make a special exemption for dairy, among other things, and they want to make a special exemption, Members should be aware, which goes directly contrary to what the President has said. Under the Gramm-Rudman provisions of dairy now, the rice support paid out by the Treasury to dairy farmers is to be reduced by 4.3 percent. We are told, by the way, by advocates of the program, that 4.3-percent reduction, in a program of $1.8 billion, will cost the farmers $350 million. Now, 4.3 percent of $1.8 billion is not $350 million. What they mean is that it will also cause the price to drop, which some of them think is a bad thing, some of us think is a good thing. But, in addition, what they want to do is to increase the tax you pay for the privilege of being a dairy farmer in America.

Right now, if you are a dairy farmer, whether or not you are a participant in this program, whether or not you get any subsidy payments back, you pay a tax for the privilege of dairy farming, and some of our great free-enterprise-get-the-government-off-the-people's-backs conservatives, instead of having an expenditure reduction which they voted for in Gramm-Rudman, want to stop that and instead institute a higher tax on dairy farming.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I will be glad to yield to the gentleman from Wisconsin to explain the virtues of increasing the tax on dairy farming.

Mr. GUNDERSON. Well, first of all, I think we always try to use words directly or indirectly around here, but I think it has been very clear time and time again that whenever we have asked for a definition from the Parliamentarian on the assessment, it has never been ruled a tax, and I do not think we want to represent it as such. But I think we need to understand how the assessment issue has come before us.

Mr. FRANK. In response to the gentleman, it is a tax. The President is right, if you want to raise taxes on people—and that is a legitimate thing to do; I want to raise some taxes in some areas—we should not weasel around. This is something you have to pay, if you want to be a dairy farmer, you have got to pay this into the Fed-

eral Treasury, and it does not make any difference whether you are getting anything in return or not.

The gentleman can call that an assessment, he can call it anything he wants, but I think people will understand it as a tax. We have jurisdictional questions here about whether or not it has to go to Ways and Means, but that does not mean that a payment levied on everybody who performs—and, as a matter of fact, I think most economists, almost all economists, would agree this is an excise tax on the privilege of farming, you would pay an annual amount if you want to be a dairy farmer.

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

Mr. FRANK. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. What was the price support for milk in 1980, does the gentleman recall, when he and I arrived in the Congress?

Mr. FRANK. I did not arrive until 1981. The gentleman might have gotten a head start on me.

Mr. GUNDERSON. Well, 1981.

Mr. FRANK. Well, as I remember, then it was about $13. It was producing about a $3-billion program. We have whittled that to $1.8 billion. We continue to pay people.

Mr. GUNDERSON. No, wait a minute. Will the gentleman yield further?

Mr. FRANK. I will be glad to yield.

Mr. GUNDERSON. Correct me if I am wrong. The price on January 1, 1981, when we arrived in Congress, was $13.10 for a hundredweight of milk.

Mr. FRANK. Right, I said about $13.

Mr. GUNDERSON. The price support for milk today is $11.60 per hundredweight; is that correct?

Mr. FRANK. Yes. And under Gramm-Rudman, which the gentleman voted for, it is going to go down 50 cents.

Mr. GUNDERSON. Just a second. Can I continue? Would the gentleman yield further so I can continue?

Mr. FRANK. Yes.

Mr. GUNDERSON. That means that we have gone from $13.10 to $11.60, which is about $1.50 price cut in the support price for milk.

Mr. FRANK. Right.

Mr. GUNDERSON. Is that correct?

The SPEAKER pro tempore. The time of the gentleman from Massachusetts [Mr. FRANK] has expired.

COMMEMORATING THE CENTENNIAL CELEBRATION OF KANSAS CITY, KS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Kansas [Mrs. MEYERS], is recognized for 5 minutes.

Mrs. MEYERS of Kansas. Mr. Speaker, today, Thursday, March 6, 1986, marks the centennial celebration of the birth of Kansas City, KS, a city of nearly 170,000 at the junction of the Missouri and Kansas Rivers.

The legacy of Kansas City, KS, is a chronicle of greatness—of great achievements, of great problems overcome by a great people who came from throughout the world to build that city and contribute so much to the American way of life.

From the time Lewis and Clark explored there in 1804, the history of Kansas City, KS, is very rich.

The Chouteau trading post; Moses Grinter's ferry across the Kansas River between Fort Leavenworth and Fort Scott; the great Indian tribes of the Wyandots, the Delawares, and the Shawnee; Quindaro, an entry point to Kansas for black slaves escaping on the underground railroad; Freedman's University, founded by the African Episcopal Methodist Church; the Union Pacific and Santa Fe Railroads; the Argentine smelter, once the world's largest smelter of silver, gold and lead; the Billy Mitchell B-25 Bomber built in Kansas City, KS, during World War II; the devastating 1951 flood; Procter & Gamble; General Motors; meatpackers like Armour, Cudahy, Swift, and Wilson; and former U.S. Senator Harry Darby—all are part of the fabric of Kansas City, KS.

Today, as we commemorate the 100th anniversary of Kansas City, KS, we honor those who went before us paving the way for the future, and living the words of the Kansas motto, "Ad Astra Per Aspera," to the Stars through difficulties.

Citizens of Kansas City, KS, I am privileged to represent you in the Congress of the United States.

UNITED STATES SHOULD BETTER SAFEGUARD ITS TECHNOLOGIES AND ITS JOBS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 5 minutes.

Mrs. BENTLEY. Mr. Speaker, yesterday morning, I heard a radio news report in which Prime Minister Nakasone stated his intention to send a delegation to the United States to discuss whether Japan will participate in the strategic defense iniative [SDI]. From the report, it appeared the Japanese were hesitant to join us in developing SDI.

Such restraint by the Japanese would be a refreshing change. I find it hard to believe. Imagine the Japanese not taking part in state-of-the-art research of optics, lasers, and related technologies.

Does anybody in this Chamber really believe the Japanese would cede a technological advantage to us in a field as key as "light" research. It has already been suggested by some that subatomic research in this area may hold the answer to the development of the next generation of computers.

Obviously, the Japanese must be trading on their reluctance to improve their bargaining position. From their standpoint, this must be quite logical. The United States has had a consistent history of shooting itself in the foot when it comes to arms length negotiations with the Japanese on trade.

Please consider that in 1977 the United States entered into a coproduction agreement with Japan for F-15's. In just 7 years, the Japanese have taken the knowledge, and, are now making top quality commercial jets. And, the U.S. share of the world market has dropped.

Last fall, the United States licensed the Patriot missile to Japan. I leave it to your imagination what they can do in 7 years in the commercial arena with that technology.

But the Japanese are our allies. They would never do anything to hurt us. I'm sure Caesar would have wished to have friends as loyal as our allies.

For far too long the United States has been blinded to trade inequities because a country is labeled an ally. The harsh realities are: Last year the United States had a $150 billion trade deficit—$50 billion of which was with the Japanese.

Do you know how many jobs that represents?

Can you imagine how our economy would flourish if the $150 billion trade deficit were infused into the U.S. economy? The deficit would drop. Interest rates would drop. Employment would go up. Everything we are trying to achieve by Gramm-Rudman.

And yet, our Government follows every policy that encourages our allies to invade our markets. The invasion does not stop with cars, stereos, and clothes, but extends to the core of our defense industrial base.

What does this mean in real terms? In terms of employment? It means that since 1980 34,200 Americans have lost their jobs to foreign competition—mostly at the hands of our loyal allies, the Japanese.

We, the Congress, cannot place the blame totally on the administration; the Congress passed the Trade Agreements Act of 1979. It is this bill that has given our allies so many advantages over our companies.

We, the Congress, need to look seriously at this bill and the 1982 NATO Treaty. We, the Congress, need to assure that our companies will be able to compete evenly with foreign government-assisted firms. We, the Congress, need to ask the President to review favorably the 232 petition of the machine tool industry. We, the Congress, need to make sure that the United States stops giving away the technology that will create tomorrow's jobs.

□ 1315

INTRODUCTION OF LEGISLATION TO ESTABLISH A U.S. TRADE DATA BANK

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR], is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, last month's trade deficit hit an all-time monthly record—$16 billion more foreign imports on our shores than our exports out—more jobs lost in America. The administration says "* * * better days are ahead." Well, when it comes to forecasting trade deficit trends, this administration's shooting record is abysmal.

Last May, when the first quarter numbers showed a then record trade imbalance, they said, "it will get better." It hasn't. Last summer, when the President unveiled the administration's trade initiative, he said his plan would do the trick. It didn't. Last fall, after the Secretary of the Treasury intervened in international markets to bring down the value of the dollar, we were told foreign imports would ease up on our shores, they didn't. The only thing that will work is a comprehensive trade policy which sees the international marketplace as it is, not as it is theorized in 50-year-old textbooks. But we don't have sufficient intelligence for the battle ahead.

Today, I am introducing legislation which would establish a U.S. Trade Data Bank. The Nation needs to cut through all the rhetoric and crystal ball visions about what is happening to us and measure the hard facts as they are, so that we can move, we can move on to a trade policy that works for Americans for a change. At least, we must do as good a job at measuring the impact of what is happening in our marketplace as other nations do.

ORDER OF BUSINESS

Mr. GUNDERSON. Mr. Speaker, I ask unanimous consent to take my 5-minute special order now.

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

There was no objection.

DAIRY PRICE SUPPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. GUNDERSON] is recognized for 5 minutes.

Mr. GUNDERSON. Mr. Speaker, I appreicate the opportunity to address the House to continue on with the discussion which I was having with my good friend and colleague from Massachusetts earlier.

I think it is very important that when people discuss the whole issue of dairy that is in front of this Congress for the last week, first and foremost, will someone please tell the Washington Post and everyone else that dairy is not trying to escape the impact of Gramm-Rudman; they are trying to do just the opposite.

What we are trying to do is find a way in which dairy can truly contribute to the savings requried by the dairy industry under Gramm-Rudman and that we come up with the $80 million in savings under the Dairy Price Support program.

Second, I think it is very important for all of those colleagues of mine who come from urban areas to understand that when we look at this issue and how Dairy will try to comply with its required savings under Gramm-Rudman, we are not talking about a price increase or a price decrease for the consumer. The fact is, in 1981 we had a price of $13.10; today, we have a support price of $11.60, a $1.50 cut in the support price for 100 pounds of milk. The fact is the price of milk in the supermarket has not gone down. If anything, it has gone up.

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

Mr. GUNDERSON. I yield to the gentleman.

Mr. FRANK. I thank the gentleman for yielding.

Mr. Speaker, the gentleman is a more sophisticated economist than that. There are no single-factor explanations for any price. It seems to me very clear, and the gentleman subscribes to these principles elsewhere. The gentleman from Vermont, who is a distinguished authority on dairy and a great advocate of dairy said himself on the floor of the House last week, it is in the CONGRESSIONAL RECORD of last Thursday, that if the Gramm-Rudman provision goes in to effect as written, the Government lowers the support price, that will tend to lower the price that everybody pays for milk.

That will have a somewhat downward trend. There are other factors, but in and of itself it has a downward trend on price.

Second, we have the fact that if you increase the assessment that every dairy farmer has to pay, you are increasing the cost of producing milk.

Finally, I would just make this point. If you take a 4.3-percent reduction, it costs the Government less than $350 million because 4.3 percent of a $1.8 billion program is not $350. The gentleman is saying that if you do that 4.3 reduction, it will cost the dairy farmers $350 million. apparently that is because they anticipate some loss in revenue to the dairy farmers other than the Government support, that is, from prices declining.

The gentleman from Vermont said himself on the floor last week, if the Government cuts the support price that will tend to put a downward pressure on the price everybody else pays for milk as well.

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

Mr. GUNDERSON. I yield to the gentleman.

Mr. JEFFORDS. I think either I was cut off in mid-sentence. What I either would have said or have always said and will say again here, however, that has never happened.

What has happened is that that decrease in price has been absorbed by the processors and the retailers and the wholesalers and everybody along the chain. If you take a look at what has happened, and let us remember that the dairy farmers in this country have taken already a 12-percent cut in the product of which none, to my knowledge, at least in my area, has been passed on to consumers. They are now going to, with this provision passing, there would be a total of 16 percent. The likelihood of that would require something which has never occurred in the history of of the Milk Marketing Program and that is to have that passed on to the consumers.

The only time it has ever been passed on has been when the price was cut by some $2 or $3, in which case a little bit of it passed on. The statistics are very clear on that; the charts are very clear on that. Any analyst will tell you that. In fact, even in the areas that you would expect it to go down it has not gone down.

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

Mr. GUNDERSON. I yield to the gentleman.

Mr. FRANK. I am again struck by the argument of some of my good friends that none of the normal rules of economics that most of us believe in apply to agriculture. Of course there are no single factor influences, but to argue, and it is true, that prices are sometimes stickier on the downside than on the upside.

I did not say that reducing the support price in and of itself causes a drop right away; it exerts downward pressure. The notion that the middlemen are always going to take it up and the processors, some of that happens, but some of it hits the consumer.

It is always the argument of those who are looking for more money for their group that, well, even if you lower the price, none of it will ever get to the consumer. To argue, as it sounds to me my friends are arguing, that the level of the support price that the Government pays is irrelevant to the price of the commodity simply does not comply with economic reality, and everybody knows that.

I would say here that I wish my friends on the other side of the aisle showed a little more Republican fealty on this. Go reread the Council of Economic Advisors; listen a little more to

the Reagan administration economists because they know I am right and you are wrong.

PROVIDING FOR CONSIDERATION OF H.R. 4306 REVISING TERMS OF CERTAIN AGRICULTURE PROGRAMS

Mr. DERRICK, from the Committee on Rules, reported the following privileged resolution (H. Res. 391, Report No. 99-485), which was referred to the House Calendar and ordered printed:

H. RES. 391

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of Rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4306) to revise the terms of certain agricultural programs, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of section 401(b)(1) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177) are hereby waived, and all points of order against the bill for failure to comply with the provisions of clause 5(a) of Rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be considered for amendment under the five-minute rule, and each section shall be considered as having been read. It shall be in order to consider an amendment to the bill, if offered by Representative Coelho of California, inserting the text of the amendment in the nature of a substitute recommended by the Committee on Agriculture to, and now printed in, the bill H.R. 4188, said amendment if offered shall be considered as having been read, and all points of order against said amendment for failure to comply with the provisions of clause 5(a) of Rule XXI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 4306, it shall be in order, any rule of the House to the contrary notwithstanding, to consider a motion in the House, if offered by the chairman of the Committee on Agriculture or his designee, to take from the Speaker's table the bill H.R. 1614, with the Senate amendments thereto, to concur in the Senate amendment to the title, and to concur in the Senate amendment to the text with an amendment inserting in lieu thereof the text of H.R. 4306 as passed by the House.

□ 1325

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 391 and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER pro tempore. The question is, Will the House now consider House Resolution 391?

So, (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 391.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Missouri [Mr. TAYLOR], pending which I yield myself such time as I may consume.

Mr. Speaker, the rule before the House is an open rule providing for 1 hour of general debate on H.R. 4306. The rule waives section 401(b)(1) of the Congressional Budget Act against the consideration of the bill and clause 5(a) of rule XXI against the bill itself.

Section 401(b)(1) of the Budget Act prohibits the consideration of any bill which would make new entitlement spending authority available during the fiscal year in which it is considered. Because certain provisions of the bill would modify existing law to allow for increases in payments to farmers during the current fiscal year the bill is in technical violation of section 401(b)(1) and the waiver is necessary in order that the House may consider this urgent legislation.

Mr. Speaker, while it is true that the Budget Act had to be waived in order for the House to consider this bill, I should make the point that the committee only agreed to the waiver after giving due consideration to the cost effects of the bill. According to the Congressional Budget Office, the legislation made in order by the rule actually saves the Federal Government a significant amount of funds over the next several years. Inclusion of the Budget Act waiver will actually result in savings and so granting the waiver cannot be construed to be a budget-busting action.

Clause 5(a) of rule XXI prohibits the inclusion of appropriations in authorizing legislation. Again, H.R. 4306 would make funds available for expenditure by the Department of Agriculture and so the bill is in technical violation of this provision.

The rule before the House also makes it in order for Representative COELHO to offer an amendment to the bill and waives clause 5(a) of rule XXI against it. The amendment would consist of the text of the amendment in the nature of a substitute which the Committee on Agriculture recommended to the House in its report to accompany H.R. 4188. That amendment is now printed in H.R. 4188. The text of that amendment provides for an alternative method by which program savings required under the Balanced Budget and Emergency Deficit Control Act of 1985 are to be achieved in the dairy price support activities of the Department of Agriculture.

The amendment would freeze the price support level for dairy products at the level which was in effect before the Presidential sequestration order became operative and provides instead for an increase in assessments imposed on dairy farmers. The amendment the gentleman from California will offer is designed to be deficit neutral. Because assessed funds are deposited into the Commodity Credit Corporation fund and are subsequently available for expenditure, the increase in the assessment rate constitutes an appropriation and would normally not be in order if offered to authorizing legislation.

The rule also provides for one motion to recommit.

Finally, Mr. Speaker, the rule makes it in order to consider a motion to take H.R. 1614 with the Senate amendments from the Speaker's table, to concur in the Senate amendment to the title, and to concur in the Senate amendment to the text with an amendment. The House amendment will consist of the text of H.R. 4306 as passed by the House. The motion may be offered by the chairman of the Committee on Agriculture or his designee. H.R. 1614 was the wheat referendum bill which the House passed last June. This morning, the other body attached S. 2143, the Food Security Act Amendments of 1986, to H.R. 1614 and sent it back to the House.

Mr. Speaker, I would defer to my colleagues on the Committee on Agriculture to explain the details of the bill before us. It is important that the House consider the bill at this time in order that our Nation's farmers may be apprised of the programs which are to be available that affect their operations.

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

Mr. Speaker, this resolution is an open rule providing for floor consideration this afternoon on vital and necessary farm program adjustment legislation. The rule provides a waiver of the Budget Act for the bill (H.R. 4306) and also waives clause 5(A) of rule XXI against consideration of the bill.

In addition, the rule makes in order a specific amendment relating to the dairy assessment program, to be offered by the gentleman from California [Mr. COELHO], and it provides a waiver of clause 5(A) of rule XXI against the Coelho amendment.

Mr. Speaker, the Committee on Rules reported this rule just a few minutes ago, without one dissenting vote. The procedure being employed here is absolutely necessary if the House is to make these adjustments as soon as necessary.

Mr. Speaker, this rule is supported by a broad, bipartisan coalition of members from the Committee on Agri-

culture, and was supported bipartisanly by the Committee on Rules.

This rule has one additional feature that I want to point out. After passage of H.R. 4306, the rule allows the House to consider a motion, if one is offered, by the gentleman from Texas [Mr. DE LA GARZA] the chairman of the Committee on Agriculture to take the bill, H.R. 1614, from the Speaker's table and to concur with the Senate amendment with an amendment consisting of the text of H.R. 4306 as passed by the House.

Mr. Speaker, this hookup provision with the bill at the Speaker's table is designed to get the issue over to the other body this week with a goal of final passage in the immediate future.

Mr. Speaker, I will not take the full amount of time to explain the provisions of 4306, except to say that time is of the essence on this, since the signup of the dairy whole herd buyout program ends today and part of the bill, H.R. 4306, extends that for another 30 days, which is necessary because the regulations have not been disseminated out to the local ASCS offices for full explanation.

I do want to conclude my remarks by reminding the Members that this rule is being considered today only because we have already voted by two-thirds or better to consider it.

I support this rule, as did all the members of the Committee on Rules, and I support enactment of the bill, H.R. 4306, as well as the amendment of the gentleman from California [Mr. COELHO] made in order by this rule.

Ordinarily the Rules Committee does not move as quickly on bills as we did today. However, I do want to point out that the amendment made in order by this rule is nearly identical to the bill, H.R. 4188, for which the Rules Committee granted a rule last week. That bill has not yet been called up for consideration, and this rule will at least allow the House to consider the matter.

So I think it is important that this rule be passed.

Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman from Missouri for allowing me to take a few minutes to discuss this quickie rule that we have before us. The gentleman is correct that we do not often get one out here this quickly from the Rules Committee. I think we might want to consider what is in it.

We had a discussion here a few minutes ago where the majority leader came to the floor and told us that when it comes to spending, the acid test was on a bill that was raising spending in several programs by over $4 billion and was raising or was doing things about deficit by raising revenues and that was the acid test.

Well, I would say to the gentleman from Texas and the rest of the Members here, this bill is more of an acid test, because right here what we are doing is we are bringing up a rule out here quickly out of the Rules Committee that does as the first thing is waives the Congressional Budget Act, section 401(B)(1). What section 401(B)(1) says is that you cannot create new entitlement authority after the fiscal year begins. That is a fairly serious matter that we are talking about here. We are talking about being into a fiscal year and now Congress is going to come along, bust the budget by creating new entitlement authority after the fiscal year is underway. That is a very, very serious violation of the Budget Act that we are simply waiving here this afternoon in the quickie rule. Not only are we busting the budget, knowingly so, said so right in the rule, not only that, but then we are appropriating the money, in violation of the rules of the House, in order to bust the budget.

We are saying that we are going to waive clause 5(A) of rule XXI which says that you cannot appropriate in a legislative bill; so we simply come out with a waiver on that one, too.

So here is what we are doing. We are saying, throw out the Budget Act, bust the budget, and then go ahead in violation of the rules of the House and spend the money in a legislative bill.

This is how deficits take place, my friends. Whether you like this bill or do not like the bill, the problem is, this is a deficit problem and we are making the determination about whether we are going to do anything about deficits in what we do in this rule.

Let me talk just a moment or two on the merits of the bill. We have a dairy provision coming out here which has wide support within the dairy community, but I will also tell you that it has some real opposition in the dairy community. There are many, many dairy farmers who feel that the idea of having a price drop rather than increased assessment is the direction they would like to go, that they do not want any kind of increased assessment.

In fact, it is my understanding that in their meeting that has been taking place in town recently, the American Farm Bureau has come out against the assessment.

So you have a very large block of farmers in this country, including a large block of dairy farmers, who do not think that this bill is right on the merits; but particularly since that particular organization, one of the biggest organizations in the country, supports the balanced budget concept, I think that those farmers would be appalled by the fact that we are going to take up this bill under a provision that busts the budget, knowingly, and then appropriates the money in a manner which is contrary to the rules of this House in order to get it.

I would ask the Members of this House to vote against this budget-busting rule.

Mr. DERRICK. Mr. Chairman, I just say to the gentleman from Pennsylvania [Mr. WALKER], the gentleman was commenting about how quick the Rules Committee operated on this particular rule, and I just tell the gentleman that we get better with age.

Mr. Speaker, for purposes of debate only, I yield 4 minutes to the gentleman from Virginia [Mr. OLIN].

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

Mr. Speaker, I rise in opposition to the rule and I rise in opposition to the bill that is before us in its present form.

We have got a rule before us, Mr. Speaker, that is interesting. It brings before the House some very noncontroversial provisions that relate to yields and acreage and so on that should be passed. They are very valid. They are needed badly.

The bill takes out of itself all the dairy provisions that are controversial, and it is interesting; but then the rule allows these dairy provisions to come back in and be offered by the committee and voted on, except that the committee also has the option, if they want to use it, of not bringing up the amendment, but going right to the Senate version.

Well, the Senate yesterday passed a bill which includes the provisions of H.R. 1403 and also includes all the controversial dairy provisions. If we move directly to consider the Senate bill as a whole, we are not going to have to look at those dairy provisions.

I understand that the gentleman from Massachusetts has been permitted to put in one amendment which relates to the dairy tax, and that is good. I am glad that is in there.

□ 1340

But there is another provision in the Senate bill which I would like to call to your attention which we are not going to get a chance to vote on, and it is unfortunate because that provision, and I am going to talk about it, vastly changes the intent of the farm bill. It is not a technical amendment; it changes the basic intent of the farm bill.

In the farm bill, there is a provision for the first time in 49 years to consider in the milk marketing orders the payment to dairy co-ops for milk handling, and the provisions are that the Secretary is to hold hearings. If the hearings seem to indicate that an adjustment in these milk-handling charges are justified, he is permitted to move on that and establish them.

This bill that we are considering, the Senate bill that will finally come up here and we are not going to have a chance to vote on, the Senate bill for the first time in 49 years takes this thing in the farm bill which is a trial and error thing, we do not know how it is going to work; therefore, we gave the Secretary discretion and we did not make it mandatory, this bill is going to say to the Secretary that if anyone makes a request that these milk-handling charges be allocated to co-ops. and they get allocated before the milk price is set, they come right off the top. If anybody makes a request, the Secretary is obliged to hold hearings and within 60 days after he holds the hearings, he is obliged to enact a regulation that sets the price of these milk-handling charges.

There is a great suspicion that this is a very, very self-serving scheme for certain large co-ops that do milk handling, that produce the lion's share of their market to sell the product to the Government, and this could very well turn out to be the scandal of all time if we let it go through.

This bill does not allow that provision. If the chairman moves to adopt the Senate provision, it does not allow that provision to be voted on. It is in the package.

I think the bill, the rule is ill-conceived. You have a tax in this bill that should not be enacted. And incidentally, on that tax, this has not come out here yet, but the dairy people that have been talking about this for the last week claim that the dairy industry is going to go under if we cut the support price.

Let me just tell you that the American Farm Bureau, which is certainly a responsible agricultural organization, has reviewed that subject. They are opposed to adding the tax. They are in favor of lowering the support price, as we should, because they know that in the long run, that is going to be better policy.

This rule is going to get these controversial, improper dairy provisions finally adopted today if we do not vote something down here. We need to vote down the rule, and if these provisions are still in the bill when we finally get the bill, we ought to vote down the bill. This is coming up improperly and it is at the last minute.

I urge my colleagues to vote this rule down so that we can start over again and do it right.

Mr. TAYLOR. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Speaker, I rise in support of this rule. Contrary to what the gentleman who just preceded me in the well said, we cannot start over. We have been begging and yelling around here for a week that we have to get this issue resolved, not only for dairy, but for the nonprogram crops, for the signup for the program crops and everything else. We cannot stand up here and delay and delay and delay and say probably tomorrow everything will be perfect and ideal. Anybody who is a part of a legislative process knows that this is not how you work, and I cannot help it that the gentleman from Virginia [Mr. OLIN] has lost the philosophical debate on the farm bill. We fought all of that in 1985, we fought that issue in subcommittee and he lost. We fought that issue in the full committee and he lost. We fought that issue on the floor of the House and he lost. We fought that issue in the conference committee, and he was there, and he lost. And I cannot help that, but that is the majority will of the Congress of the United States. He has every right to make a statement, but he does not have every right to stop the entire Farm Program from working simply because he did not get his way.

What we are dealing with in the legislation that is before us, that will come up in this rule is legislation that, No. 1, is technical language to make various changes in the farm bill. Second, it is the legislation we have been in an acrimonious debate over here in the House for the last week dealing with how dairy will meet Gramm-Rudman.

I would suggest again that the problem there is not with dairy, that dairy should not meet Gramm-Rudman. Dairy ought to have the same savings in Gramm-Rudman that every element of the Federal Government has. The problem is that the Gramm-Rudman conference report defines dairy as a crop, and anybody who understands milk knows milk is not a crop. So we are trying to change that particular provision as to how we achieve the savings.

The truth is we are going to achieve more savings under this legislation for Gramm-Rudman than we would under any other alternative.

I do not like budget waivers. I have never voted for rules that deal with budget waivers. But I think it is important that my Republican colleagues understand that the Republican leadership supports this rule. The Republican leadership wants this legislation to come up. That is very important that we understand that because we are not spending money. The legislation that deals with technical amendments in the farm bill is revenue-neutral. The legislation that deals with Gramm-Rudman is actually saving the Government money, so we are not spending any money.

The only reason we are even dealing with waivers is because we are trying to bring this bill up in an expeditious fashion. I counsel my colleagues on both sides of the aisle to understand what we are doing and what we are not doing. I apologize to my colleague from Virginia that he lost the debate on the farm bill, but I will assure him we are not debating the farm bill today. The policies of assessments, whole-herd buyouts, differentials which your area benefits from, marketwide service markets, which your area benefits from, and everything else that was all decided in the farm bill, we are not debating those issues today. Let us get on with the issue at hand.

The farmers of this country are getting a little bit impatient with this Congress which debates, debates, and debates and never gets the programs in place in order so that the farmers of this country can start doing what they are wanting to do, and that is farm.

I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. GUNDERSON] yields back 2 minutes.

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. SCHUETTE].

Mr. SCHUETTE. Mr. Speaker, I rise this afternoon in support of the rule and I rise in support of the Michigan bean industry, Michigan's pride.

A key element of the debate and the discussion is the correction in a technical amendment to the 1985 farm bill to help people in agriculture across this country. Today is March 6. The signup date has been delayed. We need in this body to act. We need in this body to permit people in agriculture, men and women, families, the opportunity to make business decisions.

The time to act is now. The other body has acted. We in this body have an opportunity to act as well.

We need to remove the cloud of uncertainty so that farmers who are business people, men and women in agriculture, can make decisions. We cannot inject partisan politics. We need to make sure we are working as one in unison to help American agriculture.

The driving industry in Michigan, nonprogram crops, vegetables, popcorn, sweet corn, this rule would provide that we can ensure that we do not have a surplus and a glut of products impacting already depressed prices in American agriculture. Indeed, there are other measures that this rule would provide to help the very difficult times in the dairy industry. The clocks are running. Today is March 6, and as my colleague, the gentleman from Wisconsin, stated, the time to act is now to make sure that we provide farmers the opportunity to make wise and reasoned decisions after the delay, unfortunately, we have seen here to date.

I would encourage my colleagues on both sides of the aisle to make sure we give this hand to help Government which has been the culprit, Government which in many instances has en-

couraged, aided and abetted the difficulties that farmers today in America are experiencing. So it is our responsibility and it is our effort this afternoon to assure that we lend this hand, lend a hand to make sure that we correct those problems facing American agricultural producers today.

I urge you to vote in support of the rule and I yield back the balance of my time.

□ 1350

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. STANGELAND].

Mr. STANGELAND. Mr. Speaker, Members of the House, I rise in support of this rule; however, somewhat reluctantly. I would have much preferred that we could have passed the bill here on the floor that the House committee passed. However, I think in the essence of time, and time is running out, we have to be able to pick up the Senate-passed bill, pass it here, and send it down to the White House.

To do otherwise is going to delay some programs that we need very badly that are in this bill and certainly that time is of the essence, because it means a tremendous loss of income in the agricultural sector, a sector that cannot at this point in time stand any further loss in income.

So I would hope that we would pass this rule; that we would pass the bill, and move on to the business at hand.

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

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. OLIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 344, nays 57, not voting 33, as follows:

[Roll No. 42]

YEAS—344

Akaka	Bedell	Borski
Alexander	Beilenson	Bosco
Andrews	Bennett	Boucher
Annunzio	Bentley	Boulter
Anthony	Bereuter	Boxer
Applegate	Berman	Breaux
Aspin	Bevill	Brooks
Atkins	Biaggi	Broomfield
AuCoin	Boehlert	Brown (CO)
Badham	Boggs	Bruce
Barnes	Boland	Bryant
Barton	Boner (TN)	Burton (CA)
Bateman	Bonior (MI)	Burton (IN)
Bates	Bonker	Bustamante
Byron	Hopkins	Pashayan
Callahan	Horton	Pease
Carper	Howard	Penny
Carr	Hoyer	Pepper
Chandler	Hubbard	Perkins
Chapman	Huckaby	Petri
Chappie	Hughes	Pickle
Clay	Hutto	Porter
Coats	Hyde	Price
Coelho	Jacobs	Pursell
Coleman (TX)	Jeffords	Quillen
Combest	Jenkins	Rahall
Conte	Johnson	Rangel
Conyers	Jones (NC)	Regula
Cooper	Jones (OK)	Reid
Coughlin	Jones (TN)	Richardson
Courter	Kanjorski	Ridge
Coyne	Kaptur	Rinaldo
Craig	Kasich	Ritter
Crockett	Kastenmeier	Roberts
Daniel	Kemp	Robinson
Darden	Kennelly	Rodino
Daschle	Kildee	Roe
Davis	Kindness	Rogers
de la Garza	Kleczka	Rose
Dellums	Kostmayer	Roukema
Derrick	Kramer	Rowland (CT)
DeWine	LaFalce	Rowland (GA)
Dickinson	Lantos	Russo
Dicks	Leach (IA)	Sabo
Dingell	Leath (TX)	Savage
Dixon	Lehman (CA)	Saxton
Donnelly	Lehman (FL)	Schaefer
Dorgan (ND)	Leland	Scheuer
Dowdy	Lent	Schneider
Downey	Levin (MI)	Schroeder
Duncan	Lewis (FL)	Schuette
Durbin	Lightfoot	Schumer
Dwyer	Lipinski	Seiberling
Dymally	Livingston	Sensenbrenner
Dyson	Lloyd	Sharp
Eckart (OH)	Loeffler	Shelby
Eckert (NY)	Long	Sikorski
Edwards (CA)	Lott	Siljander
Edwards (OK)	Lowry (WA)	Sisisky
Emerson	Lujan	Skeen
English	Luken	Skelton
Erdreich	Lundine	Slattery
Evans (IA)	MacKay	Smith (FL)
Evans (IL)	Madigan	Smith (IA)
Fascell	Manton	Smith (NE)
Fazio	Markey	Smith (NJ)
Feighan	Marlenee	Smith, Robert (OR)
Fiedler	Martin (IL)	Snowe
Fish	Martin (NY)	Snyder
Flippo	Martinez	Solomon
Florio	Matsui	Spence
Foley	Mavroules	Spratt
Ford (MI)	McCain	Stallings
Ford (TN)	McCloskey	Stangeland
Frank	McCurdy	Stark
Franklin	McDade	Stenholm
Frenzel	McEwen	Stokes
Frost	McHugh	Stratton
Fuqua	McKernan	Studds
Gallo	McKinney	Sundquist
Garcia	Mica	Sweeney
Gaydos	Michel	Swift
Gejdenson	Mikulski	Swindall
Gephardt	Miller (CA)	Synar
Gibbons	Miller (OH)	Tallon
Gilman	Miller (WA)	Tauke
Gingrich	Mitchell	Taylor
Glickman	Molinari	Thomas (CA)
Gonzalez	Mollohan	Thomas (GA)
Gordon	Montgomery	Torres
Gradison	Moody	Torricelli
Gray (IL)	Moore	Towns
Gray (PA)	Morrison (CT)	Traficant
Gregg	Morrison (WA)	Traxler
Guarini	Mrazek	Udall
Gunderson	Murphy	Valentine
Hall (OH)	Murtha	Vander Jagt
Hall, Ralph	Natcher	Vento
Hamilton	Neal	Visclosky
Hammerschmidt	Nelson	Volkmer
Hatcher	Nichols	Walgren
Hawkins	Nielson	Watkins
Hayes	Nowak	Waxman
Hefner	Oakar	Weaver
Heftel	Oberstar	Weber
Hendon	Obey	Weiss
Henry	Ortiz	Wheat
Hertel	Owens	Whitehurst
Hiler	Oxley	Whitley
Holt	Panetta	Whittaker
		Whitten
		Williams
		Wilson
		Wirth
		Wise
		Wolf
		Wolpe
		Wortley
		Wyden
		Wylie
		Yates
		Yatron
		Young (AK)
		Young (MO)

NAYS—57

Anderson	Fawell	Olin
Archer	Fields	Packard
Armey	Gekas	Parris
Bartlett	Goodling	Roemer
Bilirakis	Green	Shaw
Bliley	Hansen	Shumway
Brown (CA)	Ireland	Shuster
Broyhill	Kolbe	Smith, Denny (OR)
Carney	Lagomarsino	Smith, Robert (NH)
Cheney	Lewis (CA)	St Germain
Cobey	Lowery (CA)	Staggers
Coble	Lungren	Strang
Crane	Mack	Stump
Dannemeyer	Mazzoli	Tauzin
Daub	McCandless	Vucanovich
DeLay	McCollum	Walker
DioGuardi	McGrath	Young (FL)
Dornan (CA)	McMillan	
Dreier	Meyers	
Early	Moorhead	

NOT VOTING—33

Ackerman	Grotberg	O'Brien
Addabbo	Hartnett	Ray
Barnard	Hillis	Rostenkowski
Campbell	Hunter	Roth
Chappell	Kolter	Roybal
Clinger	Latta	Rudd
Coleman (MO)	Levine (CA)	Schulze
Collins	Mineta	Slaughter
Edgar	Moakley	Solarz
Foglietta	Monson	Wright
Fowler	Myers	Zschau

□ 1400

Mr. GINGRICH and Mrs. MARTIN of Illinois changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXPLANATION OF PROCEDURE WITH RESPECT TO THE FARM BILL

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

Mr. DE LA GARZA. Mr. Speaker, I take this brief time to explain to the Members that I am going to ask for a unanimous-consent request that we take from the Speaker's desk the Senate version of H.R. 4306 that encompasses most of what we try to do with the House bill, with the understanding and the commitment that we would have a separate vote on the dairy price reduction provision.

We take this route, Mr. Speaker, because of the urgency of the situation. I apologize to the membership for the changes in direction that have taken place in the last several days, only begging you to understand that democracy and freedom are not a disciplined process and representation of the people through a body such as ours is not an exact science.

Therefore situations change, forcing us to take expedient measures that we would, perhaps, rather not take; but

the critical situation in rural America is such that we have to do that.

What I will do in the unanimous-consent request is to bascially take from the Speaker's desk the Senate version that has most of the items which we have in the House bill with the exception of a couple. Then we can send the bill to the President immediately rather than go through the process of conference and further parlimentary procedures.

□ 1415

To those who still have an interest in certain provisions, we will have other vehicles. We will continue considering your concerns, and we will continue working with you.

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

Mr. DE LA GARZA. I yield.

Mr. KASTENMEIER. Mr. Speaker, one of my concerns with what the gentleman has in mind is that time is fleeting, and I know that it is important to pass an agricultural bill either in the Senate form or in the form that the gentleman's committee reported.

In terms of the dairy provisions, in terms of the signup provisions that you have in your bill, if they are not included, and they would not be if the Senate bill were substituted, we would not have the time to get those in any other vehicle before March 31. If we could devise a way, I would be more inclined to yield on such a unanimous-consent request, because I think they are essential, the March 31 signup date and the new base for those who participated in the diversion program in the dairy section, which is in the House bill and which is excellent.

Mr. DE LA GARZA. Mr. Speaker, the gentleman is correct on the need for quick action. We understand and we sympathize with the gentleman's concern.

The commitment that I have made generally I make specifically to the gentleman, that we will pursue other avenues. We still have unanimous-consent requests, and we still have suspensions. We will continue working beyond today to see what we can come up with.

We cannot cover all the items at one time and satisfy all of the Members who have concerns at one time. We have to go piecemeal, unfortunately and regrettably. But as the gentleman knows, we have worked with the gentleman and we will continue working with the gentleman, and I would hope that we would be allowed to take this one step in the direction all of us want to go, and continue with the other steps that we have to take.

Mr. KASTENMEIER. If the gentleman will further yield, one of the questions is whether the administration, the Department of Agriculture, can on its own authority do what the House version would have done by legislation. Now, if in fact it can, I would suggest, if the gentleman is willing and the minority is willing, that we insist by at least urgent letter form that the Department of Agriculture, if it does have authority, make those changes, because I think time otherwise will run out on us.

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. DE LA GARZA] has expired.

(By unanimous consent, Mr. DE LA GARZA was allowed to proceed for 30 additional seconds.)

Mr. DE LA GARZA. Mr. Speaker, to reply to the gentleman, I do not know if they have that authority, but I certainly would exert any influence that I have to urge them, if they do have that authority, certainly to do so. We will do everything that we can to encourage them so administratively. The gentleman has our commitment to do that by letter, by personal communication, or however the gentleman would suggest that we do it.

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

Mr. DE LA GARZA. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I would like to ask two questions following up on the questions from the gentleman from Wisconsin [Mr. KASTENMEIER].

Mr. Speaker, is there any Member on the floor who can tell me whether the Department does have the authority to change the signup time, to move it back, since clear regulations are not even out yet, and to incorporate the other change on the calculation of the base for those who participated in the diversion program as you have in the House bill under the amendment offered by the gentleman from California?

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. DE LA GARZA] has again expired.

(By unanimous consent, Mr. DE LA GARZA was allowed to proceed for 30 additional seconds.)

Mr. DE LA GARZA. Mr. Speaker, I yield to the gentleman from California, the chairman of the subcommittee.

Mr. COELHO. Mr. Speaker, in answer to the question of the gentleman from Wisconsin, the answer is that the Department does have the authority to make those changes. So they could do it today if they wanted to.

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

Mr. DE LA GARZA. I yield to the gentleman.

Mr. OBEY. Mr. Speaker, I ask the gentleman from California if the Department could make both of them?

Mr. COELHO. Both changes, they could make them today if they wanted to.

Mr. OBEY. What I would ask is, if we were not to interpose an objection, would the chairman of the committee and the rankiing member on the minority side of the committee be willing to join us in a letter to the administration, asking them to act to administratively accomplish those two changes?

Mr. DE LA GARZA. For myself, I would.

Mr. COELHO. For myself, I would.

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

Mr. DE LA GARZA. I yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Speaker, I would be happy to.

I believe the gentleman is absolutely correct. There might be some difference of opinion in the exact wording, but we ought to allow those diversion people to be able to participate in the program without penalty.

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

Mr. DE LA GARZA. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Speaker, will the gentleman restate his question, please?

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. DE LA GARZA] has again expired.

(By unanimous consent, Mr. DE LA GARZA was allowed to proceed for 30 additional seconds.)

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

Mr. DE LA GARZA. I yield to the gentleman from Wisconsin.

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

The gentleman from California has just indicated to me and to Mr. KASTENMEIER that the administration does have the administrative authority to move back the signup deadline for the whole-heard buy out and to effect the change in calculating the diversion base so that persons who participated in the diversion program have an opportunity to have that prior base considered as their base, and subsequently then make a lower bid.

Mr. Speaker, having received assurances from the gentleman from California that the administration has the authority to accomplish both of those changes, what I ask is, if we were not to interpose an objection to take up the Senate bill, would the gentleman from Illinois and the gentleman from Texas be willing to join us in a letter asking the administration to accomplish those two changes by administrative action, so that we do not have to object to trying to move this legislation along today?

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

Mr. DE LA GARZA. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Speaker, I was just on the telephone with the Acting Secretary trying to accomplish that

and was cut off, and I then came back out here for this debate.

In the absence of being able to get that commitment from him on the telephone, I would be happy to join with the gentleman from Texas, the gentleman from California and others on such a letter.

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

Mr. DE LA GARZA. I yield to the gentleman.

Mr. COELHO. Mr. Speaker, I would just like to also inform the gentleman from Wisconsin that the Senate is also sending a letter as well in regard to this. They had confirmation that the Department does have the authority to do this. So they have joined and are unanimously doing it as well on that side, so it would fit in with what the gentleman wants to do.

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

Mr. DE LA GARZA. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I appreciate that on the part of all of you, because, as you know, this is the most important decision some of those farmers are going to have to make in their lives, and they have to have some time to make that decision correctly.

Mr. DE LA GARZA. Mr. Speaker, I thank the gentleman. We appreciate the gentleman's concern and participation, and we will cooperate.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Mr. DE LA GARZA. Mr. Speaker, in lieu of proceeding under House Resolution 391, I ask unanimous consent that it shall be in order at any time for the Speaker to declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1614) with the Senate amendments thereto; that general debate thereon continue not to exceed 1 hour, to be equally divided and controlled by myself or by my designee and by the ranking minority member of the Committee on Agriculture or his designee; that the Senate amendment to the text be considered as having been read for amendment; that no amendment thereto be in order except one amendment, if offered by myself or my designee, to strike out section 9 and 10 of the Senate amendment, and that said amendment be debatable for not to exceed 1 hour, to be equally divided between myself or my designee and an opponent of the amendment; that after disposition of the amendment, the Committee shall rise and report the bill to the House with the amendment if adopted; that if the amendment has been adopted, the previous question be considered as ordered in the House without intervening motion on a motion to concur in the Senate amendment to the title and to concur in the Senate amendment to the text with the amendment adopted in the Committee of the Whole; that if the amendment has not been adopted, the previous question be considered as ordered in the House without intervening motion on a motion to concur in the Senate amendments; and that all points of order be waived against the Senate amendments, and the motions pertaining thereto made in order by this request, and against their consideration.

□ 1425

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

Mr. KASTENMEIER. Mr. Speaker, reserving the right to object, based on the assurances of the gentleman from Texas and the gentleman from Illinois, and based on the colloquy entered into with the gentleman from Wisconsin [Mr. OBEY], I will not object, but it is entirely based on that premise, and I appreciate the assurances given.

Mr. Speaker, I withdraw my reservation of objection.

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

Mr. OBEY. Further reserving the right to object, Mr. Speaker, I would simply like to join with my colleague, the gentleman from Wisconsin [Mr. KASTENMEIER], in indicating that I am very reluctant not to object because I do not have a lot of confidence that, frankly, the administration will do what we are asking. But assuming that we will have a chance to persuade them that that is what they ought to do, I appreciate the cooperation of all four of the gentlemen who have given us those assurances, and I will not object.

Mr. Speaker, I withdraw my reservation of objection.

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

Mr. MADIGAN. Reserving the right to object, Mr. Speaker, I do so for the purpose of asking, under my reservation, if I may yield to the gentleman from Texas, so that he may respond to a question that I would put, for the purpose of causing everyone in the assembly to understand exactly what this procedure is going to be.

It is my understanding that, if the gentleman's unanimous consent request is not objected to, we are going to consider the Senate amendment, we are going to consider a Frank amendment to the Senate amendment, which would strike the dairy provisions, that 1 hour of time will be allowed for the discussion of the Frank amendment to strike the dairy provisions, but that no debate would be in order following the conclusion of the debate on Frank and the vote on Frank, so that anyone who wants to say anything about anything in this bill will have to say it during the debate on the Frank amendment; is that correct?

Mr. DE LA GARZA. Will the gentleman yield?

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

Mr. DE LA GARZA. Under the request, we allow for 1 hour to discuss the other provisions outside of the dairy amendment.

Mr. MADIGAN. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

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

Mr. HORTON. Mr. Speaker, reserving the right to object, I will not object but I do want to make the observation, in connection with the letter that is being proposed to be sent to delay the whole herd buyout time dates, that some of the dairy farmers in the New York region, particularly in the upstate area which I represent, are concerned about the requirement—it is not in regulation, but the requirement—that the branding be on the face of the cow rather than on the flank, and if there is some way they could change that requirement I think it would be very helpful, and perhaps the letter could speak to that problem.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

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

Mr. DE LA GARZA. Mr. Speaker, I do not know if the requirement has been finalized or not, but this is really a technical issue, a state of the art issue, as to where you brand a cow. But if there is objection, and from several sources I have heard objection to branding on the cheek, as it is so called commonly—I have no druthers one way or the other—if anyone has concern, I certainly would be happy to join with them to see that their concern is met if at all possible.

Mr. HORTON. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

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

Mr. FRANKLIN. Mr. Speaker, reserving the right to object, I would like to point out to the chairman and the ranking member of the Committee on Agriculture that certain amendments that were included in the House bill are not contained in the Senate bill, one of which I was an author, concerning a 30-day extension of the time in which ASCS applications can be filed for consideration, which is contained in section 8 of the House bill and which is not contained in the Senate bill.

I introduced this in the Committee on Agriculture and we got a unanimous vote to have it adopted. Since it is not going to be now included, I would like the cooperation of the chairman of the committee and the ranking minority member of the committee to make the same sort of request to the Department of Agriculture that they institute this policy contained in section 8 by virtue of administrative action that they can do, and if the ranking minority member and the chairman would do that, I would withdraw this reservation.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

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

Mr. DE LA GARZA. First, let me say that my personal opinion is that the Department has the authority to do that. Whether they choose to use it or not, that is something else. Further, it was the intent of the committee that the Department use that authority. As the gentleman understands, we are caught in a very critical time situation; but I will do anything and everything that I can to see that the commitment of the Agriculture Committee, which in fact it is, be carried out, and will join with the gentleman to seek that end.

Mr. FRANKLIN. I thank the chairman.

Mr. Speaker, I yield to the gentleman from Illinois [Mr. MADIGAN], the ranking minority member.

Mr. MADIGAN. I thank the gentleman for yielding, and I would be happy to comply with his request, since what I think he was asking for was certainly the intent of the conferees on the writing of the 1985 farm bill and is entirely consistent with what we understood we were doing.

Mr. FRANKLIN. I thank the gentleman, and, Mr. Speaker, I withdraw my reservation of objection.

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

Mr. TAYLOR. Mr. President, reserving the right to object, I would like to associate myself with the remarks of the gentleman from Mississippi [Mr. FRANKLIN] in support of his amendment to H.R. 4306 extending the time for the signup of the whole herd buyout.

I think one of the problems we face today is that the regulations have not been amply distributed to the ASCS officers across the country. The producers have not had an ample opportunity to review the program, nor have they seen the regulations. They have not had enough time to make the determination as to whether or not they want to participate, and that signup period ends today. And without this very important extension, I think that the success of the whole herd buyout is going to be greatly jeopardized.

Mr. Speaker, there are three other provisions that are very important that are in H.R. 4306 that are not in the provisions of the Senate amendment to H.R. 1614. One of them deals with the sale of crossbred heifers, and I would like to ask the chairman of the Committee on Agriculture, if I might: Is it true that by administrative order the Agriculture Department has solved this problem of the sale of the crossbred heifers?

Mr. DE LA GARZA. I was so informed, and I was given copies of a proposed regulation that would take care of the gentleman's concern.

Mr. TAYLOR. Well, it was incorporated in the bill H.R. 4306, and if it has not been done by administrative regulation, I would certainly urge that we press for that, along with the extension of the signup time.

I will not object, but I am very hopeful that we will be able to resolve these very important details of the dairy program which, in my opinion, will have a great deal to do with the ultimate success of the whole herd buyout.

Mr. Speaker, I withdraw my reservation of objection.

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

Mr. FRANK. Reserving the right to object, Mr. Speaker, I just want to further clarify and make sure I understand where we are, because I know a lot of the Members are interested.

If the unanimous-consent request of the gentleman from Texas is agreed to, as I hope it will be, because I think it clarifies things, the bill before us will contain, as part of it, the provisions for changing the way in which dairy complies with Gramm-Rudman.

The unanimous-consent request will make in order an amendment which I hope to have a chance to offer, which will delete those provisions, so Members who have been following that discussion for the past few days should understand if the unanimous-consent request is granted, the bill before us will embody the position that has been advocated by the gentleman from Vermont and others to alter the way Gramm-Rudman deals with dairy, I will then be given an opportunity to offer an amendment to drop that out of the bill. Associated with me will be the gentleman from Virginia, because part of that amendment will also drop section 9 from the bill which deals with marketing orders.

So the Members understand, the unanimous-consent request will put those dairy provisions in the bill before us and an amendment will be in order and the Members will have a chance to listen to a debate, participate in the debate and have a rollcall vote on whether or not they want to vote for an amendment to knock them out.

Mr. Speaker, I withdraw my reservation of objection.

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

Mr. OLIN. Mr. Speaker, reserving the right to object, I do not intend to object but to clarify the remarks of the gentleman from Massachusetts. The addition that the chairman of the committee agreed to, to the expected amendments of the gentleman from Massachusetts, would allow the consideration of section 9 of the Senate bill which will be shortly before us.

Section 9 of that bill deals with making certain provisions regarding milk marketing orders mandatory on the Secretary of Agriculture as opposed to optional.

It represents a major policy change that was not intended in the farm bill, was never expected, it was a measure that was an exploratory area, a trial area, to make it mandatory is not in order, and when the amendment of the gentleman from Massachusetts [Mr. FRANK] comes to the floor I will be talking about that provision as well as the other provisions relating to Gramm-Rudman. Both of those provisions should be stricken from the bill.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The SPEAKER pro tempore. Pursuant to the order of the House of today, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1614, with Senate amendments.

□ 1437

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1614) to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986, with Senate amendments, with Mr. MURTHA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 30 minutes, and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first, let me thank my colleagues for allowing us to proceed in this manner.

Second, it will not be my intention to discuss the House committee-passed

version, inasmuch as we will now be working from the Senate amendment, and I would like to very briefly give the Members a very short explanation of how the Senate version differs from the House bill because I think all Members need to know the contents and the substance of what we will be dealing with.

The No. 1 difference is that the Senate version has a different yield provision, locking in yields at 95 percent of 1985 levels in 1987. This is the Senate amendment.

No. 2 would be the Senate provision relating to the Special Assistant for Trade in the White House. The Senate lowers the level of appointment for this assistant.

No. 3 would be a different export programs savings amount to reflect lower yield costs. The savings are to compensate so that we keep the legislation at no cost, with no budget implications.

No. 4, the Senate version provides for expanded hay and grazing.

No. 5 relates to milk marketing order service payments, requiring that co-ops continue getting such payments.

No. 6, the Senate authorizes the use of CCC PIK commodities—that is, payment in kind—in research on engines that do not use oil.

No. 7, the Senate bill extends the time for the food stamp quality control study.

No. 8, the Senate bill will permit licensed grain elevators to alleviate shortages of space by transferring grain.

No. 9 is a sense-of-Congress resolution encouraging USDA to use advanced recourse loans to help the farmers this spring.

No. 10 requires AID to develop a needed plan for African famine assistance.

No. 11 requires USDA to make announcements that will facilitate the operation of the Food Donation Program under section 416.

That describes the items not in the House bill but in the text of what we will be voting on, Mr. Chairman.

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

□ 1440

Mr. MADIGAN. Mr. Chairman, I reserve my time at this point.

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. BEDELL].

Mr. BEDELL. I thank the gentleman for yielding me this time.

Mr. Chairman, as chairman of the subcommittee that has foreign agriculture in its jurisdiction, I want to explain to the House an issue that I know is of concern to many Members in regard to our exports.

The situation is that two of the programs we have in this bill will cost some extra money, and we had to get the money from somewhere in order that this would remain neutral as far as the budget is concerned. Under those circumstances, of those two programs, one of them is a Targeted Export Enhancement Program in which there was $325 million per year for 3 years in the bill. That $325 million is lowered to $110 million in this bill.

In addition to that, there was a General Export Enhancement Program that applied over the 3-year period of $2 billion. That $2 billion was reduced to $1 billion. I would be less than honest with you if I said that I was pleased to see this money reduced. However, in view of the importance of getting legislation to our farmers to help with the two problems that our farmers face in the bill, that it was, I felt, the only proper thing to do to bring those down.

I want to assure the Members of the House that those programs continue to be mandatory, that the Government is required to institute those programs and use them to the extent of the amounts I have mentioned, and that we will be monitoring and fighting to see that indeed the programs are used as this mandates they are to be used.

Mr. MADIGAN. Mr. Chairman, I yield 1 minute to the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. I thank the gentleman for yielding me this time.

Mr. Chairman, I want to commend the committee for bringing these amendments to the floor expeditiously. The farmers are tired of waiting to know just what is going to happen. These changes are changes that will solve some very serious problems in my area. I am being swamped with calls from bean producers who fear that if we do not put in this limitation on crops that can go on nonprogram areas, their industry will be devastated.

I think that our grain producers are going to be helped by this, and I again want to say that we are not trying to change this program; we are just trying to make certain areas better and to correct it with all possible speed.

Mr. MADIGAN. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon Mr. [ROBERT F. SMITH].

Mr. ROBERT F. SMITH. I thank the gentleman for yielding me this time.

Mr. Chairman, it is too bad that the House could not have had an opportunity to go ahead with our consideration of this bill, because I think amendments that were provided in the House bill improved the Senate bill that we are considering immensely. It did it in a number of ways, and I did not object to the consideration of the Senate bill simply because of the timeliness of the problem that we have before us.

But that is not my fault; that is the fault of the system. We have been here 3 months knowing exactly the problems that face farmers in America, and we chose to run it down to the deadline of signup today to take action. I think that is wrong; I think that violates every Member of this House of Representatives in particular, because we have not had an opportunity to concern ourselves with the considerations of this bill. Let me just give the Members a couple of items.

Lest anybody not know what is in the Senate bill, I want you to know what it does. I am going to support it, but I want you to know what it does.

For the first time in this country, it increases the amount of acreage that are subsidized acres for hay and grazing by 72 million acres. I understand that this provision says that it will be by State direction. But there are people in America who make their money in farming from haying; they make their money in agriculture from grazing. They are not subsidized, and now they are going to direct competition with those people who are now under a subsidy if they elect to use the 50-percent base, receive the 92-percent deficiency payment. These people are in direct competition with subsidized farmers using subsidized acres to go into competition with private enterprise.

The Senate bill is not all roses. It does correct some important things for farmers, and the reason I did not object is because I felt that the overall correction was essential. One, of course, is a nonprogram crop which we must address and the Senate bill addresses.

The other issue is yields, and I think we must have the yield portion. I am saying that we had to take the money for this bill, to make it revenue neutral, out of export enhancement. That had to be done; that is unfortunate for the long term. But personally, I would rather do that and provide more money for farmers now than a possibility of a better market in the future, and that is why we are doing this.

So I suggest to my colleagues that they do what I am going to do: Choke down what I think was the deprivation of House input for a bill that has to be passed, and that is the best I can say about it.

Mr. MADIGAN. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. I thank the gentleman for yielding me this time.

I first want to thank the chairman of the committee Mr. DE LA GARZA and Mr. FOLEY for their very strong efforts to get all of these problems solved in what appears to be yet another farm

bill as we are considering it here as of late this afternoon.

I also want to associate myself with the remarks made by my friend and colleague from Iowa, in that he is the chairman of the Department of Operations Research and Foreign Agriculture Subcommittee which deals with exports, and I am the ranking member.

We had intended on mandating several export initiatives in order to get tough with our competitors. We have done that, however, those funds now being used in part to pay for some of the provisions in this bill.

I would only mention the problem of the proven yields in my country and also the nonprogram crop business on idled acres. I know that this sounds to a certain extent almost like gobbledygook to my colleagues from urban areas. In just talking with good friends and colleagues of mine, they were wondering exactly what it is we are doing with this farm bill. I would say to my colleagues that in terms of final budget exposure that that is not the problem.

I would also say to my colleagues that when you write a farm bill, it is just as important to cross the t's and dot the i's to make it work in farm country. I can report to my colleagues that I have been spending the last 10 days literally hours on the telephone with my producers trying to address these special technical problems so they can live with the farm bill, and so that it will work. That is what this bill is about.

I have reservations about some of the provisions, but, in general, I must say that I support the bill, and I thank my colleagues for all of their effort in trying to make the farm bill work better in farm country. Time is of the essence.

Signup for the 1986 farm programs should have begun last Monday, but because Congress has delayed action on this legislation signup has been postponed.

The wheat farmer in my district planted his 1986 crop of wheat last fall without knowing what the 1986 Wheat Program would be because Congress was still debating the 1985 farm bill. We are only a few weeks away from the start of wheat harvest in the southern parts of the United States. Wheat farmers and for that matter all other farmers do not know what the farm program is and what the final details look like. This is like asking a construction company to start building a building without a copy of the blueprints. This legislation will clear up that confusion and allow the USDA to get on with the signup for the 1986 farm programs.

I urge my colleagues to put aside their partisan bickering and pass this legislation. Farmers need to know what the rules of the game are and this bill is essential if farmers are going to make decisions on whether to participate in Federal farm programs.

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

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota, our colleague, Mr. DORGAN.

Mr. DORGAN of North Dakota. Mr. Chairman, I simply want to support the efforts of the chairman and say that, while I was not a big supporter of the farm bill itself, I do support the chairman's efforts to correct a couple of obvious problems.

The first deals with program payment yields. It makes good sense to correct what I think was an oversight in the farm bill and allow farmers who have been able to prove their yields in the past to be able to acquire program payments on that yield or close to the 1985 yield level. So I support the corrective actions concerning program payment yields.

□ 1450

The second important issue concerns the planting of nonprogram crops. We find very thin markets in some of these areas, that is, dry edible beans, potatoes, sunflower seeds, and others. If some farmers were able to produce these nonprogram crops on underplanted acres, it would disturb the market. Thus, we would find people who were not involved in the program with nonprogram crops having the prices radically reduced. That would be unfortunate.

We would like to prevent the flooding of fragile markets from occurring. We think that the language in this bill moves in that direction.

I did want to take this opportunity, having been on the other side of the fence with the chairman on several occasions, to say thanks for the opportunities he has given us to correct these two areas.

Mr. BEREUTER. Mr. Chairman, I appreciate this opportunity to urge my colleagues to vote for H.R. 4306 which contains technical amendments to the 1985 farm bill. Even though I believe it was an absolute necessity to pass the farm bill before adjourment in December, particularly in light of the deficit-reduction sentiment and emphasis shown in Congress during 1986, there still are some areas in the commodity programs which should be refined and improved. This bill will address several areas within the farm bill to maintain the intent of Congress to assist those particular farmers who are affected.

As you know, this bill would exempt any crop that would be economically adversely affected from being treated as a nonprogram crop when the Secretary allows producers to plant nonprogram crops on only 50 percent of their permitted acres but yet receive 92 percent of the payments. While I am fully supportive of this bill and I realize the devastating effects that might be placed on many dry edible bean producers throughout my home State of Nebraska, this body must also recognize that popcorn growers will experience the same problem as other nonprogram crops because of this provision in the farm bill. I should also point out that I am well aware that the purpose of this provision is to provide an incentive for farmers not to produce a surplus crop but it should not be at the expense of an alternative crop already established in the marketplace.

In my State of Nebraska there are many growers who have raised popcorn for several years. Many of these producers have either decreased or eliminated their production of field corn. Farmers who have decreased the supply of feed grains by raising popcorn are now going to be penalized for not having joined the ranks of other farmers asking for Government help in this time of need. It is possible that this provision will cause considerable overplanting by many farmers that will erode the price for popcorn by 20 to 30 percent. Downward market pressure on popcorn prices will force many established popcorn growers out of the industry through no fault of their own.

Because Nebraska ranks second in the Nation in both planted acres and pounds of popcorn produced—49,500 acres and 152.1 million pounds respectively—I am sure this body recognizes what a positive impact this legislation would have on the popcorn industry in Nebraska. Until now, the inability of popcorn growers to participate in the farm program has not been an issue because earlier farm programs did not seriously erode the market price for popcorn. However, many popcorn growing areas throughout Nebraska will be seriously affected if their commodity is treated as a nonprogram crop under the current farm bill.

Although I realize that this bill being discussed today would allow the Secretary to discourge the production of any nonprogram crop that would be adversely affected by this provision, I thought it should come to the attention of my colleagues that popcorn growers could suffer as much as any other nonprogram crops. For the sake of those long-time popcorn farmers in Nebraska who have not contributed to the oversupply of feed grains, I hope that we will pass this bill to prevent any harm to our popcorn farmers in Nebraska.

With respect to the program yield changes, this body will have my full support to the enactment of this legislation. As you also know, the current farm bill states that program yields will be established by averaging the yields for the 1981–85 crops after discarding the highest and the lowest yield years. This system would deny recognition of increases in per-acre productivity of many producers in Nebraska. If the bill is enacted, the formula would remain in effect, but the Secretary would be prohibited from setting a producer's program yield for 1986 or 1987 at a level below a farm's assigned yield for 1985.

Conditions in the agricultural sector of Nebraska have yet to see any signs of improvement in net farm income. If this provision in the farm bill is not revised, many wheat and feed grain farmers may suffer severe losses of income. It is unfortunate that many farmers,

who have recently worked very hard to improve their productivity and have increased their assigned yields, must now face the possibility of lowering their assigned yields because of a provision in the farm bill.

Congress and the U.S. Government must continue to be fair and responsible in its relationships with the American farmer and the agribusiness sector in farm communities across the country. Considering the very distressed financial conditions facing farmers in my State, failure to consider such changes as those proposed in this bill will put an additional financial burden on many farmers who have been efficient through extremely tough times.

I urge my colleagues to support this legislation.

Mr. McCLOSKEY. Mr. Chairman, I rise in support of H.R. 4306, legislation which will assist the USDA in the implementation of the 1986 Farm Program as Congress intended. Clearly, this legislation is desperately needed for grain and dairy farmers as well as the producers of nonsupported commodities. Despite the protests of some that this bill runs contrary to our deficit reduction efforts, the changes made will actually produce savings of $125 million over the next 3 years by scaling back minimum reductions on some agricultural export development programs.

Right now, a state of confusion reigns in the Farm Belt over what the administration is doing to implement the 1986 Farm Program. Contrary to the expressed intent of Congress, the administration has sought to administer important parts of the Farm Program at the lowest possible rate of income protection. H.R. 4306 seeks to address this by establishing a nonadjustable minimum for producer yields for the 1986 and 1987 crop year. Under current implementation plans, a participant in the Wheat and Feed Grains Program could be assigned a yield significantly below that of his or her 1985 assigned levels. This could result in payment reductions and would contradict the major intent of the 1985 farm bill which was to freeze income supports for farmers for at least 2 years.

In addition, H.R. 4306 will provide dairy farmers with more time to decide whether it is in their interest to participate in the Dairy Whole Herd Buy Out Program. Again, details on this program have been slow in coming, explanations have been contradictory and it has been difficult for individual farmers to determine whether participation is in their interest.

While legitimate concerns have been raised about certain parts of this comprehensive revision of certain parts of the 1985 farm bill, we must recognize that time is of the essence for so many farmers who are waiting to make their plans for the 1986 crop year. I hope the House will pass this important legislation.

Ms. SNOWE. Mr. Chairman, I rise in support of this legislation, which has important provisions for the farming community. I wanted to point out, in particular, the importance of the provision which adjusts the underplanting provision for acreage taken out of production by rice, cotton, and grain farmers. This provision was originally introduced as separate legislation, H.R. 4079, by Congressman SCHUETTE and Congressman TRAXLER.

Maine's potato farmers have every right to be concerned about the potential planting of potatoes on this supposedly "conserved acreage." These family farmers face a drastic situation this year on account of a dramatic increase in overall production in the fall-producing States. Without making an adjustment through this legislation, Congress will have done a real disservice to potato producers in Maine and other States, and to a lot of other nonprogram crop producers.

It is galling to me that a potato farmer, who receives nothing in the way of price support loans, deficiency payments, or other forms of Government aid, could find his livelihood overrun by a govenment mistake.

Under the farm bill's current language, farmers who choose to idle excess acreage under the acreage reduction requirements for grain, cotton, and rice farmers could plant thousands of acres of potatoes and receive income support benefits on 92 percent of their eligible acreage. That amounts to a significant bonus for these farmers, but more importantly, it could lead to much higher production of potatoes, and much lower prices for a crop that is already suffering from overproduction.

Considering that the whole intention of this provision in the farm bill was to divert extra lands for conservation purposes, leaving this language as it is would be ridiculously unfair to nonprogram farmers.

I know my concerns are shared by many other Members of this body who work hard in their districts for producers of crops like potatoes, dried beans, carrots, onions, and other products. It is a continuing source of frustration to see so much Government support going to the basic commodity producers but little in the way of support going to the nonprogram crops. At the very least, those programs we do have should not work against the best interests of my potato farmers in Aroostook County, ME.

Maine potato farmers are struggling in one of their worst years ever. National overproduction and subsidized Canadian imports are crippling this traditional industry. These farmers are getting paid less than $1 for a 165-pound barrels of potatoes that cost over $9 to produce. I would estimate we may lose 150 to 200 farmers this year. Without this legislation, it is possible that number could be higher.

For farmers who have never even asked for Federal income support subsidies, or ever received significant assistance from the Department of Agriculture, the farm bill adds insult to injury. The result, unless we pass this provision, will be a real jump in the number of foreclosures in Maine and for other nonprogram crop industries across this country.

This legislation today leaves these farmers who rely totally on what the market will give them a chance to maintain the status quo. It won't give them the help they need, but it does remove a serious threat. This provision is fair and reasonable, and it is absolutely essential that we make this necessary legislative correction.

Mr. DASCHLE. Mr. Chairman, I rise in support of H.R. 1614, legislation which will correct many of the deficiencies created by the 1985 farm bill, and the manner in which the U.S. Department of Agriculture is implementing this legislation.

Two very important provisions of this legislation deal with the Dairy Program and the wheat and feed grains yield formulation provisions of the 1986 Farm Program.

When Congress passed the dairy provisions of the farm bill, we gave very specific directions to the Department on how we intended that program to operate. We expected the whole herd buy out to be a very integral part of the entire dairy package, and expected the administration to implement the program as such.

Dairy farmers have been contacting my office by the hundreds, all asking the same question, "USDA is running this program as if they really don't want us to participate in the whole herd buy out." It comes as no surprise to the many dairy producers throughout the Nation who are trying to decide whether to submit a bid that the Department has not yet finalized the regulations for this program, even though we are within hours from the closing day of submitting a bid.

For an administration who seems to understand only military spending, let me draw an analogy. It would be similar to the Pentagon asking a military contractor to submit a bid for a military weapon, and be advised that they intend to change the bid's specifications after the bid has been submitted. I dare say that not many contractors would be clammering for this process. Given the incredible manner in which this program has been administered by this administration, I trust it will not come as a surprise if dairy farmers chose the same route.

I intend to support the efforts of my colleague, Mr. COELHO, to secure an administrative extension of the signup date for the whole herd buy out through April 1. This legislation also contains a provision which directs the Department not to penalize in this bid process those producers who participated in the Dairy Diversion Program, by allowing the use of prediversion production levels. In another example of the Dairy Program being administered totally contrary to the direction provided USDA by the Agriculture Committee, the Department had administratively refused to make this correction, forcing this legislative change.

Finally, this amendment incorporates a mechanism to offset the estimated 55 cents per hundredweight decrease in CCC purchases that would disproportionally impact certain regions. In its place, this amendment would authorize an estimated 12-cent increase in the dairy assessment to offset revenue lost due to the Gramm-Rudman order.

Similarly, the Agriculture Committee approved legislation which attempted to correct the manner in which the yield provisions of the farm bill were being administered. The Foley bill (H.R. 4105) which I cosponsored would have mandated that a farmer receive a Farm Program payment based on a yield no less than his 1985 program yield.

Even though this fell far short of the language originally contained in the House-passed farm bill which based payments on actual yields, the Foley language was far preferable to the final version. This yield freeze was adamantly opposed in the Agriculture Committee by administration officials. In USDA's rush to oppose H.R. 4105 on budget-

ary grounds, the loss in farm income was ignored.

The legislation before this body today attempts to address this serious problem, and do so in a manner that will receive the support of the administration. For 1986 crops, producers would receive Government-owned commodities to offset reductions in program payment yields in excess of 3 percent of the producer's 1985 program payment yield level. In 1987, similar compensation would be provided for reductions in excess of 5 percent.

In calculating program payment yields for 1988 and beyond, the program payment yield in 1986 could not fall more than 10 percent below the 1985 program payment yield for an individual farmer.

As farmers prepare their calculations for the 1986 Farm Program participation, one fact must be made perfectly clear. CCC contract payments will be reduced by 4.3 percent. Gramm-Rudman provided for the sanctity of CCC contracts signed by producers before March 1. This administration deliberately delayed signup so that the March 1 Gramm-Rudman cuts would further depress Farm Program prices.

Mr. Chairman, these provisions are critical to the decisionmaking process facing farmers as they contemplate participation in the 1986 Farm Program. For that reason, and the fact that many of these provisions force USDA to act as Congress originally intended, I urge the adoption of this legislation.

Mr. STALLINGS. Mr. Chairman, I would like to speak in support of the bill—H.R. 1614—that will provide some very necessary fine tuning to the Food Security Act of 1985. I support this bill for many reasons but am most concerned with and support nonprogram crop amendments contained in this bill. These nonprogram crop amendments will change what is referred to as the 50/92 rule that allows producers to plant up to 50 percent of their permitted wheat, feed grain, upland cotton or rice acreage to a nonprogram crop and still receive deficiency payments on 92 percent of the permitted acreage. I understand the intent of the 50/92 rule was another means, short of mandatory production controls, to encourage producers to shift from the traditional program crops like wheat and corn that are in chronic surplus to a more diversified agricultural crop.

However, it hasn't taken long to realize how ill-conceived this provision really is as producers on nonprogram crops are now faced with certain oversupply and lower prices for their commodities which are not subsidized by the Government. Unless corrected, we will, in effect, be using Government policy and taxpayers' money to benefit one class of producers who already receive a minimal level of direct Government support at the devastating expense of other nonprogam crop producers who don't benefit from these farm subsidies.

I don't think we have any alternative, Mr. Chairman, but to ban planting of these unsubsidized crops such as dry beans and potatoes on underplanted program acres in order to avoid total chaos in these other commodity markets. I am particularly concerned about the immediate impact of this provision on the producers in my district who grow a variety of nonprogram crops including dry edible beans, potatoes, sugar beets, and alfalfa—all of which have been targeted by the 50/92 rule.

These producers are vulnerable because they have, through necessity and prudent planning, diversified their farming practices to include many if not most of these so-called nonprogram crops. Specifically, Idaho is ranked No. 1 in the production of potatoes and sixth in the production of dry edible beans—two crops which could easily become surplus in 1986 as a result of the 50/92 incentives now in the Food Security Act of 1985.

Perhaps even more damaging will be the long-term net effect of transferring the production base of many nonprogram crops from areas that have, through hard work, built a diversified agriculture economy to other regions of the country which have traditionally been more reliant on wheat and feed grains.

Mr. Chairman, I am sure that all of the Members of this body will agree that we must act quickly to avoid creating a virtual range war that pits program farmers against nonprogram crop producers. We have an opportunity today to do just that and for this reason I urge my colleagues to support the nonprogram crop amendments.

Mr. Chairman, I also strongly support another provision in this bill now before this body that will put restrictions on the amount a producer's program yield, on which deficiency payments are based, can be reduced under a new formula established in the Food Security Act of 1985. This restriction is essential to avoid drastic crop yield reductions for many of our more efficient producers. These producers have achieved major gains in their productivity in recent years and should not be unjustly penalized.

A system using "proven yields" to determine income support payments would of course be more equitable for our producers and would most likely guarantee greater participation in the Government's programs. But I recognize here that we are operating under some very tight budget constraints which often result in farm programs that fall short of being ideal long-term policy. Given these budget constraints that most of us have generally endorsed, I urge your support for this compromise measure which is absolutely essential for stabilizing farm income in rural America.

Finally, Mr. Chairman, I would like to speak briefly to the dairy provisions contained in this package of farm bill amendments. I support these provisions that will allow the Secretary of Agriculture to continue to accept bids for the 18-month Milk Production Termination Program through April 1. This extension is the only reasonable course for this body to adopt since USDA has admitted that they won't even have the regulations governing this program available until March 7, which is now the scheduled end of the bidding period. If this program is going to have a fighting chance to succeed, then it only makes sense to give our producers an adequate opportunity to study the specifics of the program before submitting their applications.

I also strongly support another technical change to the Dairy Termination Program that will specifically allow producers who participated in the previous Dairy Diversion Program to select a milk marketing history based on their actual production prior to the diversion period or the marketings of milk during calendar year 1985.

I urge my colleagues to favorably consider all these amendments that are clearly in the best interests of our farmers. We must act now, however, so that we can reduce the confusion and uncertainty regarding congressional intent in the Food Security Act of 1985 and enable all producers to employ sound economic planning for the 1986 season.

Mr. DAUB. Mr. Chairman, I rise in favor of this bill. Once again Congress has fiddled while the farmer gets burned. We have been in session almost 3 months knowing that feed grain and wheat farmers needed the issues in this legislation resolved to make important production and signup decisions for the coming crop year. But what did we do during these 3 months? Nothing. As usual congressional procrastination has left the farmer holding the bag.

This bill provides that the 1986 and 1987 payment yields will be near the levels of the 1985 yields. Without this change, certain farmers could have their benefits reduced by up to 20 percent. It also requires that nonprogram crops cannot be planted on acres idled under the so-called underplanting rule of the farm bill.

Any increased funding because of these provisions will be paid for out of reductions in the Export PIK Program and Targeted Assistance Program. This is unfortunate, because reduction of these needed programs will hamper our export efforts. However, these programs will only be reduced, not eliminated. Without such an offset, it is unlikely the Congress would have approved these needed changes.

I have serious reservations about the dairy provisions of the bill. Essentially, these provisions exempt dairy from the 1986 sequestration order which reduces program outlays by 4.3 percent. This action is wrong for a number of reasons.

Wheat and feed grain producers had their 1986 loan and deficiency checks reduced by 4.3 percent. If other commodities are not granted an exemption from these reductions, why should dairy? As I have said before all of these reductions wheat and feed grains as well as dairy could have been avoided in whole or part if Congress instructed its committees to come up with alternative savings. In another example of congressional procrastination, Congress wouldn't do this.

This exception from the sequester order for dairy provides precedent for other exceptions jeopardizing the chances that Congress will meet the deficit reduction goals set out in Gramm-Rudman.

Finally, the increased assessment is actually an excise tax which should have been referred to the committee with jurisdiction over taxes—the Ways and Means Committee—but wasn't.

For these reasons, I voted for the amendment striking the dairy portions of this bill.

In conclusion, Mr. Chairman, the provisions in this bill especially for yield changes, are badly needed by Nebraska farmers. Regrettably they have come at the last hour, but the

last hour seems to be the only time Congress will do its work.

Mr. MARTIN of New York. Mr. Chairman, I rise today in opposition to the amendment offered by my colleague from Massachusetts, [Mr. FRANK].

As I have said before, and I say it again for the edification of all my colleagues in the House—our dairy farmers are not looking to shirk their responsibilities under Gramm-Rudman. I would suggest that they are willing to do, and, in fact, have done, more than their fair share for the good of the country as a whole.

The dairy farmers' responsibility under Gramm-Rudman is $80 million. I cannot understand how my colleagues can fail to see the logic of implementing this reduction in Federal spending in the fairest and most equitable manner possible. If this amount can be raised by assessing our farmers an additional 10 to 11 cents, rather than by reducing the price support paid for surplus products, which would cost our farmers over $300 million, is this not the most appropriate approach to take?

I would submit that it is. This is a question of budget policy, not dairy policy. I implore my colleagues on both sides of the aisle to defeat this amendment.

Mr. AUCOIN. Mr. Chairman, I rise in reluctant support of H.R. 4306. Let me add my fervent hope that this legislation represents Congress' final debate on the 1985 farm bill.

Because certain provisions of H.R. 4306—specifically elimination of the noncrop setaside and changes to the dairy program—are important, I'll vote "yes." At a time of dislocation and economic hard times in farming communities across the United States, it doesn't make sense for Congress to indirectly subsidize farmers for planting crops that aren't covered by a Federal commodity program.

However, some of the other parts of this bill are pretty darn hard to swallow. I'm especially disturbed that we're financing these changes, and others I haven't mentioned, by robbing from export promotion programs.

H.R. 4306 decimates the blended credit program and cuts "bonus bushel" in half. While I'm a strong supporter of these programs, it's no secret that the Department of Agriculture isn't keen on being told that they have to promote farm exports. In fact, cutting these programs is the price the administration holds out for a Presidential signature on this bill.

Based on the record so far, I'm certain the Department will balk at using the remaining $1 billion in "bonus bushel" funds. That means Congress has got to use a little friendly persuasion. In the long run, there's no other way to stabilize farm income.

Mr. ROBERT F. SMITH. Mr. Chairman, I rise in support of H.R. 1614. I see this as a bill aimed at striking a balance between the good intentions of Congress and the reality of agriculture, a business ruled by natural forces.

The 1985 farm bill set out an ambitious plan of price supports and commodity targets for the next 5 years. As a member of the Agriculture Committee, I think the lion's share of the changes made between the new and old farm policies were critical to the long-term economic health and vitality of both the American farm community and to the Nation itself.

Unfortunately, we just took too long to create that new bill.

By the time the farm bill was signed into law, the timetable set by nature herself has driven many American farm producers to plant crops which, as it turns out, would be covered by the new bill.

Today, H.R. 1614 is in front of the House as a transitional instrument. Its an essential buffer between old and new 5-year policies for farmers like Oregon winter wheat growers who planned the only way they could at the time, under provisions of the old policy.

Within H.R. 1614 are two provisions that serve as business-sustaining adjustments.

5 OR 10 PERCENT DIVERSION

I regret the fact that this bill fails to address an area which I consider to be critical: An amendment which I offered to the alternative bill, H.R. 4306, to allow certain producers of the 1986 wheat crop a 5- or 10-percent diversion option.

In the new farm bill, winter wheat farmers must idle at least 25-percent of their acreage base to qualify for income and price support programs. And they may idle another 10-percent under the Optional Paid Diversion Program.

The problem is that there is absolutely no middle-ground flexibility. Qualification comes only with 25 or 35 percent.

The old bill, on the other hand—the only guide available when Oregon winter wheat farmers were forced to decide diversion levels—offered qualification at 30-percent diversion.

As a result, farmers who complied with existing law when their crops went in the ground will no longer be in compliance when the crop comes out of the ground, by no fault of their own.

My amendment would have simply offered additional diversion qualification at 5- or 10-percent levels. It tells those farmers who followed both natural and congressional mandates that 30-percent set-asides will qualify during this transitional period.

I believe its simply a matter of being fair, at no cost to the Government.

NONPROGRAM CROPS

The first provision which is in H.R. 1614 protects nonprogram crop producers from the problems associated with an opportunistic overproduction of their commodity.

The 1985 farm bill allows program—subsidized—crop producers to be paid for growing nonprogram crops on the acres which they removed from program commodity productions.

H.R. 1614 adds a caveat to that allowance: Nonprogram plantings would be prohibited if the Secretary of Agriculture determined that nonprogram, nonsubsidized crop prices would be adversely affected by the production or if subsidized crops show the impact of nonsubsidized crops.

The provision is Congress' assurance that one class of producer shouldn't benefit at the expense of other classes.

YIELD CALCULATION

Finally there is one more matter of fairness which concerns me: The new farm bill's formula for calculation of program yield and the critical need for a period transition are provided today by H.R. 1614.

H.R. 1614, will freeze, at 97 percent of the 1985 level, the program yields used in calculating income support payments for individual grain, cotton, and rice producers, for the 1986 crop.

Today's adjustment will also freeze farm "program yields" in determining support payments for the 1987 crop at not less than 95 percent of the 1985 level.

H.R. 1614 retains the new formula for calculating program yields on a historical basis but it would provide a phase-in period for adoption of the new system.

Without this legislation, the new system could reduce this year's program yields on some farms below 97 percent of last year's level. That, in turn, would decrease the income support of affected farmers by reducing the level of deficiency payments and payments-in-kind they are eligible to receive.

In nontechnical terms, we've realized that the 1985 farm bill penalizes farmers who have improved productivity and efficiency over the last 5 years. Without the flexibility offered by H.R. 1614, the new formula could cost farmers from 10 to 30 percent of their yield.

That's bad enough today, but in the long run, I think we'll sorely regret penalties we put on productivity advancements in light of the broad goals this country has set for its farm producers.

This Government should be helping farmers adjust to the market oriented policy that was established in the 1985 farm bill. That means encouraging production efficiency and productivity improvements.

Our goal is to sell all we can produce in the world markets which this Government should be helping to find. Today's productions limits are tomorrow's market disappointments.

Mr. Chairman, let me finish by saying that these adjustments are needed and they're worthy.

They are worthy enough that we have countered their costs by pilfering from the export expansion end of the farm bill, the so-called Bicep Program which in itself represents our best hope for recapturing overseas market shares.

The bottom line is that we would not be here today if H.R. 1614 didn't merit important attention. Changes can be made, even though the tools will remain in USDA to allow U.S. commodities to become competitive in world markets.

I urge you to join with me in voting in favor of this bill.

Mr. DE LA GARZA. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Pursuant to the order of the House of today, the Senate amendment to the text is considered as having been read. No amendment is in order except one amendment, if offered, by the chairman of the Committee on Agriculture or his designee to strike sections 9 and 10 of the Senate amendment, which shall be debatable for 1 hour, equally divided and controlled

by the proponent and a member opposed.

The text of the Senate amendments is as follows:

Resolved, That the bill from the House of Representatives (H.R. 1614) entitled "An Act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986", do pass with the following amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Food Security Improvements Act of 1986".

SEC. 2. NONPROGRAM CROPS.

(a) WHEAT.—Section 107D(c)(1) of the Agricultural Act of 1949 (as added by section 308 of the Food Security Act of 1985) is amended—

(1) in subparagraph (C), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (K))";

(2) in subparagraph (C)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (K)).''; and

(3) by striking out subparagraph (K) and inserting in lieu thereof the following new subparagraph:

"(K)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (C) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (C) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(b) FEED GRAINS.—Section 105C(c)(1) of the Agricultural Act of 1949 (as added by section 401 of the Food Security Act of 1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (I))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (I)).''; and

(3) by striking out subparagraph (I) and inserting in lieu thereof the following new subparagraph:

"(I)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(c) COTTON.—Section 103A(c)(1) of the Agricultural Act of 1949 (as added by section 501 of the Food Security Act of 1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (G))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (G)).''; and

(3) by striking out subparagraph (G) and inserting it lieu thereof the following new subparagraph:

"(G)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(d) RICE.—Section 101A(c)(1) of the Agricultural Act of 1949 (as added by section 601 of the Food Security Act of 1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (G))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (G)).''; and

(3) by striking out subparagraph (G) and inserting in lieu thereof the following new subparagraph:

"(G)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to con-

servation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(e) APPLICATION.—In the case of the 1986 crops of wheat, feed grains, upland cotton, and rice, the amendments made by this section shall not apply to any producer who demonstrates to the satisfaction of the Secretary of Agriculture that the producer, before February 26, 1986, planted or contracted to plant for the 1986 crop year a portion of the permitted acreage of the producer to any agricultural commodity other than wheat, feed grains, upland cotton, extra long staple cotton, rice, or soybeans.

SEC. 3. FARM PROGRAM PAYMENT YIELDS.

(a) ESTABLISHED PRICE PAYMENTS FOR 1986 AND 1987 CROP YEARS.—Section 506(b) of the Agricultural Act of 1949 (as added by section 1031 of the Food Security Act of 1985) is amended—

(1) in paragraph (1), by striking out "paragraph (2)" and inserting in lieu thereof "paragraphs (2) and (3)";

(2) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively; and

(3) by inserting after paragraph (1) the following new paragraph:

"(2)(A) In the case of the 1986 crop year for a commodity, if the farm program payment yield for a farm is reduced more than 3 percent below the farm program payment yield for the 1985 crop year, the Secretary shall make available to producers established price payments for the commodity (in the form of commodities owned by the Commodity Credit Corporation) in such amount as the Secretary determines is necessary to provide the same total return to producers as if the farm program payment yield had not been reduced more than 3 percent below the farm program payment yield for the 1985 crop year.

"(B) In the case of the 1987 crop year for a commodity, if the farm program payment yield for a farm is reduced more than 5 percent below the farm program payment yield for the 1985 crop year, the Secretary shall make available to producers established price payments for the commodity (in the form of commodities owned by the Commodity Credit Corporation) in such amount as the Secretary determines is necessary to provide the same total return to producers as if the farm program payment yield had not been reduced more than 5 percent below the farm program payment yield for the 1985 crop year.".

(b) FARM PROGRAM PAYMENT YIELDS FOR 1988 AND SUBSEQUENT CROP YEARS.—Section 506(c)(1) of the Agricultural Act of 1949 is amended by adding at the end thereof the following new sentence: "Notwithstanding any other provision of this paragraph, for purposes of establishing a farm program payment yield for any program crop for any farm for the 1988 and subsequent crop years, the farm program payment yield for the 1986 crop year may not be reduced more than 10 percent below the farm program payment yield for the farm for the 1985 crop year.".

SEC. 4. SPECIAL ASSISTANT FOR AGRICULTURAL TRADE AND FOOD ASSISTANCE.

(a) CHANGE OF TITLE.—(1) Section 1113 of the Food Security Act of 1985 is amended—

(A) in the caption, by striking out "FOOD AID" and inserting in lieu thereof "FOOD ASSISTANCE"; and

(B) in subsection (a), by striking out "Food Aid" and inserting in lieu thereof "Food Assistance".

(2) The table of contents in section 2 of such Act is amended by striking out "Food Aid" in the item relating to section 1113 and inserting in lieu thereof "Food Assistance".

(b) APPOINTMENT OF INITIAL SPECIAL ASSISTANT.—Section 1113(a) of such Act is amended by adding at the end thereof the following new sentence: "The President shall appoint the initial Special Assistant not later than May 1, 1986.".

(c) REMOVAL OF LEVEL I CLASSIFICATION.—Section 5312 of title 5, United States Code, as amended by section 1113(d) of the Food Security Act of 1985, is amended by striking out the item relating to:

"Special Assistant for Agricultural Trade and Food Aid.".

(d) COMPENSATION FOR THE SPECIAL ASSISTANT.—Section 1113(d) of the Food Security Act of 1985 is amended to read as follows:

"(d) Compensation for the Special Assistant shall be fixed by the President at an annual rate of basic pay of not less than the rate applicable to positions in level III of the Executive Schedule.".

SEC. 5. TARGETED EXPORT ASSISTANCE.

Section 1124 of the Food Security Act of 1985 is amended by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) for export activities authorized to be carried out by the Secretary of Agriculture or the Commodity Credit Corporation, in addition to any funds or commodities otherwise required under this Act to be used for such activities—

"(1) for each of the fiscal years ending September 30, 1986, through September 30, 1988, the Secretary shall use under this section not less than $110,000,000 of funds of, or commodities owned by, the Corporation; and

"(2) for each of the fiscal years ending September 30, 1989, and September 30, 1990, the Secretary shall use under this section not less than $325,000,000 of funds of, or commodities owned by, the Corporation.".

SEC. 6. DEVELOPMENT AND EXPANSION OF MARKETS FOR UNITED STATES AGRICULTURAL COMMODITIES.

Subsection (i) of section 1127 of the Food Security Act of 1985 is amended to read as follows:

"(i) During the period beginning October 1, 1985, and ending September 30, 1988, the Secretary shall use agricultural commodities and the products thereof referred to in subsection (a) to carry out this section, except that the value of the commodities and products may not be less than $1,000,000,000, nor more than $1,500,000,000. To the maximum extent practicable, such commodities shall be used in equal amounts during each of the years in such period.".

SEC. 7. HAY AND GRAZING ON DIVERTED WHEAT AND FEED GRAIN ACREAGE.

(a) WHEAT.—Subparagraph (C) of section 107D(f)(4) of the Agricultural Act of 1949 (as added by section 308 of the Food Security Act of 1985) is amended to read as follows:

"(C)(i) Except as provided in clause (ii), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage diverted from production by participating producers in such State to be devoted to—

"(I) hay and grazing during not less than 5 of the principal growing months (as established for a State by the State committee), in the case of the 1986 crop of wheat; and

"(II) grazing, in the case of each of the 1987 through 1990 crops of wheat.

"(ii) In the case of each of the 1987 through 1990 crops of wheat, grazing shall not be permitted for any crop of wheat under clause (i)(II) during any 5-consecutive-month period that is established for such crop for a State by the State committee established under section 8(b) of such Act.".

(b) FEED GRAINS.—Subparagraph (C) of section 105C(f)(4) of the Agricultural Act of 1949 (as added by section 401 of the Food Security Act of 1985) is amended to read as follows:

"(C)(i) Except as provided in clause (ii), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage diverted from production by participating producers in such State to be devoted to—

"(I) hay and grazing during not less than 5 of the principal growing months (as established for a State by the State committee), in the case of the 1986 crop of feed grains; and

"(II) grazing, in the case of each of the 1987 through 1990 crops of feed grains.

"(ii) In the case of each of the 1987 through 1990 crops of feed grains, grazing shall not be permitted for any crop of feed grains under clause (i)(II) during any 5-consecutive-month period that is established

for such crop for a State by the State committee established under section 8(b) of such Act.".

SEC. 8. PROTECTION OF BASE ON NONPROGRAM CROP ACREAGE.

Section 504(b)(2) of the Agricultural Act of 1949 (as added by section 1031 of the Food Security Act of 1985) is amended—

(1) by redesignating clause (D) as clause (E); and

(2) by striking out clause (C) and inserting in lieu thereof the following new clauses:

"(C) acreage in an amount equal to the difference between the permitted acreage for a program crop and the acreage planted to the crop, if the acreage considered to be planted is devoted to conservation uses or the production of commodities permitted under section 107D(c)(1)(K), 105C(c)(1)(I), 103A(c)(1)(G), or 101A(c)(1)(G), as the case may be;

"(D) in the case of each of the 1986 through 1989 crop years, acreage in an amount equal to not to exceed 50 percent of the permitted acreage for a program crop for each of the 1986 and 1987 crop years, 35 percent of the permitted acreage for the 1988 crop year, and 20 percent of the permitted acreage for the 1989 crop year, if—

"(i) the acreage considered to be planted is planted to a crop, other than a program crop, peanuts, soybeans, extra long staple cotton, or commodities specified in clause (C);

"(ii) the producers on the farm plant for harvest to the program crop at least 50 percent of the permitted acreage for such crop; and

"(iii) payments are not received by producers under 107D(c)(1)(C), 105C(c)(1)(B), 103A(c)(1)(B), or 101A(c)(1)(B), as the case may be; and".

SEC. 9. MARKETWIDE SERVICE PAYMENTS.

(a) HEARING.—Not later than 90 days after receipt of a proposal to amend a milk marketing order in accordance with section 8c(5)(J) of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 608c(5)(J)) (as added by section 133 of the Food Security Act of 1985), the Secretary of Agriculture shall conduct a hearing on the proposal.

(b) IMPLEMENTATION.—Not later than 120 days after a hearing is conducted under subsection (a), the Secretary shall implement, in accordance with the Agricultural Adjustment Act, a marketwide service payment program under section 8c(5)(J) of such Act that meets the requirements of such Act.

SEC. 10. INCREASED MILK ASSESSMENTS TO MEET DEFICIT REDUCTION REQUIREMENTS.

Effective March 1, 1986, section 201(d)(2) of the Agricultural Act of 1949 (as amended by section 101(a) of the Food Security Act of 1985 (Public Law 99-198) is amended—

(1) in subparagraph (B), by striking out "The" and inserting in lieu thereof "Except as provided in subparagraph (E), the"; and

(2) by adding at the end thereof the following new subparagraph:

"(E)(i) In lieu of any reductions in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, required under the order issued by the President on February 1, 1986, under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), the Secretary shall increase the amount of the reduction required under subparagraph (A) during the period beginning April 1, 1986, and ending September 30, 1986, as the sole means of meeting any reductions required under the order in payments made by the Secretary for the purchase of milk and the products of milk under this subsection.

"(ii) The aggregate amount of any increased reduction under clause (i) shall be equal, to the extent practicable, to the aggregate amount of the reduction that would otherwise be required under the order referred to in clause (i) in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, except that the amount of any increased reduction under clause (i) may not exceed 12 cents per hundredweight of milk marketed.".

SEC. 11. RESEARCH ON EXTERNAL COMBUSTION ENGINE.

Section 4(m) of the Commodity Credit Corporation Charter Act is amended by adding at the end thereof a new sentence as follows: "Notwithstanding any other provision of this Act, the Corporation may, in the exercise of its power to remove and dispose of surplus agricultural commodities, export, or cause to be exported, not to exceed such amounts of commodities owned by the Corporation as will enable the Corporation to finance research and development of external combustion engines using fuel other than that derived from petroleum and petroleum products. The total value of commodities exported annually for the purposes of the research authorized by the preceding sentence may not exceed $30,000,000.".

SEC. 12. QUALITY CONTROL STUDIES UNDER THE FOOD STAMP PROGRAM.

Section 1538 of the Food Security Act of 1985 is amended—

(1) in subsection (a)(3), by striking out "of enactment of this Act" and inserting in lieu thereof "the Secretary and the National Academy of Sciences enter into the contract required under paragraph (2)";

(2) In subsection (c)(1), by striking out "18 months after the date of enactment of this Act" and inserting in lieu thereof "6 months after the date on which the results of both studies required under subsection (a)(3) have been reported"; and

(3) in subsection (c)(2), by striking out "2 years after the date of enactment of this Act" and inserting in lieu thereof "6 months after the date on which the results of both studies required under subsection (a)(3) have been reported,".

SEC. 13. ADVANCE RECOURSE LOANS.

(a) It is the sense of the Congress that the Secretary of Agriculture shall carry out a program authorized by section 424 of the Agricultural Act of 1949. Such program shall provide for the following:

(1) Advance recourse loans shall be made available only to those producers of a commodity who are unable to obtain sufficient credit elsewhere to finance the production of the 1986 crop of that commodity, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes (as determined by the Secretary) in the community in or near which the applicant resides. A producer who has received a commitment or been furnished sufficient credit or a loan for production of the 1986 crop of a commodity shall not be eligible for an advance recourse loan to finance the production of that commodity for such crop year.

(2) Advance recourse loans shall be made available to producers of a commodity at the applicable nonrecourse loan rate for the commodity (as determined by the Secretary). Within the limits set out in paragraphs (5) and (7), advance recourse loans shall be available—

(A) to producers of wheat, feed grains, cotton, and rice who agree to participate in the program announced for the commodity on an amount of the commodity equal to one-half of the farm program yield for the commodity multiplied by the farm program acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary;

(B) to producers of tobacco and peanuts who are on a farm for which a marketing quota or poundage quota has been established on an amount of the commodity equal to one-half of the farm marketing quota or poundage quota for the commodity, as determined by the Secretary; and

(C) to producers of other commodities on an amount of the commodity equal to one-half of the farm yield for the commodity multiplied by the farm acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary.

(3) An advance recourse loan under section 424 shall come due at such time immediately following harvest as the Secretary determines appropriate. Each loan contract entered into under section 424 shall specify the date on which the loan is to come due.

(4)(A) The Secretary shall establish procedures, when practicable, under which a producer, simultaneously with repayment of his recourse loan, may obtain a nonrecourse loan on his crop (as otherwise provided for in the Agricultural Act of 1949) in an amount sufficient to repay his recourse loan.

(B) In cases in which nonrecourse loans under such Act are not normally made available directly to producers, the Secretary shall establish procedures under which a producer may repay a recourse loan at the same time the producer receives advances or other payment from the producer's disposition of his crop.

(5) Advance recourse loans shall be made available as needed solely to cover costs involved in the production of the 1986 crop that are incurred or are outstanding on or after the date of enactment of this section.

(6) To obtain an advance recourse loan, the producer on a farm must—

(A) provide as security for the loan a first lien on the crop covered by the loan or provide such other security as may be available to the producer and determined by the Secretary to be adequate to protect the Government's interests; and

(B) obtain multiperil crop insurance, if available, to protect the crop that serves as security for the loan.

If a producer does not have multiperil crop insurance and is located in a county in which the signup period for multiperil crop insurance has expired, the producer shall be required to obtain other crop insurance, if available.

(7) The total amount in advance recourse loans that may be made to a producer under section 424 may not exceed $50,000.

(8) An advance recourse loan may be made available only to a producer who agrees to comply with such other terms and conditions determined appropriate by the Secretary and consistent with the provisions of section 424.

(b) The Secretary shall carry out the program provided for under section 424 through the Commodity Credit Corporation, using the services of the Agricultural Stabilization and Conservation Service and

the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) to make determinations of eligibility with respect to the credit test under subsection (a)(1), and determinations as to the sufficiency of security under subsection (a)(6). The Secretary may use such committees for such other purposes as the Secretary determines appropriate in carrying out section 424.

(c) It is further the sense of Congress that the Secretary of Agriculture shall issue or, as appropriate, amend regulations to implement the program provided for under section 424 as soon as practicable, but not later than 15 days after the date of enactment of this Act. Loans and other assistance provided under such program shall be made available beginning on the date such regulations are issued or amended.

SEC. 14. TRANSFER OF AGRICULTURAL PRODUCTS STORED IN WAREHOUSES.

Section 17 of the United States Warehouse Act (7 U.S.C. 259) is amended—

(1) by striking out "That" and inserting in lieu thereof "(a) Except as provided in subsection (b),"; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) Notwithstanding any other provision of this Act, if a warehouseman because of a temporary shortage lacks sufficient space to store the agricultural products of all depositors in a licensed warehouse, the warehouseman may, in accordance with regulations issued by the Secretary of Agriculture and subject to such terms and conditions as the Secretary may prescribe, transfer stored agricultural products for which receipts have been issued out of such warehouse to another licensed warehouse for continued storage.

"(2) The warehouseman of a licensed warehouse to which agricultural products have been transferred under paragraph (1) shall deliver to the rightful owner of such products, on request, at the licensed warehouse where first deposited, such products in the amount, and of the kind, quality, and grade, called for by the receipts or other evidence of storage of such owner.".

SEC. 15. PLAN FOR THE USE OF AFRICA FAMINE RELIEF.

Title II of the Act of April 4, 1985, entitled "An Act Making supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes", Public Law 99-10, is amended by striking out "the Administrator" and all that follows through "Africa." and inserting in lieu thereof the following: "the President certifies that the use of such funds is essential to famine relief in Africa. The Administrator of the Agency for International Development shall prepare and submit to Congress before April 15, 1986, a plan specifying how such additional funds for African famine relief would be used. The plan shall ensure, among other things, that the funds from the reserve, if utilized, shall be available to cover all costs for inland transportation of food only as are necessary for its timely delivery.".

SEC. 16. ESTIMATION OF COMMODITY CREDIT CORPORATION UNCOMMITTED STOCK.

Section 416(b)(10)(B) of the Agricultural Act of 1949 is amended—

(1) by inserting before the period at the end of the second sentence the following: "or, in the case of fiscal year 1986, prior to March 31, 1986"; and

(2) by inserting before the period at the end of the third sentence the following: "or, in the case of fiscal year 1986, March 31, 1986.

Amend the title so as to read: "An Act entitled: The Food Security Improvement Act of 1986.".

Mr. DE LA GARZA. Mr. Chairman, I designate the gentleman from Massachusetts [Mr. FRANK] to offer the amendment authorized under the unanimous-consent request.

AMENDMENT OFFERED BY MR. FRANK

Mr. FRANK. Mr. Chairman, I offer the amendment referred to in the unanimous-consent request.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. FRANK: Mr. FRANK moves to amend the Senate amendment on pages 18 and 19 by striking section 9 and section 10.

Mr. FRANK. Mr. Chairman, for purposes of dividing time, I yield to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, I divide the time allotted to me equally with my distinguished colleague, the gentleman from Illinois [Mr. MADIGAN].

Mr. MADIGAN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 30 minutes, and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 30 minutes.

PARLIAMENTARY INQUIRY

Mr. FRANK. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. FRANK. Mr. Chairman, my understanding was that I have 30 minutes, the gentleman from Texas has 15, and the gentleman from Illinois 15. That was my understanding from the gentleman from Texas, that 30 minutes was to go to the designee of the gentleman from Texas.

The CHAIRMAN. The gentleman from Massachusetts [Mr. FRANK] has 15 minutes, and the gentleman from Texas [Mr. DE LA GARZA] has 15 minutes.

Is the gentleman from Illinois [Mr. MADIGAN] opposed to the amendment?

Mr. MADIGAN. I am, Mr. Chairman.

The CHAIRMAN. The gentleman from Illinois then is recognized for 30 minutes.

Mr. FRANK. Mr. Chairman, my understanding is that it is 1 hour to be divided equally. I am the only proponent of my amendment now on my feet, although I hope reinforcements are in the process of arriving, so I would think I would be entitled to 30 minutes, and the other gentlemen can divide the 30 between them.

The CHAIRMAN. The gentleman is correct. If he is the only person in favor of the amendment, the gentleman is correct.

Mr. FRANK. At this time, Mr. Chairman.

The CHAIRMAN. The gentleman from Massachusetts is entitled to 30 minutes.

Is the gentleman from Texas [Mr. DE LA GARZA] opposed to the amendment?

Mr. DE LA GARZA. I am, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas will be recognized for 30 minutes.

Mr. DE LA GARZA. Mr. Chairman, I would divide my time equally with the gentleman from Illinois, or should the gentleman from Illinois request——

The CHAIRMAN. The gentleman from Illinois [Mr. MADIGAN] will be recognized for 15 minutes and the gentleman from Massachusetts [Mr. FRANK] will be recognized for 30 minutes.

Mr. DE LA GARZA. Mr. Chairman, I would ask the gentleman from Illinois if he would prefer to divide in any other manner? I am amenable. I have no preference.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, it seems like we have just proposed a procedure by which the majority side will control two-thirds of the time. Was that the intention of the unanimous-consent request?

Mr. DE LA GARZA. No, but that the author of the amendment happens to be in the majority, no majority-minority, but he is the one that offered the amendment.

Mr. FRANK. Mr. Chairman, will the gentleman from Texas yield?

Mr. DE LA GARZA. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, first, I would say, on matters of agriculture some of us sometimes have difficulty differentiating the committee majority from the committee minority. I certainly would look forward to sharing much of my time with Members on the other side.

I have already spoken, in fact, to the gentleman from Pennsylvania [Mr. WALKER] on the subject. I intend to make much of my time available to Members on the other side. If the gentleman from Illinois has any such request for Members in support of my amendment, I will be glad to accommodate them.

Mr. MADIGAN. Oh, I am not going to belabor it, if the gentleman will yield further. That was my parliamentary inquiry awhile ago when the gentleman interrupted me and I never got a chance to make the inquiry; but as I say, I am not going to pursue it. In fact, if the gentleman from Texas

wants to control all the time in opposition, it is perfectly all right with me.

Mr. DE LA GARZA. This gentleman would be happy to allow the gentleman from Illinois to control all the time.

Mr. MADIGAN. It seems like Calhoun does not want the ball, Mr. Chairman.

Mr. DE LA GARZA. Why not just divide it equally, Mr. Chairman.

The CHAIRMAN. The gentleman from Massachusetts [Mr. FRANK] is recognized.

Mr. FRANK. Mr. Chairman, I yield myself such time as I may consume.

There are two aspects of this. The gentleman from Virginia will address section 9 involving marketing orders. The part I am going to talk about now deals with section 10. Section 10 is a provision which we talked about last week and again earlier today. Many Members are familiar with it.

Gramm-Rudman requires that subsidy payments that go to dairy farmers be reduced as of March 1 by 4.3 percent, just as other domestic programs that were not on the exempt list.

The dairy farmers do not like that. They do not like it in part because of the remarks made by the very able gentleman from Vermont [Mr. JEFFORDS], the great authority on dairy.

In the CONGRESSIONAL RECORD for February 27 on page H 726, he says that if we follow what Gramm-Rudman now says—and let me make this clear. My position is that for dairy, Gramm-Rudman ought to stay the way it is written. If and when we begin to make Gramm-Rudman exceptions, it seems to me we ought not just to single out dairy.

People on the other side in the Senate and in the Senate bill before us want to give an exemption to dairy from Gramm-Rudman. Instead of reducing the subsidy paid to the farmers, they want to raise the amount paid into the Treasury by all dairy farmers.

It seems very like a tax to me, because dairy farmers have to pay this if they want to be dairy farmers, whether or not they are program recipients under this program. Any economist would define this as an excise tax on your ability to dairy farm.

Now, if we do it the way the bill now calls for, the way people in the Agriculture Committee want, you will be adding to the cost of doing dairy business. You will put an extra assessment on that every dairy farmer will have.

You will add to the cost of doing business and that will tend to push up the price. That is certainly the view of the consumer organizations which support my amendment and of the people who are in the dairy food processing business.

Generally it is usually accepted, particularly on the other side, that if you increase the tax on something, you tend to increase its price. We understand that.

On the other hand, if you lower the subsidy the Government pays, you tend to reduce the price.

And here is what the gentleman from Vermont [Mr. JEFFORDS] said:

> Obviously, when you sell to the government, you get that much less.

That is what would happen if we do not change the law.

> The buyer next door who is not the government says——

I quote the gentleman from Vermont here—

> The buyer next door who is not the government says, "Well, there is no sense in us offering any more than the government is paying," and that is the way the system works. The processors next door offer a lesser amount of money and then all dairy farmers lose that money.

That is true. A drop in the subsidy price tends to put a downward price, a downward push on the market price. An increase in the assessment would raise the cost.

Now, peculiarly, as with other agricultural commodities, we will hear many free market conservatives come up here and say that the laws of economics to not apply to agriculture, for various and sundry reasons.

Like it or not, they do.

The question is this. Should we give agricultural dairy farmers an exemption from Gramm-Rudman? Should we say that with regard to them we will not drop the Government payments that they receive. Instead, we will raise the tax.

I would anticipate great support on the other side, because the President has said that he is opposed to meeting the Gramm-Rudman targets by raising taxes as opposed to cutting expenditures.

Incontrovertibly, that is what will be done if my amendment is not adopted. Instead of cutting the amount that is paid out to the recipients under the program we will raise the tax that everyone had to pay for the privilege of being a dairy farmer. It will be a special Gramm-Rudman exemption for that one group. It will set the precedent of raising the Government's revenue, rather than cutting the expenditures, and it will have a negative effect on the consumer, not on a 1-to-1 basis, because markets do not work that way, but you will substitute a measure which tends to have a downward pressure on the consumer price for a measure that will tend to have an upward pressure on the consumer price.

So I hope the amendment is adopted.

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

Mr. DE LA GARZA. Mr. Chairman, I yield 5 minutes to our colleague, the gentleman from Vermont [Mr. JEFFORDS].

Mr. JEFFORDS. Mr. Chairman, I have spent a considerable length of time over the past week talking to this body and informing my colleagues about the importance of this bill. I am not going to take an inordinate amount of time today.

I would hope and believe, of course, that everyone has paid attention to what I have said; but on the possibility that this has not been the case, I will refresh everyone's memory.

We are not dealing here with dairy policy. We are not trying to exempt dairy farmers from Gramm-Rudman. We are dealing with how we should comply with Gramm-Rudman. We are dealing with what is the most efficient and effective way—with the least damage to those people that will be affected—to collect the money which is necessary to meet the impact of Gramm-Rudman. That is what this debate is all about and it is as simple as that—no more, no less.

What happened is very simply this. In the farm bill, it was decided that the best way to meet the Gramm-Rudman budgets would be through a 10-cent assessment upon all the dairy producers in the country.

Now, the ramifications of that are to raise the amount of money that is available, approximately $80 million for dairy's share.

Unfortunately, although the Gramm-Rudman provisions were only designed to take care of corn, wheat, and other crops, the legal experts said that these provisions, for some reason or other, affected dairy as well because they were specific and the provision to instead, allow an increase in the dairy assessment was a general provision. Therefore, the legal experts required that the Department utilize the provisions aimed at wheat and corn in making reductions to dairy.

The ramifications are radically different. Under one scenario you have an effect of 10 cents and all the producers will pay. On the other, the net effect is a 55-cent price cut.

The difference to dairy farmers is some $300 million in lost income, which does not go to the taxpayers, does not go to reduce the deficit, but goes, and all the facts will show later, goes to the processors, the middlemen and the retailers. It will not result in any decrease to the price to consumers.

Let us take a look at the chart here just a moment. What the chart shows graphically is that, with a 10-cent assessment, $80 million is collected from farmers and every penny of that money goes into the Federal Treasury to reduce fare deficit.

If you go with the other alternative, the farmers kick in somewhere between $50 million and $80 million to the Treasury and they lose somewhere around $350 million.

No one in their right mind would choose to unnecessarily reduce farm income without any benefit to the consumer or to the Treasury.

Now, if we will move on to the next chart very briefly, I will show you the farm provisions that were designed to meet the Gramm-Rudman targets in a responsible manner.

I would point out right here that the net effect of what the gentleman from Massachusetts would like to do is to have almost a dollar price cut—bang—right now, this spring. Never has he or the gentleman from Virginia ever suggested that what we ought to have is a dollar cut in the price support to the farmers of this country. No one would ever, in any kind of compassion or logic, suggest that.

Well, let us take a look at the chart again. The current farm law is the green line. You can see it dips down.

In the other column is farm income. It was at the break-even point before the farm bill. It is on its way down, and depending on which route you go, it is going to be a negative cash situation, or a negative income situation.

The blue line is what would happen if you put the assessment on. It will dip a little bit more sharply, but it will still be a reasonable cut, even though the average farm will be in a negative situation, and the red line is what will happen if you pass the gentleman's amendment. We will have farmer's income dipping way down and tens of thousands of dairy farmers going out of business unnecessarily and prematurely.

Now, with the final chart I will try to answer as best I can the argument of the gentleman from Massachusetts that somehow we are going to affect the consumers. I would like you to take a look at this. I would like to remind you that dairy farmers, more than any other business in this country, have been trying to help reduce prices. They have taken a 12-percent cut over the past couple of years in what they get for their products, and look what has happened to consumer prices.

Now, the gentleman from Massachusetts would say that, by gosh, the consumers should have had that passed on to them.

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All right, let us take a look. Let us look at the dairy price support, which has gone down 12 percent since 1981. You will see that during that period of time when the farmers have been getting less money, ice cream has gone up 22 percent, cheese has gone up 17 percent, butter has gone up 8 percent, and whole milk has gone up 6 percent.

That is the answer. It will not help the consumer.

Vote for a stable order here.

Mr. FRANK. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, I do not rise to speak to the merits of the amendment. Rather, I rise to note a jurisdictional concern of the Committee on Ways and Means.

This Senate provision which the amendment before you would strike expands a provision in the Food Security Act of 1985 which requires the Secretary of Agriculture to reduce the price received by producers of milk marketed for commercial use if a milk diversion program is in effect. The difference in the reduced price and the sales price would be remitted to the Commodity Credit Corporation by the purchaser of the milk or, in the case of a direct sale to consumers, withheld by the producer and remitted to the Commodity Credit Corporation.

The Senate bill would expand this dairy revenue provision of the Food Security Act. That bill would allow the Secretary of Agriculture to increase the portion of the price which is paid to the Commodity Credit Corporation in an amount which would fully replace any price cuts otherwise required under the Gramm-Rudman legislation. This additional revenue is estimated to raise $80 million during the 6 months the higher Commodity Credit Corporation payment is in effect.

Mr. Chairman, in my opinion this Senate provision imposes a cost upon the first purchasers of milk that is in essence an excise tax on the purchase of milk.

As a revenue measure this is a matter which falls within the jurisdiction of the Committee on Ways and Means pursuant to rule X of the House.

In light of the perceived need to proceed with this matter in an expeditious manner, the chairman of the Committee on Ways and Means has not pressed his committee's jurisdictional concern and did not request for sequential referral of H.R. 4188, legislation identical to this Senate provision, when it was reported by the Committee on Agriculture.

It is my intention today to give the full House membership notice that the Committee on Ways and Means does not intend to waive its jurisdiction on similar revenue measures in the future. It is my understanding that the Committee on Ways and Means will request referral of revenue measures that are similar to this provision of the Senate bill.

Mr. Chairman, I wish to emphasize that the concern I am raising here is not merely a concern from the jurisdictional perspective of the Committee on Ways and Means but also a concern from the constitutional perspective of the House of Representatives to preserve its prerogatives under article I, section 7, to originate revenue legislation.

Mr. Chairman, I submit the letters exchanged between the chairmen of the Committees on Agriculture and Ways and Means regarding H.R. 4188 to be included in the RECORD at this point.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, DC, February 26, 1986.

Hon. E (KIKA) DE LA GARZA,
Chairman, Committee on Agriculture, Longworth Building, Washington, DC.

DEAR MR. CHAIRMAN: I write you regarding jurisdictional concerns that I have with H.R. 4188, as favorably reported by the Committee on Agriculture. It is my understanding that a provision of H.R. 4188 would expand a revenue provision in H.R. 2100, the Food Security Act of 1985 (P.L. 99-198), about which you and I exchanged letters last year. I have enclosed copies of that earlier correspondence for your information.

The Food Security Act requires the Secretary of Agriculture to reduce the price received by producers of milk marketed for commercial use during fiscal years 1986 through 1990 if a milk diversion program is in effect. The difference in the reduced price and the sales price would be remitted to the Commodity Credit Corporation (CCC) by the purchaser of the milk or, in the case of a direct sale to consumers, withheld by the producer and remitted to the CCC. The amount to be paid over to the CCC under this provision is 40 cents per hundredweight of milk for fiscal year 1986.

As I stated in my letter to you of July 16, 1985, the Food Security Act imposes a cost upon first purchasers of milk that is the equivalent of an excise tax imposed at that point in the flow of milk from producers to ultimate consumers. As you know, the Rules of the House of Representatives provide that the Committee on Ways and Means has jurisdiction over revenue measures generally. This jurisdiction extends to fees, charges, and other revenue measures as well as explicit taxes.

Because the schedule of the Committee on Ways and Means was extremely crowded with tax reform legislation during the latter part of 1985 and because the Committee did not wish to delay the extremely important farm bill, this Committee agreed not to seek a sequential referral of H.R. 2100 at that time.

However, it has come to my attention that in H.R. 4188 the Committee on Agriculture has expanded the dairy revenue provision. H.R. 4188 would allow the Secretary of Agriculture to increase the portion of the price which is paid to the CCC in an amount which would fully replace any price cuts which would otherwise be required under the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177). This additional revenue is estimated to raise $80 million during the 6 months the higher CCC payment is in effect.

Once again I understand your need to move quickly on legislation that would override reductions required beginning March 1, 1986, under the Balanced Budget and Emergency Deficit Control Act of 1985. However, I am seriously concerned from a jurisdictional standpoint with the expansion of this revenue measure.

If the Committee on Ways and Means refrains from requesting a sequential referral in the interest of not frustrating the Agri-

culture Committee's desire to expedite House consideration of H.R. 4188 prior to March 1, it would be my request that you, as Chairman of the Committee on Agriculture, acknowledge the jurisdictional concerns of this Committee and agree that the deferral of such a request on the part of the Committee on Ways and Means under these circumstances would not be viewed as precedential in the event efforts are made to extend or enlarge this provision again or to initiate any similar provision in the future.

Thank you for your consideration of this important matter.

Sincerely yours,

DAN ROSTENKOWSKI,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, DC, February 26, 1986.

Hon. DAN ROSTENKOWSKI,
Chairman, Ways and Means Committee, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This refers to your letter expressing your jurisdictional interest in H.R. 4188, as favorably reported by the Committee on Agriculture. Specifically, your letter addresses the provision in H.R. 4188 requiring the Secretary of Agriculture to increase the reduction in the price received by producers of milk already being implemented as part of the dairy program under the Food Security Act of 1985.

The increase, which will be in effect only for the six-month period ending September 30, 1986, is designed to enable the Department of Agriculture to meet its outlay reduction obligations under the Balanced Budget and Emergency Deficit Control Act of 1985 as it applies to the dairy program. The bill is consistent with the overall agreement on dairy policy embodied in the Food Security Act of 1985. It was anticipated at that time that the required budget deficit reductions applicable to the dairy program under the then recently-enacted Balanced Budget and Emergency Deficit Control Act of 1985 would be achieved through such an adjustment of the price reduction mechanism contained in the Food Security Act; and H.R. 4188 will enable the Department of Agriculture to fulfill that aspect of the compromise on the dairy program.

We acknowledge your jurisdictional concerns relating to this bill. While we may differ as to the essential nature of the milk price reduction mechanism, we do, of course, recognize your concerns arising out of your jurisdiction over revenue measures generally. Further, we agree with you that forebearance by the Committee on Ways and Means on sequential referral of H.R. 4188 should not be viewed as precedential with respect to future legislation.

We appreciate the continuing cooperation of your Committee and its staff in matters of mutual interest. We assure you that, on the part of the Committee on Agriculture, that cooperation will continue.

With warm regards,

Sincerely,

E. (KIKA) DE LA GARZA,
Chairman.

Mr. MADIGAN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise against this Frank anticonsumer amendment, and it is an anticonsumer amendment, ladies and gentleman, because you have to ask yourself: Why do you have milk price supports in the first place? The reason you have them is to prevent monopolies from taking over in this country and putting every small farmer in America out of business.

I represent the Hudson Valley from West Point all the way to Lake Placid in the Hudson Valley of New York State, and they are all dairy farmers. The average herd runs 50 head per farm.

You take away milk price supports and you put them all of out of business, and you put all of these large consortiums throughout the United States in business. And then, I say to the gentleman from Massachusetts, Mr. FRANK, watch the price of milk skyrocket.

The gentleman calls this a consumer amendment?

Let me just say Gramm-Rudman means to all of us that we either raise taxes in order to meet the budget reductions or we cut spending to meet those deficit reductions or some combination of both. I went back to my farmers and I asked them what should we do. Like they always do, like they have always done throughout the history of this country, they said we are willing to pay our share. So yes, they will go along with a 10-cent increase.

And you know something, you have to take off your hat to those people. They are having a rough time of it today. Our farmers in the Northeast do not even contribute to this overproduction. We are at a break-even point. We produce enough milk in New York State to feed our people, 18 million of them. Yet we constantly are asked to make up for the problems of other people, and we do it gladly.

Now I am going to watch very carefully because I have stood up here when you have had problems, even in New York City. Where are you, you New York City Congressmen?

Mr. Chairman, may I have 1 additional minute?

Mr. JEFFORDS. Mr. Chairman, I am happy to yield the gentleman 1 additional minute.

Mr. SOLOMON. I want to tell my colleagues from New York City that I have stood up here and supported you when you needed additional money, when you were desperate. I am going to tell all of you from Philadelphia, Chicago, and Los Angeles, and all over America, you urban Congressmen, if you want some help, you watch carefully. We are not trying to bust Gramm-Rudman. We are going along with it because we are not raising taxes, we are not cutting spending. We are coming up with a revenue not out of the pocket of the Government, but out of our pockets, the farmers of America, and that is the way we are going to do it.

Let me see you bring a mass transit bill before this House, and if you do not raise your subway fares by 10 cents, then I am going to raise the dickens with you on this floor. You had better support the defeat of the Frank amendment.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I am glad to yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I just want to say to those who are persuaded by the gentleman that the dairy farmers are supporting this change in Gramm-Rudman out of their concern for the consumers and not because they are trying to maximize their income, I hope they will be careful of the gentleman from New York if he tries to sell them a monument.

Mr. SOLOMON. The annual wage of the farmer in my district is about $8,000. What is it in yours?

Mr. FRANK. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. OLIN].

Mr. OLIN. Mr. Chairman, I thank the gentleman for yielding me this time.

I will say to the gentleman from New York who was recently in the well that it is true that the country's dairy farmers are generous. They are responsible and they are trying to do a good job, and they are doing it.

The difficulty is that the dairy farmers are producing 10 percent more milk than the country needs or can consume or use.

The other interesting thing is that we are in the sequestration part of the Gramm-Rudman, and that part of Gramm-Rudman requires that within the activities that are appropriate that the expenses of the Government be reduced.

The only expense the Government has in dairy is the cost of buying surplus dairy products from certain milk cooperatives that make manufactured products. That is the only expense the Government has. It is quite appropriate that that expense be reduced in order to meet the provisions of Gramm-Rudman, and that is what the Department of Agriculture has already implemented. And it makes sense.

The idea that this is going to wipe out the dairy industry is just not reasonable. Thirty-five of the 44 milk marketing areas of the country have had their milk differentials increased. In most of those cases, it has largely offset the effect of Gramm-Rudman, not in all areas, but in most of them. And it is a move in the direction of correcting the surplus problem that the industry has.

It does not make any sense at all to handle Gramm-Rudman by imposing a tax. The provisions are very clear.

With regard to section 9 of the Senate bill which the gentleman from Massachusetts' amendment would delete from the bill, that section of the Senate bill adds to a provision that was added in the farm bill, so for the first time, cooperatives in this country could be paid for certain milk-handling charges, so-called marketing services, providing that the Secretary of Agriculture held hearings upon request, and that as a result of those hearings, in his judgment, the requests for such payments would be needed and justified. This bill that section 9 involves would make the action by the Secretary mandatory. It would for the first time require the Secretary when he receives a request for such marketing payments, it would require him first of all in 60 days to have a hearing. It would then require him after hearing in 180 days to make an affirmative action with regard to those charges, ruling what they should be. It basically would mandate that the Secretary must approve and designate charges to certain marketing co-ops to collect from their milk receipts right off the top before calculating what the farmers were to receive.

□ 1515

The bill that we are considering here that we would like to delete would increase returns to large dairy co-ops and in turn reduce the returns to small and independent dairy farmers by lowering the blend price paid for those farmers.

It is also a considerable concern that the ramifications of this might be wider. One of the reasons that the Secretary was given discretion in this case is because this is a trial program; it has never been done before; nobody knows for sure what kind of justification will be given for these charges; nobody knows for sure how much money will be taken off the top and how much that will mean.

It was intended that the Secretary have discretion here to rule on whether the request was reasonable and needed, and since we don't know a thing about what kind of games might be played with this, it is very important that on a trial basis we have that discretion, that we not mandate that the Secretary of Agriculture accept the recommendation and put it into effect.

One of the provisions that this bill would involve in some cases would be to amend the service payments authority, which are included in the Food Security Act of 1985, and at the request of a specific, very dominant cooperative, this particular cooperative controls 70 to 90 percent of the milk supplies in its area; it already receives over the order prices money to cover its market-wide services.

There is a considerable suspicion that this cooperative and other regional giants would want to tap the pool of receipts of all dairy farmers in the various Federal order areas to serve their own corporate interests. I do not know if they would do it; or whether they could make it stick, but they would be authorized to, and the Secretary would be authorized, would be required to set their prices for this.

They could very well be seeking unlimited resources of money to pay for manufacturing plants that were bad investments and unneeded for any purpose except to sell to the Federal Government.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRANK. Mr. Chairman, I yield the gentleman an additional minute.

Mr. OLIN. I think that the provisions of the bill that the chairman of the Committee on Agriculture is proposing to this House of Representatives, except for the dairy provisions, is a good bill. The provisions are needed. They are technical amendments.

These particular two provisions: the provision with regard to milk marketing orders has never been discussed in the committee; it has never been discussed in the whole House; it was put in at the last minute; it represents new policy, untried policy and should be rejected.

The milk tax is not needed; it is contrary to the provisions of Gramm-Rudman, and it should be rejected. I urge all Members of the House to vote in favor of Mr. FRANK's amendment, get these unneeded dairy provisions out of the bill and then vote for the bill, as improved.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. I thank the chairman for yielding to me this time.

Mr. Chairman, the 1985 farm bill as it now stands will cost the 1st District of Arkansas up to $35 million. This loss will result directly from the formula contained in the new law for computing average farm yield for program payments. Yields are in effect reduced by 10 to 20 bushels per acre.

Farmers are financially trapped into signing up for farm programs because of current hard times. The drop in agriculture exports has led to domestic surpluses which have driven commodity prices down. Farm income has reached its lowest point since the early days of the Great Depression. During President Reagan's administration, average annual net farm income dropped to $8.36 billion, measured in 1967 dollars. During President Hoover's administration, average annual net farm income reached $8.2 billion, as measured in 1967 dollars.

Yet when farmers sign up for income support programs, the new law just hits them harder. Farm income will be lower this year than last year because of the 1985 farm bill.

Amending the new law is necessary to correct this inequity. I support the bill before us today. It mandates that the Secretary compensate farmers for the loss in yield and income by offering farmers payments-in-kind. However, while this action today is an improvement, it is not a remedy for a low-income farm policy.

This bill would require the Secretary to make in-kind payments available to all farmers whose yield is reduced below the 1985 level. In 1986, these payments must restore a farmers' total production level to the equivalent of 3 percent below the 1985 level and in 1987 to 5 percent below the 1985 level. This bill lessens the negative impact of the 1985 farm law but it fails to address the fundamental problem of low farm income. I support the measure, but frankly it is still not enough.

Mr. MADIGAN. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman, Members, I rise in strong opposition to the motion by the gentleman from Massachusetts [Mr. FRANK]. I would like to make three quick points that I think are very important.

First and foremost let us understand that we are talking about a technical change to Gramm-Rudman. Again, I apologize to my colleague from Virginia, but we debated the farm bill in December and we resolved that issue. Today we are talking about a technical change to Gramm-Rudman.

The reason we are here is because the way the conference report on Gramm-Rudman came out, at the same time we were drafting the farm bill so we did not know about it, but it came out defining milk or dairy as a crop. Now, there is no one in this Congress, no one in the country that would suggest that dairy is a crop; that is why we have to have this legislation in front of us.

The second thing is, we are not trying to escape from dairy's obligation to save money like every other element of the Federal Government; the dairy program is supposed to save $80 million, and I would suggest to you we are going to save at least that, if not more, if you agree with the particular legislation in front of us.

The fact is, that if you have a 55-cent price cut or you have a 10-cent assessment, you are going to come up with $80 million. That is all equal. The problem is, every dairy economist in the country will tell you a 50-cent price cut leads to a half percent increase nationally in the production of milk, which would force the Government to purchase an additional billion pounds, costing $160 million.

Therefore, instead of saving money under a price cut, you actually cost the Government money.

The third thing that I want to discuss is to all of my rural colleagues who received earlier today in the mail a telegram from the National Farm Bureau saying that they oppose increases in dairy assessment. I don't know what the National Farm Bureau office is doing, and I cannot speak for their new leadership, but I must tell you that this Farm Bureau telegram is directly contrary to the resolution passed at the National Farm Bureau convention in Janaury.

The proposed platform presented to the Farm Bureau's national convention in January called for opposition to amendments. The Wisconsin Farm Bureau president made a motion at that convention to delete opposition to assessment, and the reason he did, in his arguments which they have in their record if they will look at it, is so that if Gramm-Rudman came along, they could meet dairy's obligation through assessments. That motion to delete opposition to assessments at the Farm Bureau convention was approved overwhelmingly by the National Farm Bureau convention in January.

So, I apologize to the National Farm Bureau administrative office that has sent out this telegram; but you are not representing the wishes of the National Farm Bureau convention in the delegates assembled in January.

Therefore, I call upon all my colleagues, let us resolve this issue and get on which implementing the farm bill.

Mr. FRANK. Mr. Chairman, I yield myself 3 minutes.

First, I want to thank my friend from Wisconsin [Mr. GUNDERSON] for underlining the position of the National Farm Bureau in support of my amendment. He says it is only a technical change. The technical change happens to be one of the central principles that the President has talked about.

Instead of meeting the Gramm-Rudman target by cutting expenditures, the proponents of the position that is in the bill would meet that by raising revenues. As the gentleman from Georgia pointed out, and I think he is absolutely right, we are talking about an excise tax on dairy farmers, because every dairy farmer in America has to pay this excise whether or not he or she benefits from the program.

I want to note again the irony to me of some of the usual defenders of the free enterprise principle who have somehow lost sight of what it means in this case. I am sorry our good friend from New York [Mr. SOLOMON] is not here; he said this is a proconsumer bill because the reason we spend billions of dollars subsidizing dairy farmers is to protect the small farmer against the big ones.

Unfortunately for his argument, big dairy farmers get a lot of subsidy, too. There is not anything in the dairy program that limits the subsidy; it is one of those antimeans tested entitlements where the bigger you are the most you get.

Let us focus on what this bill does. Members on the other side of this issue from me have admitted that cutting the subsidy tends to reduce the price paid for milk. They argue that the middle man will eat it up.

Well, anytime we deal in this House with legislation that has an impact on price, we are always told by the defenders of the particular producer group that the consumer will never see it. In fact, we have seen these ingenious charts that said when the support price was $13, milk prices were such-and-such; and as the support price dropped, milk prices went up.

Well, by that logic, I suppose we should have doubled the support price, so we would have cut the milk price almost to zero.

There are not single factors that account for prices. There are a lot of things that happen, because milk has to be driven and processed, and advertised, and people pay taxes and people have wages to pay; but it is undeniable, and in every other context but this, my friends on the other side of this issue agree to it: When you reduce the price that a major purchaser pays for a product, it puts downward pressure on the price.

Again, I quote the gentleman from Vermont [Mr. JEFFORDS] who say, that when the Government pays less, other people tend to pay less, too.

I yield to the gentleman from Vermont.

Mr. JEFFORDS. Just so that we clear that up, I brought the charts out and I showed everyone that that has never happened. You said "tend to put it down," and I agree with the gentleman in the sense that it might tend to do that, but then I was cut off by, I think, the gentleman from Virginia, not the one that has been participating here, but Mr. WALKER, and I did not have a chance to finish. I finished today with the charts.

The charts show that even the price to farmers has gone down 12 percent and everything else has gone up.

□ 1525

Mr. FRANK. Mr. Chairman, I yield myself 2 minutes.

With all respect to my dear and esteemed friend, that is not true.

In the first place the gentleman was not cut off, I urge people to read the RECORD. He was having a nice colloquy with his good friend, the gentleman from Pennsylvania [Mr. WALKER] most amiably; after he concluded the gentleman from Pennsylvania took back his time.

The gentleman from Vermont said, because maybe he did not know that we were listening and maybe he did not think through the implications of it when you cut the support price, that makes other people pay less.

Now what he showed with his charts was that the ultimate price to the consumer does not track on a one-to-one basis the support price. Of course not.

The level of inflation in the economy is a factor, wages are a factor, fuel prices, of course they are; but everyone understands that one factor tends to push prices downward would be a cut in the support price and one pushing them upward would be an increase in the taxes. There simply is not any debate about this. What the gentlemen want to do, who are for the bill as written, is to say, "No, we will not save this money by paying less." They make their own argument because they say that if we do Gramm-Rudman the way it is written, it will cost the dairy farmers $350 million. That could have only happened if they agreed that the price would drop because in and of itself a 4.3-percent drop in the support price costs the dairy farmers about $80 million. How did you get the other $270 million? You are admitting when you conjure up that figure that the price paid to the dairy farmers will drop. I am not here saying people's market price ought to be driven down artificially. We have a very artificial scheme that grossly overpays what the market would pay for this product. Gramm-Rudman says reduce that by 4.3 percent as you have reduced so many other things. The proponents of the dairy farmers are saying, "No, don't do that, don't give the consumer any downward pressure. Instead raise the tax that every dairy farmer pays and give us this exception from Gramm-Rudman," and I think it is bad public policy.

Mr. MADIGAN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. COELHO].

Mr. COELHO. I thank the gentleman from Illionois.

First off I would like to tell my colleagues that I do not have any charts. Second, that I think the whole important thing to remember here is that we are trying to continue the program that was implemented in the farm bill. The decision that was made then was a philosophical decision: Do we either get the Dairy Program under control by reducing price supports or do we do it through an assessment program? That was debated, fought out here on the floor. We agreed that for the next 18 months that we would have an assessment program, reduce the cost to the taxpayers in regard to a dairy program. We are reducing the cost by $3.5

billion. The dairy farmers are paying for that themselves. And that we would not go through a price-support cut that would in effect guarantee that we would bankrupt many small dairy farmers throughout this country; that the burden of the surplus in the Dairy Program is something that has been contributed to by large and small farmers all across this country and for people to say that some dairy farmers are not part of the problem means that they do not understand the program.

Every farmer who produces milk is part of the program. We do have a surplus. It is adamantly necessary that we reduce those surpluses and we are reducing those surpluses through a general assessment throughout the country and we will bring down those surpluses and we will reduce the cost to the taxpayer. We are down now to $1.5 billion. We want to bring it down to $1.2.

That is what we should be headed toward. That is what everybody in here, when you talk about it, that is where we are ending up with the bottom line.

So I think it is important that we permit the program which we agreed to in December, that we permit it to continue to work; that it does not make any sense to have an assessment program and then to turn right around and have a price-support cut. You defeat the whole purpose of the program that we adopted in December.

So I urge my colleagues to oppose this amendment. It is contrary to the purpose of the program that was adopted in December. The gentleman from Massachusetts argued strongly at that time and he lost. I submit this is a continuation of that debate and I would urge my colleagues to vote against the amendment again.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back 2 minutes.

Mr. FRANK. Mr. Chairman, I yield myself 2 minutes.

The gentleman from California has helped make the point. What he said was, "Go on as if nothing has happened. We passed an agriculture bill and let us just let it happen." He forgot two words or maybe three: Gramm, Rudman, and you can make the third one whichever one you want, some want it to be Hollings, some want it to be something in the middle. The point is that Gramm-Rudman intervened. Now the gentleman from California voted against Gramm-Rudman. I understand that. Let us be clear where some of the drive here comes from. We have people who represent dairy areas who voted for Gramm-Rudman. The dairy farmers said, "Ho, wait a minute, we don't like this." They said, "Not you, we meant Gramm-Rudman for everybody else. We meant we would cut here in Medicare, we would cut public transportation, have a little less housing, not so much research into cancer, but you, oh, we did not mean to cut you. Instead we will raise the tax that you won't pay but we will do this in a way that will mean less pressure on the price in a downward direction, more pressure on the price in the upward direction." And the gentleman from California is correct; had Gramm-Rudman not intervened, we would not be here today. This is not an effort by those of us on the side of my amendment to deal solely with the question that we dealt with last year. The question is should there be an exemption for Gramm-Rudman? This is not a bill that we brought in. This is a bill brought in by the people who voted for Gramm-Rudman and did not like it because it affected some of their own people, not to mention the section which the gentleman from Virginia talked about, which was not Gramm-Rudman at all. The gentleman from Wisconsin said this bill is just technical amendments to Gramm-Rudman, including a subject that Gramm-Rudman never touched. But that is where we are and that is the question: Should you say that everybody else in the Federal Government gets dealt with that way but dairy farmers will be given this exemption from Gramm-Rudman which substitutes a reduction in the subsidy that they are paid and instead increases the tax that every dairy farmer has to pay? You ask yourselves, economically which would have what impact on the consumer; are you better off as a consumer in the economy if there is a downward pressure to the subsidy price being paid for a commodity being reduced, or are you better off to tax that something and increase what you are paying.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, the gentleman from Massachusetts is absolutely correct about the reason we are here today. It is correct that the people who voted for Gramm-Rudman and the people who brought us Gramm-Rudman are now recognizing that it caused some problems that it should not have caused. I agree with that. I disagree with the gentleman on his conclusion about what we ought to do about it. This is a lousy bill. It should not be here.

The farmers should not have to take either an increase in the assessment or an additional reduction in the price support in order to comply with Gramm-Rudman because under the basic farm bill they already took their cuts. They should not get a double whack.

That is what this bill is about today, that is what we ought to recognize. I simply want to say one thing: I recognize the concern that the gentleman from Massachusetts has about consumers and I share it. But the problem is that what is going to happen to dairy farmers is not going to be just a minor inconvenience, it is going to affect their lives, it is going to destroy them and this bill is not going to help that much but it will help a little, and I hope it will pass without the amendment of the gentleman.

Mr. FRANK. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Chairman, I am not going to discuss the dairy provision because I support the committee bill. I did want to say, however, that I want to let grain farmers know that this bill does provide them some protection against reduced farm income but clearly not what farmers had thought was going to be when we passed the 1985 farm bill. Grain farmers thought there was going to be a freeze in their payment so they would not suffer reduction in farm income. This Agriculture Committee passed a bill that would in fact protect the yields of farmers so there would in fact be a freeze but because of the efforts of the other body and the administration, farmers are going to have to see an additional reduction in their farm income that they did not anticipate. I think this committee chairman, Mr. DE LA GARZA, Mr. FOLEY, Mr. MADIGAN, and others did their best to protect those yield provisions but farmers should realize that they will suffer some additional reduction in their farm income through a reduction of yields largely caused by the interpretation of the bill by the administration. It is through the efforts of Mr. DE LA GARZA, Mr. FOLEY, and others that we have been able to protect them as best that we could.

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

Mr. FRANK. Mr. Chairman, I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I do this only to urge my colleagues to vote no on the Frank amendment and support the committee. We have done the best we could. Legislation is the art of the possible. That is where we are now. We think we can help all of rural America and the producers who give us this bounty in this great country of ours in this very critical moment. The legislation is a very small step in that direction, but nonetheless a step to try and assist them.

Mr. Chairman, I urge my colleagues to vote "no" and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. FRANK].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. FRANK. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 120, noes 267, answered "present" 1, not voting 46, as follows:

[Roll No. 43]

AYES—120

Anderson	Fawell	Morrison (CT)
Archer	Fields	Mrazek
Armey	Flippo	Nelson
Atkins	Frank	Nielson
Badham	Garcia	Nowak
Bartlett	Gibbons	Olin
Barton	Green	Owens
Bateman	Gregg	Packard
Bates	Guarini	Parris
Berman	Hall (OH)	Pepper
Bliley	Hendon	Rangel
Boucher	Hertel	Rinaldo
Broomfield	Hiler	Ritter
Brown (CA)	Howard	Roemer
Brown (CO)	Hunter	Rowland (GA)
Broyhill	Hutto	Scheuer
Carney	Jacobs	Schroeder
Carper	Jenkins	Schumer
Cheney	Kennelly	Seiberling
Coats	Kolbe	Shaw
Cobey	Kostmayer	Shumway
Coble	Lagomarsino	Shuster
Conte	Lantos	Smith (FL)
Coughlin	Lehman (FL)	Smith, Robert (NH)
Courter	Lewis (CA)	
Coyne	Lipinski	Spence
Crane	Lloyd	Spratt
Dannemeyer	Lowery (CA)	Staggers
Darden	Lowry (WA)	Stark
Daub	Lungren	Studds
DeLay	Mack	Swindall
Derrick	MacKay	Thomas (CA)
DioGuardi	Markey	Walgren
Dixon	Mavroules	Walker
Donnelly	Mazzoli	Waxman
Downey	McCollum	Weiss
Dreier	McGrath	Wolf
Dwyer	McMillan	Yates
Early	Meyers	Young (FL)
Edwards (CA)	Miller (CA)	
Fascell	Moorhead	

NOES—267

Akaka	Brooks	Dorgan (ND)
Alexander	Bruce	Dornan (CA)
Andrews	Bryant	Dowdy
Annunzio	Burton (CA)	Duncan
Anthony	Burton (IN)	Durbin
Applegate	Bustamante	Dymally
Aspin	Byron	Dyson
AuCoin	Callahan	Eckart (OH)
Barnes	Carr	Eckert (NY)
Bedell	Chandler	Edwards (OK)
Beilenson	Chapman	Emerson
Bennett	Chappie	English
Bentley	Clay	Erdreich
Bereuter	Coelho	Evans (IA)
Bevill	Combest	Evans (IL)
Biaggi	Conyers	Fazio
Bilirakis	Cooper	Feighan
Boehlert	Craig	Fiedler
Boggs	Crockett	Fish
Boner (TN)	Daniel	Florio
Bonior (MI)	Daschle	Foley
Bonker	Davis	Ford (MI)
Borski	de la Garza	Ford (TN)
Bosco	Dellums	Franklin
Boulter	Dickinson	Frenzel
Boxer	Dicks	Frost
Breaux	Dingell	Fuqua
Gallo	Marlenee	Shelby
Gaydos	Martin (IL)	Sikorski
Gejdenson	Martin (NY)	Siljander
Gekas	Martinez	Sisisky
Gilman	Matsui	Skeen
Gingrich	McCain	Skelton
Glickman	McCandless	Slattery
Gonzalez	McCloskey	Smith (IA)
Gordon	McDade	Smith (NE)
Gradison	McHugh	Smith (NJ)
Gray (IL)	McKernan	Smith, Denny (OR)
Gray (PA)	McKinney	
Gunderson	Mica	Smith, Robert (OR)
Hall, Ralph	Michel	
Hamilton	Mikulski	Snowe
Hammerschmidt	Miller (OH)	Snyder
Hansen	Miller (WA)	Solomon
Hatcher	Mitchell	Stallings
Hawkins	Molinari	Stangeland
Hayes	Mollohan	Stenholm
Hefner	Montgomery	Stokes
Heftel	Moody	Strang
Henry	Moore	Stratton
Holt	Morrison (WA)	Stump
Hopkins	Murphy	Sundquist
Horton	Murtha	Sweeney
Hoyer	Myers	Swift
Hubbard	Natcher	Synar
Huckaby	Neal	Tallon
Hughes	Oberstar	Tauke
Hyde	Obey	Tauzin
Ireland	Oxley	Taylor
Jeffords	Panetta	Thomas (GA)
Johnson	Pashayan	Torres
Jones (NC)	Pease	Torricelli
Jones (OK)	Penny	Towns
Jones (TN)	Perkins	Traficant
Kanjorski	Petri	Traxler
Kaptur	Pickle	Udall
Kasich	Pursell	Valentine
Kastenmeier	Quillen	Vento
Kemp	Rahall	Visclosky
Kildee	Regula	Volkmer
Kindness	Reid	Vucanovich
Kleczka	Richardson	Watkins
Kramer	Ridge	Weaver
LaFalce	Roberts	Weber
Leach (IA)	Robinson	Wheat
Leath (TX)	Rodino	Whitley
Lehman (CA)	Roe	Whittaker
Leland	Rogers	Whitten
Lent	Rose	Williams
Levin (MI)	Roukema	Wilson
Lewis (FL)	Rowland (CT)	Wirth
Lightfoot	Roybal	Wise
Livingston	Sabo	Wolpe
Loeffler	Savage	Wortley
Long	Saxton	Wyden
Lott	Schaefer	Wylie
Luken	Schneider	Yatron
Lundine	Schuette	Young (AK)
Madigan	Sensenbrenner	Young (MO)
Manton	Sharp	

ANSWERED "PRESENT"—1

Goodling

NOT VOTING—46

Ackerman	Hartnett	Price
Addabbo	Hillis	Ray
Barnard	Kolter	Rostenkowski
Boland	Latta	Roth
Campbell	Levine (CA)	Rudd
Chappell	Lujan	Russo
Clinger	McCurdy	Schulze
Coleman (MO)	McEwen	Slaughter
Coleman (TX)	Mineta	Solarz
Collins	Moakley	St Germain
DeWine	Monson	Vander Jagt
Edgar	Nichols	Whitehurst
Foglietta	O'Brien	Wright
Fowler	Oakar	Zschau
Gephardt	Ortiz	
Grotberg	Porter	

□ 1550

The Clerk announced the following pairs:

On this vote:

Mr. Boland for, with Mr. Ortiz against.

Mr. Russo for, with Mr. O'Brien against.

Messrs. STOKES, RODINO, STUMP, DANIEL and MONTGOMERY changed their votes from "aye" to "no."

Messrs. MAVROULES, HERTEL of Michigan, PARRIS, HUTTO, LEHMAN of Florida, FLIPPO, RITTER and PACKARD changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Under the order of the House of today, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. ALEXANDER] having assumed the chair, Mr. MURTHA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1614) to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986, with Senate amendments thereto, and pursuant to the order of the House of today reports the bill with Senate amendments back to the House.

Under the order of the House of today, the previous question is ordered.

Pursuant to the order of the House of today, the question is on the motion to concur in the Senate amendments.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. WALKER. Mr. Speaker, I was on my feet.

The gentleman over here was on his feet.

The SPEAKER pro tempore. Was the gentleman from Massachusetts seeking recognition?

Without objection, the proceedings will be vacated, and the Chair will again put the question.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to concur in the Senate amendments.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CONTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 283, nays 97, not voting 54, as follows:

[Roll No. 44]

YEAS—283

Akaka	Bentley	Boxer
Alexander	Bereuter	Breaux
Andrews	Bevill	Brooks
Annunzio	Biaggi	Brown (CO)
Anthony	Bilirakis	Bruce
Applegate	Boehlert	Bryant
Aspin	Boggs	Burton (CA)
AuCoin	Boner (TN)	Burton (IN)
Barnes	Bonior (MI)	Bustamante
Barton	Bonker	Byron
Bateman	Borski	Callahan
Bedell	Boucher	Carper
Bennett	Boulter	Carr

Chandler	Hyde	Roberts
Chapman	Ireland	Robinson
Clay	Jeffords	Rodino
Coats	Johnson	Roe
Coelho	Jones (NC)	Roemer
Combest	Jones (OK)	Rogers
Conyers	Jones (TN)	Rose
Cooper	Kanjorski	Rowland (CT)
Craig	Kaptur	Rowland (GA)
Crockett	Kasich	Roybal
Darden	Kastenmeier	Savage
Daschle	Kemp	Saxton
Daub	Kildee	Scheuer
Davis	Kindness	Schneider
de la Garza	Kleczka	Schuette
Dellums	Kolbe	Schumer
Derrick	Kramer	Seiberling
Dickinson	LaFalce	Sharp
Dicks	Leach (IA)	Shelby
Dingell	Leath (TX)	Sikorski
Dorgan (ND)	Lehman (CA)	Siljander
Duncan	Leland	Sisisky
Durbin	Levin (MI)	Skeen
Dymally	Lewis (FL)	Skelton
Dyson	Lightfoot	Slattery
Eckart (OH)	Livingston	Smith (IA)
Eckert (NY)	Loeffler	Smith (NE)
Edwards (CA)	Long	Smith (NJ)
Edwards (OK)	Lott	Smith, Denny (OR)
Emerson	Lowry (WA)	Smith, Robert (OR)
English	Lundine	Snowe
Erdreich	Madigan	Snyder
Evans (IA)	Manton	Solomon
Evans (IL)	Marlenee	Spence
Fazio	Martin (IL)	Spratt
Feighan	Martin (NY)	Staggers
Fish	Martinez	Stallings
Flippo	Matsui	Stangeland
Florio	McCain	Stenholm
Foley	McCloskey	Stokes
Ford (MI)	McDade	Strang
Ford (TN)	McHugh	Stratton
Franklin	McKernan	Stump
Frenzel	McKinney	Sundquist
Frost	Meyers	Sweeney
Fuqua	Mica	Swift
Gallo	Michel	Synar
Gaydos	Mikulski	Tallon
Gejdenson	Miller (CA)	Tauke
Gephardt	Miller (OH)	Tauzin
Gilman	Miller (WA)	Taylor
Gingrich	Mitchell	Thomas (CA)
Glickman	Mollohan	Thomas (GA)
Gonzalez	Montgomery	Torres
Goodling	Moody	Torricelli
Gordon	Moore	Towns
Gradison	Morrison (WA)	Traficant
Gray (IL)	Murphy	Traxler
Gray (PA)	Murtha	Udall
Guarini	Myers	Valentine
Gunderson	Natcher	Vento
Hall (OH)	Neal	Volkmer
Hall, Ralph	Nowak	Vucanovich
Hamilton	Oberstar	Watkins
Hammerschmidt	Obey	Weber
Hansen	Oxley	Wheat
Hatcher	Panetta	Whitley
Hawkins	Pashayan	Whittaker
Hayes	Pease	Whitten
Hefner	Penny	Williams
Heftel	Pepper	Wilson
Henry	Perkins	Wirth
Hiler	Petri	Wise
Hopkins	Pickle	Wolpe
Horton	Pursell	Wortley
Howard	Rahall	Wyden
Hoyer	Rangel	Wylie
Hubbard	Regula	Yatron
Huckaby	Reid	Young (AK)
Hughes	Richardson	Young (MO)
Hunter	Ridge	
Hutto	Rinaldo	

NAYS—97

Anderson	Brown (CA)	Daniel
Archer	Broyhill	Dannemeyer
Armey	Carney	DeLay
Atkins	Cheney	DioGuardi
Badham	Cobey	Dixon
Bartlett	Coble	Donnelly
Bates	Conte	Dornan (CA)
Beilenson	Coughlin	Downey
Berman	Courter	Dreier
Bliley	Coyne	Dwyer
Broomfield	Crane	Early
Fascell	Lowery (CA)	Ritter
Fawell	Lujan	Roukema
Fields	Luken	Sabo
Frank	Lungren	Schaefer
Garcia	Mack	Schroeder
Gekas	MacKay	Shaw
Gibbons	Markey	Shumway
Green	Mavroules	Shuster
Gregg	Mazzoli	Smith (FL)
Hendon	McCollum	Smith, Robert (NH)
Hertel	McGrath	Studds
Holt	McMillan	Swindall
Jacobs	Molinari	Visclosky
Jenkins	Moorhead	Walgren
Kennelly	Morrison (CT)	Walker
Kostmayer	Mrazek	Waxman
Lagomarsino	Nelson	Weiss
Lantos	Nielson	Wolf
Lehman (FL)	Olin	Yates
Lent	Owens	Young (FL)
Lipinski	Packard	
Lloyd	Parris	

NOT VOTING—54

Ackerman	Grotberg	Price
Addabbo	Hartnett	Quillen
Barnard	Hillis	Ray
Boland	Kolter	Rostenkowski
Bosco	Latta	Roth
Campbell	Levine (CA)	Rudd
Chappell	Lewis (CA)	Russo
Chappie	McCandless	Schulze
Clinger	McCurdy	Sensenbrenner
Coleman (MO)	McEwen	Slaughter
Coleman (TX)	Mineta	Solarz
Collins	Moakley	St Germain
DeWine	Monson	Stark
Dowdy	Nichols	Vander Jagt
Edgar	O'Brien	Weaver
Fiedler	Oakar	Whitehurst
Foglietta	Ortiz	Wright
Fowler	Porter	Zschau

□ 1615

Mrs. ROUKEMA changed her vote from "yea" to "nay."

So the Senate amendments were concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unamious consent that all Members may have 5 legislative days in which to revise and extend their remarks on the motion just agreed to and the subject matter thereof.

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

There was no objection.

AUTHORIZING SECRETARY OF AGRICULTURE TO MAKE GRANTS TO ESTABLISH INSTITUTES OF RURAL TECHNOLOGY DEVELOPMENT

Mr. WATKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4331) to authorize the Secretary of Agriculture to make grants for the purpose of establishing institutes of rural technology development, and ask for its immediate consideration.

The Clerk read the title of the bill.

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

Mr. BEREUTER. Reserving the right to object, Mr. Speaker, I reserve the right to object in order that the gentleman may explain the intention of his motion.

Mr. WATKINS. Mr. Speaker, I appreciate the inquiry of the gentleman from Nebraska.

Let me say this was passed in the farm bill, but it was in one of the sections—and passed also in the Senate, but in a different section, so when it went to conference the two different groups were discussing it and did not realize that it was in the other section. As a result, it was dropped out and was not passed, along with the full farm bill.

I talked to the ranking Republican member of the Agriculture Committee on this. He had no objection to this.

I do not know where the gentleman from Illinois [Mr. MADIGAN] is now, but I discussed it with the gentleman and also discussed it with the chairman and also with the gentleman from Pennsylvania [Mr. WALKER] and others on this particular matter.

Mr. BEREUTER. Reclaiming my time, Mr. Speaker, I would say to the gentleman from Oklahoma that it is my understanding, this gentleman is here for another reason, and I am simply taking the responsibility that has been established on our side of the aisle and say to the gentleman that it is our understanding that it has not been cleared with the leadership in advance.

I would defer to the minority whip and yield to the gentleman from Mississippi.

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

We just would like to make sure that our ranking minority member is on notice and has been involved and has no objection and has had an opportunity to look over it.

Has that been done?

Mr. WATKINS. Yes; I would like to say that I did talk to the ranking minority member, the gentleman from Illinois [Mr. MADIGAN], along with the gentleman from Pennsylvania [Mr. WALKER] earlier in the discussion there; also the gentleman from Wisconsin [Mr. GUNDERSON] and also the gentleman from Vermont [Mr. JEFFORDS], I talked to him.

Mr. LOTT. Mr. Speaker, will the gentleman yield further?

Mr. BEREUTER. I yield.

Mr. LOTT. Is this discretionary legislation?

Mr. WATKINS. Yes; it is discretionary. It is also within the authorization of present law, so there is no more money. It does not cost any additional money at all and it has been passed, I might say, three times by this body, 390 to 3 votes, and another time 398 to 4, because of a vote technicality, so it has been looked at several times.

Mr. LOTT. Mr. Speaker, will the gentleman yield further for one question?

Mr. BEREUTER. I yield.

Mr. LOTT. And it is discretionary with regard to the promulgation of regulations?

Mr. WATKINS. Yes, sir.

Mr. LOTT. Mr. Speaker, I thank the gentleman.

Mr. BEREUTER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. VISCLOSKY). Is there objection to the request of the gentleman from Oklahoma [Mr. WATKINS]?

There was no objection.

The Clerk read the bill, as follows:

H.R. 4331

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

SECTION. 1. That this Act may be cited as the "Rural Industrial Assistance Act of 1986".

SEC. 2. Section 310B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932) is amended by—

(1) adding at the end of subsection (a) the following: "No loan may be made, insured, or guaranteed under this subsection that exceeds $25,000,000 in principal amount."; and

(2) effective on October, 1, 1986, adding at the end thereof the following:

"(f)(1) The Secretary may make grants under this subsection to public and nonprofit private institutions for the purpose of enabling them to establish and operate centers of rural technology development that have, as a primary objective, the improvement of the economic condition of rural areas by promoting the development (through technological innovation and adaptation of existing technology) and commercialization of (A) new products that can be produced in rural areas, and (B) new processes that can be used in such production.

"(2) Grants under this subsection may be made on a competitive basis. In making grants, the Secretary shall give preference to applicants that will establish centers for rural technology in areas that have (A) few industries and agri-businesses, (B) high levels of unemployment, (C) high rates of out-migration of people, business, and industries, and (D) low levels of per capita income.

"(3) If grants are to be made under this subsection the Secretary shall issue regulations implementing this subsection that shall include provisions for the monitoring and evaluation of the rural technology development activities carried out by institutions that receive grants under this subsection.".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DESIGNATION OF HON. THOMAS S. FOLEY TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS UNTIL MARCH 11, 1986

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

WASHINGTON, DC,
March 6, 1986.

I hereby designate the Honorable Thomas S. Foley to act as Speaker pro tempore to sign enrolled bills and joint resolutions until March 11, 1986.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the designation is agreed to.

There was no objection.

ADJOURNMENT TO MONDAY, MARCH 10, 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

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

There was no objection.

PROPOSED FROSTBAN FIELD TEST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, recent events surrounding the proposed "Frostban" experiment on a strawberry field in my congressional district have generated both concern about the potential hazards of such experiments, and frustration at the confusing regulatory structure that now exists. On March 5, the House Science and Technology Committee's Subcommittee on Investigations and Oversight held a hearing to review these matters. I would like to share my testimony that I gave before the subcommittee with my colleagues.

I want to thank the subcommittee for holding this hearing and providing me with an opportunity to testify on this critical subject. I also appreciate your giving the chairman of the Monterey County Board of Supervisors, Sam Karas, who is accompanied by Walter Wong, the County Director of Environmental Health, and the president of a Monterey citizens organization, Glen Church, an opportunity to testify.

The issue of biotechnology experimentation was brought most forcefully to my attention a few weeks ago, when Advanced Genetic Sciences, Inc. [AGS] was given a permit by the Environmental Protection Agency for an experimental use of "Frostban" on a strawberry field in Monterey County, in my congressional district. The controversy raised by the events surrounding that proposed experiment has national implications and has led in part to this hearing.

The rapid developments in the field of biotechnology over the past several years have raised enormous concerns for the public, for the scientific community, and for government at all levels. While this relatively new technology holds great potential for improving the quality of life on our planet, it also presents many risks, some of them potentially enormous and without precedent to guide us.

Our knowledge of the short- and long-term effects of this kind of experimentation for human, animal, and plant life remains limited. It is clear that the careful regulation of these activities must be given a high priority by local, State, and Federal Governments. The Federal Government is ultimately responsible for this national issue, but State and local governments have a key role to play as well. The Environmental Protection Agency has a clear and serious responsibility to work with State and local agencies, as well as the public, to provide for safe experimentation that is as risk-free as possible.

In the case of Frostban, there was no formal notification to the public or to local government that this experiment would take place. The Monterey County Board of Supervisors was not briefed by the EPA until the board raised strong objections based on legitimate concerns raised by members of the community. These legitimate concerns were primarily over the safety factor. The fact is that EPA had approved a permit for a potentially dangerous experiment in a part of the county that is very close to a populated area. Frankly, EPA treated this new substance as if it were a routine pesticide when it was clear that a higher level of caution was called for. This, combined with the lack of consultation, caused a public reaction which eventually convinced the manufacturer to delay the experiment and move the site to an unpopulated area. These events could be used to write a primer on how not to regulate these experiments.

When all of the evidence is considered, there will be four very important lessons from the experience with Frostban. These are lessons that we seem to be taught over and over again but fail to learn.

First, a fundamental reason for our Nation's, and civilization's, advance has been our drive to discover new methods of improving the conditions under which we live. One of the most important, of course, is the quantity and quality of the food we eat. Despite the problems we are dicussing today, I hope—and have no doubt—that we will continue to encourage research into safe and effective ways to improve agricultural production, including possible methods of controlling frost damage. Improvements benefit both consumers and agriculture. The lesson here is that we must encourage research and development and provide cooperation and coordination between the private and public sectors to ensure safe and effective ways to achieve that goal.

The second lesson is that such research must be conducted under conditions that protect the public safety and minimize health risks. Experiments conducted to improve the public's health and welfare cannot at the same time jeopardize the public's health and welfare.

A case in point is the Frostban experiment. Despite precautionary conditions that the EPA required for this potentially dangerous field test, the EPA's own Hazard Evaluation Division concluded that the new microbe would probably escape the strawberry experiment and could survive indefinitely on plants outside the experimental plot. As a condition for issuing the experimental test permit, the EPA recommended that the area be isolated from a populated area in order to protect against the spread of the microbe, as well as a requirement that protective gear be provided to the individuals conducting this experiment. It was not until after the permit was granted that the EPA actually visited the site, and it was only then that the Agency learned that the experiment would in fact be conducted near

a residential area in North Monterey County. There are areas of the county that are more isolated and would have been more appropriate for such an experiment. This action alone ran contrary to ideal conditions recommended for the experiment by the EPA. I recognize that the EPA issues permits for literally thousands of pesticide experiments and that it would be difficult to go out in the field and evaluate each and every site. However, given the uncertainties involved with this new technology, EPA should proceed with even greater caution, and site evaluation should be an integral part of the process.

EPA's own recommendation stated that such field tests should be conducted in remote locations, away from people and crops. The EPA even required that protective gear be provided to the individuals conducting this experiment. Clearly, the neighboring landowners should have been afforded the same protection by restricting the site to a remote area. The lesson here is that conditions imposed on such experimentation must be met both in spirit and in substance.

The third lesson is that there is an immediate need to clarify and coordinate the Federal structure for the safe regulation of new, emerging biotechnologies. We must have consistent policies among the numerous Federal agencies with jurisdiction over this area of experimentation. The confusing maze of Federal bureaucracy that now governs aspects of biotechnology is unnecessarily cumbersome. Manufacturers have been frustrated in their efforts to discover the proper regulatory procedures to work through; concerned citizens have been frustrated in their efforts to obtain information on the hazards of such experiments; and in response to these concerns, both State and local governments have been frustrated in their efforts to provide guidance on this matter—due to lack of cohesive Federal policy. The Federal agencies charged with regulating these new substances must develop safe and consistent policies that will provide effective guidance to those individuals and organizations affected by this technology.

The fourth and perhaps most important lesson is that in such experiments, where a new substance is involved and where it is shown that there is some risk to the public, the public should be fully informed of the risks, as well as monitoring steps that will be taken to minimize those risks. There is a tendency among the scientific community, which sometimes afflicts Government as well, that they know best and that the public need not be informed. They believe that there is no danger involved in the experiment, and that therefore, there is nothing for the public to be concerned about. But the public has a right to be informed. Here, there was a failure of both public and private agencies to fully advise local offices and the community of what was involved. Knowledge, as we know, is the best cure for fear—if indeed, this knowledge confirms that there is nothing to fear. This may or may not have been the case here, because there simply is not enough information available to make that determination.

Regarding Frostban, it is possible that research can proceed, but only with appropriate protections for public health. In addition, action must be taken to fully inform the public of any risks involved.

More broadly, if we can learn the lessons that I have outlined here, then we can benefit from the mistakes that have been made in the past. We must do the following: (1) There must be a coordinated and consistent policy established among the responsible Federal agencies to provide guidance and information to state and local governments and the private sector. (2) EPA guidelines for experimentation must be strictly enforced and monitored, and adherence to safety regulations in both spirit and substance must be insisted upon. (3) Notwithstanding the need for confidentiality of business operations, the public's right to know must be given the first priority, whatever change in attitude this may require for both government and the scientific community. These should be the guiding principles for any new policies implemented by Congress or the Environmental Protection Agency.

Again, Mr. Chairman, thank you for this opportunity to testify.

□ 1630

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I rise once again because of what I consider to be a very ominous development in the shape and form of President Reagan's insistence in pursuing an inexorable and unreversible course of action with respect to Central America, particularly in Nicaragua which, with a great deal of apprehension, I have expressed through the years and I consider to be a calamitous, a course of action that inescapably will lead America into great loss of blood and treasure. The President, as I have indicated before, has followed a dogmatic line of thinking and behavior that is reminiscent of General Custer of the last century.

The historians relate how General Custer, who was in many, many ways a counterpart of our President today as an ideolog, once making what he called a Custer decision was inflexible and nothing would cause him to recant or change that decision. I think that the calamitous, the disastrous, the sad, the tragic loss of 241 marines in Beirut is mute but most tragic testimonial to the President's mindset in which and during which for a course of over 14 months persistently insisted with callous indifference to set aside the unanimous advice of the chief military expertise that our country can produce in the persons and shape of the Joint Chiefs of Staff. No one needs to remind us that though that event has been lost into the dust of recent history, given the shape of events in the modern day world, where the events of just a few months ago have been telescoped and forgotten, but I think that those relatives, those surviving relatives of the dead marines, some of whom have been in touch with me through the years, certainly poignantly accede to the fact that they are bitter, that what they have been told, for instance, is that their sons were not killed in action, were not killed in the defense of the country, they were defined as having been killed in an accident. As such, they would not be entitled to even the minimal benefits that we would provide during war as we did during World War II.

As I have futilely tried to provide legislation to recognize the need for in this day and time an era of Presidential undeclared wars in which many Americans have been asked to serve, and who have done so loyally, but at the loss of their lives, in my opinion, unnecessarily, tragically, and all due to the stubborness and mule-headedness and the inflexibility of a mind reflected in the person of our President.

Now I have had mostly these have been partisan forces who resent my referring to the President in these terms. The truth of the matter is that I have tried always to be as outspoken in my expressions as I am in my thinking, and that I speak no different in this forum than I do back home where I pass review by the constituents every 2 years. On top of that, my words have been mild by comparison with what distinguished men of the cloth or men of God, as I call them, have said and have uttered. I want to bring to the attention of my colleagues such utterances that took place just 2 days ago, day before yesterday here in Washington where a numerous congregation of religious people, not just Catholic bishops and other ecclesiastics, but several faiths, including the Jewish faith involved in appealing to the President. I am going to read from the release that they made at the time and which was read at the gates or near the gates of the White House:

IN THE NAME OF GOD—STOP THE LIES—STOP THE KILLING

A scaffold of deception is being constructed around Nicaragua. Exggeration, misinformation, and outright falsehood form the heart of the Reagan administration's case against Nicaragua. The purpose of the government's distortion campaign is to prepare the American people for further U.S. military action in Nicaragua. The saying, "In war, truth is the first casualty," is an apt description of current events.

The official deception that undergirded the war in Vietnam was overwheming in its magnitude and devastating in its consequences. That American tragedy, built upon a foundation of falsehood, is still painfully with us. If the present lying continues unchallenged and has its intended effect, it is certain that yet more killing will result.

We in the religious community feel compelled to speak out now about Nicaragua before many more lives are lost. We refuse to allow the deception to go unchallenged or to accept the senseless violence that is deception's companion. Together we say, "In the name of God, stop the lies, stop the killing!"

The administration has been deceiving the public in its quest for military and so-called humanitarian aid to the contras. Most notably, it has been covering up credible reports that the contras are systematically committing human rights atrocities against innocent civilians. The contras are not freedom fighters.

We are opposed to any aid to the contras in any form. The United States should not conduct its foreign policy by funding paramilitary groups to subvert sovereign nations. The notion of "humanitarian aid" to the contras is a dangerous deception being used to cover up the truth.

Nicaragua has offered peace initiatives that are worthy of more energetic exploration by our government, which seems to prefer the financing of terrorism to the pursuit of peace.

We call upon the U.S. government to cease its promotion of fear and hatred and to cease its funding of the contra war against Nicaragua.

We call upon the media to critically examine the unsubstantiated assertions made by the U.S. government regarding Nicaragua.

We call upon U.S. citizens to test the statements and policies of our government, to listen to other voices, and to come to their own conclusions regarding the situation in Nicaragua.

We call upon all persons of faith and conscience in the United States to look at the effects of current U.S. policy in Nicaragua and all of Central America, and to join with us in saying to the government of the United States, "In the Name of God, Stop the Lies, Stop the Killing."

□ 1640

It is signed by:

Bishop Thomas Gumbleton, Archdiocese of Detroit; Co-founder of Bread for the World; Active in Pax Christi.

Paul Moore, Jr., 13th Episcopal Bishop of New York (1972-present); Bishop of Washington, D.C. (1964-1972); Chair of Committee of 100 of National Board of NAACP Legal Defense Fund.

Marshall Meyer, Rabbi of B'nai Jeshrun, New York City; Founder and Senior Rabbi of Communidad Bet'l, Buenos Aires (1963-1984); Author of "Nunca Mas" (to be published in English this Spring); Served on Presidential Commission, Argentine Permanent Assembly for Human Rights (1977-1981). Vice President of University of Judaism, Los Angeles (1984-1985).

Jim Wallis, Editor of "Sojourners"; Founder of Sojourners Community; Evangelical Pastor; Author: "Revive Us Again" (Abbington Press), "Call to Conversion" (Harper & Row), "Agenda for Biblical People" (Harper & Row).

Maurine Fiedler, Catholic Sister of Loretto; Co-Director of the Quixote Center, which is raising $27 million in humanitarian aid for Nicaragua.

William Sloane Coffin, Senior Minister at Riverside Church, New York City (1977-present); First Director of Peace Corps Field Training Site in Puerto Rico; Chaplain of Yale University (1958-1976); Infantry Officer of the U.S. Army in Europe (1942-1947); served with the CIA in Germany (1950-1953); Founder of Clergy & Laity Concerned About Viet Nam.

Norman Bent, Nicaraguan Pastor of the Moravian Church in Managua; Native of the Atlantic Coast of Nicaragua; very involved in ministry to the Miskito Indians throughout the country; works with the Nobel Prize winning international agency Service for Peace and Justice (SERPAJ).

Phylis Taylor, Member of WFP Steering Committee; led a WFP Jewish delegation to Nicaragua, December 1984; Executive Committee Member of the Jewish Peace Fellowship.

Charles Litkey, U.S. Army Chaplain in Viet Nam (1966-1969); Recipient of Congressional Medal of Honor for courageous service in Viet Nam; Veterans Administration, San Francisco, CA. (1970-1984).

Gilberto Aguirre, Nicaraguan lay leader of the First Baptist Church in Managua; Executive Director of the Protestant Committee for Aid to Development (CEPAD), an organization made up of 64 Protestant denominations which has started development and emergency relief projects in some 400 communities throughout Nicaragua; lay leader of the First Baptist Church in Managua.

There is an appendix which I ask unanimous consent to offer for the record at this point, which is entitled, "Appendix to the statement: 'In the Name of God—Stop the Lies—Stop the Killing.'"

We have this appendix signed by over 100 U.S. religious leaders, March 4, 1986, prepared by the Washington office of Witness for Peace.

Mr. Speaker, I ask unanimous consent that that be included in the RECORD at this point.

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

There was no objection.

The appendix follows:

APPENDIX: TO THE STATEMENT "IN THE NAME OF GOD—STOP THE LIES—STOP THE KILLING!"

(Signed by over 100 U.S. Religious Leaders, March 4, 1986. Prepared by the Washington Office of Witness for Peace)

A SAMPLING OF THE DECEPTION AND LIES OF THE REAGAN ADMINISTRATION CONTRASTED WITH DOCUMENTED EVIDENCE OF THE NICARAGUAN REALITY

I. The Nature and Activity of the U.S. Backed "Contras":

Myth #1, Freedom Fighters: "They [contras] are our brothers, these freedom fighters . . . They are the moral equivalent of the Founding Fathers and the brave men and women of the French Resistance" (President Reagan, *Washington Post* 3/2/85). "It's not hard to tell as we look around the world, who are the terrorists and who are the freedom fighters . . . The contras in Nicaragua do not blow up school buses or hold mass executions of civilians" (George Schultz, 6/24/83, entered in Congressional Record 10/3/84). "The Nicaragua armed opposition has attacked very few economic targets and has sought to avoid civilian casualties" (State Department Resource Paper, "Groups of the Nicaraguan Democratic Resistance; Who Are They?" 4/85).

Reality #1: "They [the contras] have attacked civilians indiscriminately; they have tortured and mutilated prisoners; they have murdered those placed hors de combat by their wounds; and they have committed outrages against personal dignity" (An Americas Watch Report, "Violations . . .," 3/85). "Those incidents that have been investigated reveal a distinct pattern, indicating that contra activities often include: attacks on purely civilian targets resulting in the killing of unarmed men, women, children and the elderly; premeditated acts of brutality including rape, beatings, mutilation and torture; individual and mass kidnapping of civilians . . . assaults on economic and social targets such as farms, cooperatives, food storage facilities and health centers . . . kidnapping, intimidation, and even murder of religious leaders who support the government, including priests and clergy-trained lay pastors" (*Contra Terror In Nicaragua* by Reed Brody, 1985). "I love killing; I have been killing for the past seven years. There's nothing I like better. If I could, I'd kill several people a day." (Chief of Misura's Military Operations, quoted in Jack Anderson column, 9/30/84). "Many civilians were killed in cold blood. Many others were tortured, mutilated, raped, robbed or otherwise abused . . . The atrocities I had heard about were not isolated incidents, but reflected a consistent pattern of behavior of our troops" (Affidavit of Edgar Chomorro [former contra leader and member of F.D.N. directorate], before International Court of Justice, 9/5/85).

Myth No. 2, Popular Uprising: "The freedom fighters are peasants, farmers, shopkeepers, and vendors. Their leaders are without exception men who opposed Somoza" (Langhorne Motley, before the Western Hemisphere Subcommittee, 1/29/85). "Contrary to propaganda, the opponents of the Sandinistas are not die-hard supporters of the previous Somoza regime" (President Reagan, Address to Joint Session of Congress, 4/27/83).

Reality No. 2: ". . . 46 of the 48 positions in the FDN military leadership are held by ex-National Guardsmen. These include the Strategic Commander, the Regional Command Coordinator, all five members of the General Staff, four out of five Central Commanders, five out of six regional commanders, and all 30 task force commanders" (Who Are the Contras? Research Report for the bipartisan Arms Control and Foreign Policy Caucus, 4/18/85). "Former National Guardsmen who had sought exile in El Salvador, Guatemala and the United States after the fall of the Somoza Government were recruited to enlarge the military component of the organization. They were offered regular salaries, the funds for which were supplied by the C.I.A. . . . Arms, ammunition, equipment and food were supplied by the C.I.A. . . . After the initial recruitment of ex-Guardsmen from throughout the region (to serve as officers or commanders of military units), efforts were made to recruit "foot soldiers" for the force from inside Nicaragua. Some Nicaraguans joined the force voluntarily. . . . Many other members of the force were recruited forcibly. F.D.N. units would arrive at an undefended village, assemble all the residents in the town square and then proceed to kill—in full view of the others—all persons suspected of working for the Nicaraguan Government or the F.S.L.N., including police, local militia members, party members, health workers, teachers, and farmers from government-sponsored cooperatives. In this atmosphere, it was not difficult to persuade those able-bodied men left alive to return with the F.D.N. units to their base camps in Honduras and enlist in the force. This was, unfortunately, a widespread practice that accounted for many recruits" (Affidavit of Edgar Chamorro, International Court of Justice, 9/5/1985).

II. Intent and Activities of Reagan Administration Toward the Government of Nicaragua:

Myth #3, No Overthrow: "But let us be clear as to the American attitude toward the

Government of Nicaragua. We do not seek its overthrow" (President Reagan before Joint Session of Congress, 4/27/83). "We are not seeking the overthrow of the Sandinista government" (Secretary of State George Shultz before the Senate Foreign Relations Committee, 8/4/83). "When Reagan was then asked whether he was advocating the overthrow of the government, he said, not if the present government would turn around and say, all right, if they'd say uncle" (*WPost*, 2/22/85).

Reality #3: "This manual [*Psychological Operations In Guerrilla Warfare*, Fall 1983] was written and printed up in several editions by the CIA. The manual talks of overthrowing the Sandinistas . . . A majority of the Committee concludes that the manual represents a violation of the Boland Amendment" (House Select Committee on Intelligence, Press Release, 12/5/84). "When asked if the United States was out to overthrow the Sandinista regime, Mr. Speakes said: Yes, to be absolutely frank" (*WTimes*, 2/19/86).

Myth #4, U.S. Did Not Mine Harbor: " . . . the United States is not mining the harbors of Nicaragua" (Caspar Weinberger, speaking on ABC News program "This Week," 4/8/84). "I intend to comply fully with the spirit and the letter of the Intelligence Oversight Act. I intend to provide this committee with the information it believes it needs for oversight purposes" (William Casey, Director of the CIA, before the Senate Select Committee on Intelligence, 1/13/81). "And we are not engaging in acts of war against anybody" (Jeane Kirkpatrick, U.S. Ambassador to the U.N. before the Senate Committee on Foreign Relations, 3/1/82).

Reality #4: ". . . The Senate Committee was not properly briefed on the mining of Nicaraguan harbors with American mines from an American ship under American command . . . In no event was the briefing 'full' 'current' or 'prior' as required by the Intelligence Oversight Act of 1980 . . ." (Senator Moynihan, in resignation as Vice Chair of the Senate Select Committee on Intelligence, 4/15/84). ". . . an inter-agency committee representing State, Defense and the CIA by the end of 1983 agreed on a package of measures including mining. The President approved the package . . ." (*Newsweek*, 4/23/84). "It [the mining of Nicaraguan harbors] is an act of war. For the life of me I don't see how we are going to explain it" (Letter from Senator Barry Goldwater to William Casey, Director CIA, 4/9/84).

Myth #5, Embargo Was Necessary: "I, Ronald Reagan, President of the United States, find that the policies and actions of the Government of Nicaragua constitute an unusual and extraordinary threat to the national security and foreign policy of the United States, and hereby declare a national emergency to deal with that threat" (Executive Order, 5/1/85).

Reality #5: ". . . the embargo means the death of thousands of children for lack of medicines . . . great suffering and hunger for all Nicaraguans . . . We, from our Christian faith based on Scripture, denounce and condemn the embargo carried out by the United States Government, considering it anti-Christian, anti-Biblical, inhumane, unjust, illegal and arbitrary. We cannot conceive that the same President who was sworn in with his hand on the Bible would emit a decree that goes totally against the Bible and is aimed at annihilating an entire people" (Pastoral Letter from the Baptist Convention of Nicaragua, 5/10/85). "The Parliament is alarmed by the decision of the President of the United States" (European Economic Community, 5/11/85). "We are strongly opposed to the use of sanctions outside the United Nations system" (Caribbean Community of Foreign Ministers, 5/11/85). "The Latin American Economic System (SELA) rejects the total trade embargo . . ." (SELA, 5/17/85).

III. The Nature and Activity of the Nicaraguan Government:

Myth #6, Exporting Arms: "The Sandinistas have been attacking their neighbors through armed subversion since August of 1979" (President Reagan, at the Western Hemisphere Legislative Leaders Forum, 1/24/85). "The majority of the weapons still used by the (Salvadoran) guerrillas were supplied externally" (Langhorne Motley, 2/21/84). ". . . tons and tons of munitions are being flown in from Nicaragua" (Thomas Enders, Assistant Secretary of State for Inter-American Affairs, 3/1/83).

Reality #6: "Since early 1983, it appears that the insurgents may have obtained most of their newly acquired firearms through capture from the Salvadoran military" (Cable from U.S. Embassy in El Salvador to Washington, 8/1/83). "There has not been a successful interdiction, or a verified report, of arms moving from Nicaragua to El Salvador since April 1981 . . . The Administration and the CIA have systematically misrepresented Nicaraguan involvement in the supply of arms to Salvadoran guerrillas to justify efforts to overthrow the Nicaraguan Government" (David MacMichael [former CIA employee who provided national intelligence estimates on Central America from 1981 to 1983], *NYT*, 6/11/84).

Myth #7, Offensive Military Buildup: "We see 36 military bases and garrisons in Nicaragua now under construction or completed" (Fred Ikle, Undersecretary of Defense, 3/14/83). "Nicaragua today has . . . Soviet weapons that consist of heavy-duty tanks, an air force, helicopter gunships, fighter planes, bombers, and so forth . . ." (President Reagan, Remarks to press, 4/14/83). "[We may see] a massive Soviet and Cuban intervention . . . We may be seeing Cubans move into a combat role on the mainland of North America . . . or we are going to be seeing a Soviet base in Nicaragua" (Assistant Secretary of State for Inter-American Affairs Elliott Abrams Jr, WPost 12/6/85).

Reality #7: "For a country that has been invaded by the United States on nine different occasions, a U.S. presence of close to 5,000 men in Honduras is sufficient cause for concern" (Report of Congressional Study Mission, 8/29/84). "The overall buildup is primarily defense oriented, and much of the recent effort has been devoted to improving counter-insurgency capabilities" (U.S. Intelligence Report prepared late 1984, cited in *Wall Street Journal*, 4/1/85). "The might of the Nicaraguan air force is infinitesimal . . . the much vaunted threat of the Soviet-built T-55 tanks in Nicaragua is really a hollow threat." and ". . . the military garrison near Somoto . . . was comprised of two small buildings and a one-vehicle lean-to maintenance shed" (Lt. Col. John Buchanan, USMC ret., NYT, 4/27/83, and testimony before the House Subcommittee on Inter-American Affairs, 9/21/82). "My impression after visiting the Potosi area and then later seeing DOD aerial photos taken before my visit was that the DOD claims and photos did not reflect the reality of what I saw on the ground with first hand observation" (Lt. Col. Edward King, USA ret., 9/11/84).

Myth #8, Totalitarian Dungeon: "The Nicaraguan people are trapped in a totalitarian dungeon" and "The United States will continue to view human rights as the moral center of our foreign policy" and "As you know, the Sandinista dictatorship has taken absolute control of the Government and the armed forces. It is a communist dictatorship, it has . . . in many cases expunged the political opposition and rendered the democratic freedoms of speech, press and assembly, punishable by officially sanctioned harassment, and imprisonment of death" (President Reagan, *NYT* 7/18/84, *WPost* 9/24/84, White House press release, 4/15/85).

Reality #8: ". . . where human rights are concerned we find the Administration's approach to Nicaragua deceptive and harmful . . . The misuse of human rights data has become pervasive in officials statements to the press, in White House handouts on Nicaragua, in the annual *Country Report* on Nicaraguan human rights prepared by the State Department, and most notably, in the President's own remarks. When inconvenient, findings on the U.S. Embassy in Managua have been ignored; the same is true of data gathered by independent sources . . . In Nicaragua there is no systematic practice of forced disappearances, extrajudicial killings or torture . . . While prior censorship has been imposed by emergency legislation, debate on major social and political questions is robust, outspoken, and often strident . . . (The) description of a totalitarian state bears no resemblance to Nicaragua in 1985" (Americas Watch Report "Human Rights In Nicaragua," 7/85).

Myth #9, Religious Persecution and Anti-Semitism: "Functioning as a satellite of the Soviet Union and Cuba, they [Sandinista government] moved quickly to . . . persecute the church . . ." (President Reagan, *WPost*, 2/17/85). "The Sandinistas seem always to have been anti-Semitic . . . After the Sandinista takeover the remaining Jews were terrorized into leaving" (President Reagan, at meeting of White House Outreach Group with B'nai B'rith ADL, 7/20/83). "The president told a religious conference . . . he had received a message from the pontiff 'urging us to continue our efforts in Central America.' . . . the president said the pope 'has been most supportive of all our activities in Central America'" (WPost, 4/19/85).

Reality #9: "The Vatican, contradicting statements by President Reagan, said today that Pope John Paul II never has endorsed U.S. policies in Nicaragua" (*Post*, 4/19/85). "A high-level delegation from the National Council of Churches visited Nicaragua in November 1984 specifically to investigate charges of religious persecution. They found the charges entirely without substance. The growth of the Protestant community since 1979 (from 80,000 to 380,000) would tend to support this finding" (Americas Watch Report "Human Rights In Nicaragua," 7/85). "The Secretary General of the Dominicans, Father Manuel Perez, denied the alleged existence of religious persecution brought about as a result of the state of emergency in Nicaragua. . . . (He) stated that fifteen members of his religious order who still remain in Nicaragua have expressed their satisfaction with their work within the process of change in that country. The Dominican priests in Nicaragua do not feel persecuted by the Sandinistas and

they are free to carry out their ministry working with the peasants in cooperatives or celebrating the eucharist" (News release from France, 11/85). "U.S. Embassy officials reported that 'the evidence fails to demonstrate that the Sandinistas have followed a policy of anti-Semitism.' Rabbi Heszel Kelpfisz of Panama visited Nicaragua and reported to the World Jewish Congress that he did not observe 'any anti-Semitic activity'" (New Jewish Agenda in "Jews and Central America," an undated pamphlet). "The American Jewish Committee and the World Jewish Congress, among others, investigated the ADL charges . . . and found they could not be substantiated. The U.N., the OAS Inter-American Commission on Human Rights and Pax Christi reached the same conclusion" (Americas Watch Report "Human Rights In Nicaragua," 7/85).

Myth #10, Massacre of Miskito Indians: ". . . [A]n attempt to wipeout an entire culture, the Miskito Indians, thousands of whom have been slaughtered or herded into detention camps where they have been starved or abused" and "a campaign of virtual genocide against the Miskito Indians" (President Reagan, in televised speech 5/9/85, and radio address 6/6/85). "Specific cases investigated by Baldizon concern the application of special measures (execution) to 150 Miskito Indians . . ." (The White House Report on Nicaragua, 11/6/85).

Reality #10: "The picture thus created is terrifying. It is also not accurate . . . There has never been evidence of racially-motivated or widespread killing of Miskitos . . . The relocations of January-February and November 1982 . . . were not aimed at the Miskito culture or people as a whole; in fact some 10% of the Miskito population was affected (about 11,500 total) and the policy was clearly prompted by military considerations . . . That the Sandinistas did mistreat Miskitos during 1981 and 1982 has been extensively documented . . . Improvements in this area, on the other hand, have been dramatic. Since 1982 we are aware of one Miskito disappearance . . . As much as it ignores positive developments, the Administration has also ignored evidence that, for the past two years, the most serious abuses of Miskito's rights have been committed by the contra groups . . . (Americas Watch Report "Human Rights In Nicaragua," 7/85).

Myth #11, Systematic Atrocities and Violations of Human Rights: "[The Sandinistas] summarily execute suspected dissidents" (Remarks of the President to Central American Leaders," 3/25/85). "John Blacken [State Department] told the audience that the Sandinistas were responsible for more than 1,000 disappearances . . . Constantine Menges of the National Security Council told a group . . . the figure was 2,000" (An Americas Watch Report, "Human Rights In Nicaragua" July 1985). "You can see in Greneda the hijacking of a country by a small, dedicated, ruthless, violent band of communists and you can see that is what happened to the Nicaraguan revolution" (Senior White House office, *WPost* 2/20/86).

Reality #11: ". . . the violations that were committed by members of the Nicaraguan armed forces appear to be relatively isolated cases of abuses of authority and breaches of military discipline. There was no evidence that violations were condoned by superiors. On the contrary, in many cases, citizens aware of the incidents told our investigators that the perpetrators had been punished" (*Nicaragua: Violations of the Laws of War by Both Sides, February-December 1985*, Washington Office on Latin America, 2/86). "A pattern emerges of frequent though generally short-term imprisonment of prisoners of conscience, incommunicado detention before trial, violations of the right to fair trial in political cases and poor prison conditions. Military personnel have been convicted and punished for abuses of prisoners, including murder and rape, but some reported cases of killings and "disapperances" have not been officially resolved" (Amnesty International Report, *Nicaragua: The Human Rights Record*, 2/86).

Myth #12, Fradulent Elections: "The Sandinista Government has never been legitimized by the people" and ". . . Soviet-style sham elections" (President Reagan, News Conference, Lisbon, 5/10/85, and *NYT* 7/22/84). "I think we have to ignore this pretense of an election they just held. This is not a government. This is a faction of the revolution that has taken over at the point of a gun" (President Reagan, WPost, 3/5/85). ". . . It is a communist, totalitarian state and it is not a government chosen by the people" (President Reagan, *Christian Science Monitor*, 2/25/85)

Reality #12: "The actual voting process on Nov. 4 was meticulously designed to minimize the potential for abuses . . . The voting occurred in secret and free of coercion . . . We observed no irregularities in the voting process . . . No major political tendency in Nicaragua was denied access to the electoral process in 1984 . . . The only ones that did not appear on the ballot on Nov. 4 were absent by their own choice, not because of government exclusion" (Official Report of the Latin American Studies Association [15 scholars from various fields], 11/84). "Three hundred outside observers were invited to watch the election process. The voting process was well organized, clear to the voters, orderly, secret, and well scrutinized by national as well as foreign observers. There was no hint of fraud" (*The Christian Century*, 2/20/85). ". . . our government, legitimately chosen by a majority of our people in November 1984 . . ." (Baptist Convention of Nicaragua, 5/10/85.)

Myth #13, Oppressive State of Emergency: "On October 15, Daniel Ortega announced a new State of Emergency suspending virtually all civil liberties in Nicaragua. The decree signaled an escalation in the assault on basic freedoms, providing further legal underpinning to the consolidation of a totalitarian regime . . . Analysis of the rising level of domestic unrest in the months preceeding the announcement suggests that the actual motive was a sense that diminishing public support for regime policies had reached a dangerous level" ("The White House Report on Nicaragua,", 11/6/85).

Reality #13 "These measures [state of emergency decree of October 15, 1985] were relaxed by the legislature in November 1985. The restriction on freedom of expression was limited to censorship of matters concerning military and economic affairs considered prejudicial to national security. The restriction on freedom of movement was limited to war zones; and public meeting, demonstrations, and strike action were permitted with prior authorization. Habeas corpus was restored, but only in non-political cases . . ." (Amnesty International Report, *Nicaragua: The Human Rights Record*, 2/86). "We reject the interpretation that the state of emergency is a step toward the imposition of a Marxist-Leninist dictatorship in our country. From our experience we testify that the democratic process ratified by last year's election is moving forward amidst all the difficulties that are being imposed abroad to hinder it . . . "Antonio Valdivieso Ecumenical Center, Managua, 11/16/85). "The measure can only be understood by stepping into the Latin American experience and recalling the history of US efforts to destabilize other elected governments, particularly the Chilean government of Salvador Allende in the early 1970's. In that case, religious, political, and media groups, far from being innocent agents in need of protection by the state, turned out to be actively lending themselves to a foreign plot to overthrow the government" (Ed Griffin-Nolan WFP/Managua memo, 10/21/85).

IV. Who Is Undermining the Negotiated "Contadora" Solution?:

Myth #14, The U.S. Supports Contadora: "The United States fully supports the objectives already agreed upon in the Contadora process as a basis for a solution of the conflict in Central America." (Secretary of State George Shultz, 8/84). "We have supported a verifiable and comprehensive implementation of the September 1983 Document of Objectives of the Contadora process as the best hope for achieving an enduring regional peace." ("The White House Report on Nicaragua," 11/6/85).

Reality #14: "We have trumped the latest Nicaraguan/Mexican effort to rush signature of an unsatisfactory Contadora agreement . . . although the situation remains fluid and requires careful management . . . we have effectively blocked Contadora group efforts to impose the second draft of the Revised Contadora Act." (National Security Council memo, 10/30/84). "The collapse of the Contadora processes wouldn't be a total disaster for U.S. policy . . . Collapse would be better than a bad agreement" (State Department paper, 9/4/85). [The Contadora nations] "are confronted by a hostile United States Government. The Reagan Administration offers rhetorical support for the Contadora process but in reality seeks to win a military victory and overthrow the Sandinista Government." (Carols Andres Perez, former Venezuelan president, *NYT*, 5/1/85). "Now, if the United States is getting support for its policies, that's because it is currently manipulating its weak client states in Central America—El Salvador, Costa Rica, Honduras. These countries, when acting independently, elaborated on and improved the Contadora process . . . But when Nicaragua signed that act, the United States promptly denounced it and pressured its satellites to follow suit." (Carlos Fuentes, author, former Mexican ambassador to France, interview 1-86). "It has become increasingly difficult for elected officials throughout Europe to defend the NATO alliance because of United States policy in Central America." (Delegation of European parliamentarians, 3/85, quoted in *Outcast Among Allies*, IPS, 11/85). "In another development, Oscar Arias Sanchez, president-elect of Costa Rica, who has been praised by Reagan administration officials, said he opposes military aid to the rebels, or contras, fighting Nicaragua's government." (WPost, 2/20/86).

Acknowlegements: In the preparation of this report WFP is indebted to many sources, particularly *In Contempt of Congress* and *Alone Among Allies*, by The Institute for Policy Studies, 1901 Q Street, NW, Washington, DC 20009; An Americas Watch Report, "Human Rights In Nicaragua" July

1985, 739 8th St. SE, Washington, DC 20003; and *Nicaragua: Violations of the Law on Both Sides*, by Mary Dutcher [WPF], Washington Office on Latin America, 110 Maryland Avenue, NE, Washington, DC 20002.

RELIGIOUS LEADERS WHO HAVE ENDORSED THE STATEMENT "IN THE NAME OF GOD—STOP THE LIES—STOP THE KILLING"

Bishop Maurice J. Dingman, Catholic Bishop of Des Moines, Iowa.

Bishop Leontine T.C. Kelly, United Methodist Church, San Francisco Area.

Rabbi Marshall T. Meyer, B'nai Jeshurun, New York City, Special Counsel to the Chancellor, Jewish Theological Seminary.

The Right Reverend Philip Cousins, President, National Council of Churches, Bishop, African Methodist Episcopal Church, Florida.

The Right Reverend Paul Moore, Episcopal Bishop of New York.

Sylvia Talbot, President, Church Women United.

J. Randolph Taylor, President, San Francisco Theological Seminary, Former Moderator of the Presbyterian Church (USA).

Bishop Ernest Dixon, United Methodist Church, San Antonio Area, President, Texas Conference of Churches.

Joseph E. Lowery, President, Southern Christian Leadership Conference.

Donald Shriver, President, Union Theological Seminary, New York City.

Rabbi Leonard I. Beerman, Leo Poaeck, Temple, Los Angeles.

Bishop Thomas Gumbleton, Archdiocese of Detroit.

Carol Quigley, I.H.M., President, Immaculate Heart of Mary.

Vernon Grounds, President, Evangelicals for Social Action, President, Conservative Baptist Seminary.

Avery A. Post, President, United Church of Christ.

The Right Reverend Harold Hopkins, Episcopal Bishop of North Dakota.

William M. Boteler, M.M., Superior General in Maryknoll, NY.

John A. Lapp, Moderator of the Mennonite Central Committee.

Bishop Melvin G. Talbert, United Methodist Church, Resident Bishop, Seattle Area.

Keith A. Russell, President, New York Theological Seminary.

Sister Margorie Tuite, National Coordinator, Assembly of Religious Women.

John O. Humbert, President, Disciples of Christ in the U.S. and Canada.

Sister Mary Charlotte Barton, G.N.S.H., Superior General, Grey Nuns of the Sacred Heart.

Bishop C. Dale White, United Methodist Church, New York Area.

George Peck, President, Andover Newton Theological School.

Sister Janet Mock, C.S.J., Superior General, St. Joseph Convent.

Reverend James M. Lawson, Jr., President, Southern Christian Leadership Conference, Los Angeles.

Brother Thomas Grady, O.S.F., Superior General, Franciscan Brothers.

The Right Reverend H. Coleman McGehee, Jr., Episcopal Bishop of Michigan.

Jim Wallis, Evangelical Pastor, Editor of Sojourners.

Arie R. Brouwer, General Secretary, National Council of Churches.

David Ramage, President, McCormack Theological Seminary.

Bishop Walter F. Sullivan, Catholic Diocese of Richmond, VA.

John Perkins, Center for Reconciliation and Development, Pasadena, CA, Founder of Voice of Calvary Ministries.

Bernice VanderLoop, O.S.M., President, Servants of Mary, Ladysmith, WI.

Jack L. Stotts, President, Austin Presbyterian Theological Seminary.

Sister Luise Ahrens, President, Congregation of Maryknoll Sisters.

Rabbi Balfour Brickner, Stephen Wise Synagogue, New York City.

Bishop Nicholas D'Antonio, O.F.M., New Orleans, LA.

Right Reverend Lyman Ogilby, Bishop, Episcopal Diocese of Pennsylvania.

Sister Susan Seitz, O.S.F., President, Franciscan Sisters, Dubuque, IA.

Asia Bennett, Executive Secretary, American Friends Service Committee.

The Right Reverend William Davidson, Episcopal Auxiliary Bishop of Ohio.

Sister Mary Edmund Gibson, O.P., Superior General, St. Mary's Congregation, New Orleans, LA.

The Right Reverend L. Shannon Mallory, Episcopal Bishop of El Camino Real, California.

Bishop Joseph H. Yeakel, United Methodist Church, Washington Area.

William Sloane Coffin, Senior Minister, Riverside Church, New York City.

Ron Sider, Professor, Eastern Baptist Theological Seminary.

Eileen J. Cehyra, Provincial Superior, San Antonio, TX.

Bishop Walter J. Schoenherr, Detroit, MI.

Rosemary Radford Ruether, Professor and Author, Garrett Evangelical Theological Seminary.

Bishop Kennth Hicks, United Methodist Church, Kansas Area.

Sister Joan Chittister, O.S.B., Prioress, Benedictine Sisters of Erie, Pennsylvania.

Myron Augsburger, Evangelist, Washington Community Fellowship.

Gayroud Wilmore, Dean, New York Theological Seminary.

Marian McAvoy, S.L., President, Sisters of Loretto.

Sister Monica McGloin, O.P., President, Dominican Sisters of the Sick Poor.

Rabbi Dvorah Bartnoff, Congregation AM Haskalah, Philadelphia, PA.

Bishop Gustav Schultz, Southwestern Province, Association of Evangelical Lutherans.

Amy M. Hoey, R.S.M., President, Sisters of Mercy, New Hampshire.

John Corcoran, Vicar General, Maryknoll, NY.

Sister Celestine Thibodeaux, C.I.C., Superior General, Sisters of Immaculate Conception.

William S. Schulz, President, Unitarian Universalist Association.

Bishop Nelson W. Trout, Woodland Hills, CA.

Sister Mary Ellen Reichert, O.S.F., Provincial Superior, Order of St. Francis.

Anthony M. Bianco, C.R.S.P., Provincial Superior.

Rabbi Gerald Serotta, National Steering Committee for New Jewish Agenda.

The Very Reverend James S. Stratton, C.S.R., Provincial Superior, Redemptorist Priests and Brothers, San Franciso, CA.

Bishop P. Frances Murphy, Auxiliary Bishop of Baltimore.

Sister Miriam Maroney, Provincial Superior, Sisters of the Good Shepherd.

Sister Kay Burton, S.N.J.M., Provincial Director in Spokane, WA, Sisters of the Holy Names.

Robert MacAfee Brown, Professor Emeritus, Pacific School of Religion.

Sister Margaret Byrne, Congregational Leader in Washington, DC, Sisters of St. Joseph of Peace.

Doris Younger, General Secretary of Church Women United.

Sister Dorothy Ettling, General Superior of Sisters of Charity, San Antonio, TX.

Sister Anna Margaret Cahill, President, Dominicans of St. Catharine, KY.

Rabbi Mordechai Leibling, Director, Special Project for the Federation of Reconstructionist Congregations and Havurot.

Howard L. Rice, Professor, San Francisco Theological Seminary, Former Moderator of the Presbyterian Church (USA).

Helen Flaherty, S.C., President, Sisters of Charity, Cincinnati, OH.

Sister Marie Kathleen Maudlin, Congregational Minister, General Superior.

Dorothy MacDougall, S.C.N., Superior General, Sisters of Charity of Nazareth.

Ronald G. Taylor, Executive Director, Board of International Ministries, American Baptist Churches.

Sister Sheila McGinnis, Sector Superior, North America Sector, Medical Mission Sisters.

Dorothy Ann McKinney, Director of International Designs for Economic Awareness.

Sara Nelson, Executive Director, Christic Institute.

Sagrario Nunez, Provincial Superior, Haverford, PA.

Sister Cynthia Sabathier, C.S.J., Assistant Provincial, Sisters of Saint Joseph, Medaille, New Orleans.

John Collins, Co-director, Clergy and Laity Concerned.

Sister Anne O'Neil, Provincial of the U.S. Province, Society of the Sacred Heart.

Vincent Harding, Professor, Iliff School of Theology.

Mary Lou Owczarzak, Community Coordinator, Mission Sisters of the Holy Spirit.

Sister Miriam Moroney, Provincial Superior, Sisters of the Good Shepherd.

Sister Mary Irene Cecil, Superior in Maple Mt, KY.

Jorge Lara-Braud, Professor of Theology and Culture, San Francisco Theological Seminary.

Katharine Hanrahan, S.C.N., Provincial Superior, Louisville, KY.

Sister Margaret Krantz, F.M.D.C., Major Superior, Franciscan Missionary, Sisters of the Divine Child.

Phillip Berryman, Author, Philadelphia, PA.

Sister Rosaire Lucassen, O.P., President, Dominicans of Racine, WI.

Brigid McCoy, SS.CC., Regional Superior, East Region, U.S.A.

Jim Antal, Executive Secretary, Fellowship of Reconciliation.

Sister Joanne Meyer, O.S.F., Director of the Congregation, Sisters of St. Francis of Assisi.

Sister Frances Cunningham, O.S.F., President, School Sisters of St. Francis.

William Webber, Professor, New York Theological Seminary.

John D. MacLeod, Jr., Synod Executive of North Carolina, Presbyterian Church (USA).

Sister Mary Lou Kownacki, O.S.B., National Coordinator, Pax Christi.

Richard Shaull, Professor Emeritus and author, Princeton Theological Seminary.

Bruno Barnhart, Cam. OSB, Prior, Immaculate Heart Hermitage.

Daniel Berringan, S.J., New York City.

Sister Agnes Connolly, President, Sisters of Charity, New York City.

A. Garnett Day, Executive Secretary, Disciples Peace Fellowship.

Marie Egan, I.H.M., President, Immaculate Heart Community, Los Angeles, CA.

Rabbi David A. Teutsch, Executive Director.

Mary H. Miller, National Chair, Episcopal Peace Fellowship.

Sister M. Juliana Haynes, S.B.S., President, Sisters of the Blessed Sacrament.

Alexander A. DiLella, O.F.M., Professor, Catholic University, Washington, DC.

T. Richard Snyder, Dean, New York Theological Seminary.

Robert Z. Alpern, Director, Washington Office, Unitarian Universalist Association.

Sister Marian Bandille, O.S.F., Provincial Missionary in Massachusetts, Franciscan Sisters.

Henry L. Bird, Urban Indian Missioner, Episcopal Diocese of the Rio Grande.

Elizabeth Brown, O.S.B., Prioress, Benedictine Sisters, Glendora, CA.

Margaret Cafferty, P.B.V.M., Congregational Superior, San Francisco. CA.

William Callahan, S.J., Co-Director, Quixote Center.

Sister Athena Calogeras, SSJ-TOSF, Director, St. Francis Region, Chicago, IL.

Charles J. Chaput, O.F.M., Provincial Minister, Capuchin Province of Mid-America.

Sister Narita Cooney, R.S.M., Provincial Administrator, Sisters of Mercy, Omaha Province.

William Coop, Chairperson of Bi-National Service Council, PC (USA).

Sister Michaela Crowley, O.S.F., U.S. Provincial Executive, School Sisters of St. Francis.

Sister Miriam Patrick Cummings, S.S.N.D., Provincial Leader in Chicago, School Sisters of Notre Dame.

Sister Miriam Dardenne, Abbess of Redwood Monastery, California.

Walter T. Davis, Jr., Interim Dean, San Francisco Theological Seminary.

William J. Davis, S.J., Co-director, Christic Institute.

Richard Bagget Deats, Director, Interfaith Activities, Fellowship of Reconciliation.

Jim Douglass, Co-founder, Ground Zero Center for Non Violent Action, WA.

Sister Michele Doyle, O.S.F., U.S. Provincial Executive, School Sisters of St. Francis.

Sister Mary Dunn, O.S.U., Council Member of Ursuline Sisters, Youngstown, OH.

Michelle Farabaugh, O.S.B., Prioress, Benedictine Sisters of Pittsburgh.

Maurine Fiedler, S.L., Co-Director, Quixote Center.

David Flusche, O.S.B., Priest and Monk of New Subiaco Abbey, AK.

Sister Jean Ford, R.S.C.T., Provincial Team Member, Society of the Sacred Heart.

Sister Patricia Gamgort, O.S.B., Prioress of the Benedictine Sisters of Ridgely, MD.

Donald J. Goergen, O.P., Dominican Provincial, Central Province.

Sister Lucille Goertz, O.S.B., Prioress in Covington, CA.

Sister Ann Gormly, S.N.D., Associate Director, U.S. Catholic Mission.

Sister Elaine Gremminger, O.S.F., U.S. Provincial Executive, School Sisters of St. Francis.

Joseph R. Hacala, S.J., Director, National Office of Jesuit Social Ministries.

Sister Louise Hageman, O.P., Prioress of the Dominican Sisters, Great Bend, KS.

Sister Mary Victoria Hayden, S.C.N., Provincial, Louisville II Province.

H. Daehler Hayes, Conference Minister of the Rhode Island Conference, U.C.C.

Charles Henry, O.S.B., Prior, St. Maur Priory, Indianapolis, IN.

Sherman G. Hicks, Assistant to the Bishop, Illinois Synod, Lutheran Church in America.

Mary E. Hunt, Co-director, WATER.

Sister Mary Caroline Jakubowski, S.S.N.D., Provincial Leader, Milwaukee Province.

John D. Keller, O.S.A., Provincial, Order of St. Augustine, Western Province.

Sister Rosalie King, O.S.F., U.S. Provincial Executive, School Sisters of St. Francis.

Arthur Kortheuer, Chair, Peace Initiatives Network.

Pat Kowalski, O.S.M., Prioress Provincial, American Province, Servants of Mary.

Myron Kowalsky, O.F.M., Capuchin Provincial Minister, Detroit, MI.

Patricia Krommer, C.S.J., Executive Director, Archbishop Oscar Romero Relief Fund.

Joseph R. Lang, M.M., Executive Director, U.S. Catholic Mission Association.

Sister Susan Lardy, Prioress, Annunciation Priory, Bismarck, ND.

Dean H. Lewis, Director, Advisory Council on Church and Society, P.C. (USA).

Millard C. Lind, Professor of Old Testament, Associated Mennonite Seminaries.

Sister M. Jean Linder, O.S.F., Community Minister, Tiffin, OH.

John R. Lynch, Sacred Heart School of Theology.

Sister Ann M. Mahoney, S.P., Vice President of Sisters of Providence.

Sister Mary Sue Mertens, C.D.P., Provincial in St. Louis.

The Very Reverend William Morell, O.M.T., Provincial, Oblates of Mary Immaculate, Southern U.S. Province.

Diane McCormack, Vice President, Immaculate Heart of Mary.

Alan McCoy, O.F.M., Executive Director in Los Angeles, Franciscan Conference.

Sister Mary Roy McDonald, School Sisters of St. Francis, Milwaukee, WI.

Margaret Nulty, S.C., Director, Leadership Conference of Women Religious.

Sister Patricia O'Brian, O.C.D., Prioress of the Carmelite Monastery.

Urbane Peachy, Executive Secretary, M.C.C. Peace Section.

Sister Christina Pecoraro, O.S.F., Provincial Minister of Holy Name Province, Stella Niagara, NY.

Donna Quinn, O.P., National Coalition of American Nuns.

Rosemary Rader, O.S.B., Prioress of St. Paul's Priory.

Sister Joann Riester, O.S.F., U.S. Provincial Executive, School Sisters of St. Francis.

Sister Ruth Schwalenberg, D.M.J., Provincial of the Daughters of Mary and Joseph, Palos Verdes, CA.

M. Angelice Seibert, O.S.U., President, Ursuline Sisters of Louisville, KY.

Patrick Shelton, O.S.B., Abbot, St. Leo Abbey, FL.

Bede Smith, Professor, St. Augustine's Seminary.

James Sorinson, The American Lutheran Church.

Sister Rita Taggart, O.S.B., Prioress of Order of St. Benedict, Rapid City, SD.

Robert W. Tiller, Director, Office of Governmental Relations, American Baptist Churches, USA.

Patrick Tonry, S.M., Provincial of NY, Province of Marianists.

Gerard A. Vanderhaar, Professor of Religion, Christian Brothers College.

Leland Wilson, Director, Washington Office of Church of the Brethren.

Sister Ann Wylder, R.C., Provincial, Midwest Province, Congregation of Our Lady of the Cenacle.

Darrell W. Yeaney, Executive Director, United Campus Christian Ministry.

SUPPLEMENTARY LIST OF RELIGIOUS LEADERS WHO HAVE SIGNED THE STATEMENT "IN THE NAME OF GOD—STOP THE LIES—STOP THE KILLING"

George C. Harris, Episcopal Bishop of Alabama.

John C. Bennet, President Emeritus, Union Theological Seminary, New York City.

B. Davie Napier, Former President, Pacific School of Religion, Professor Emeritus, Yale University.

Sister Kathleen Keating, President, Sisters of St. Joseph of Springfield.

Sister Karen Stern, S.H.F., Superior General, Mission San Jose, CA.

William M. Aber, Executive Presbyter, Presbytery of Santa Fe, NM.

Sister Mary Joan Coultas, Provincial Director, Allison Park, PA.

Rabbi Jerrold Goldstein, Director, Hillel House, Van Nuys, CA.

Sister Kathleen Mary McCarthy, Provincial Superior of Sisters of St. Joseph of Carondelet, CA.

Rollin O. Russell, Conference Minister, Southern Conference U.C.C.

Dorothy Sadowski, Executive Team Member, Cleveland, OH.

Robert E. Seel, Executive Presbyter, de Cristo Presbytery, PC (USA).

Carl R. Smith, Synod Executive of Lincoln Trails, IN PC (USA).

Susan Anne Snyder, O.P., Prioress General, Kenosha Dominicans, WI.

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent also that following that I be permitted to place into the RECORD an article by Joanne Omang and John M. Goshko, who are Washington Post staff writers, in an article that appeared day before yesterday in the Washington Post entitled, "GAO Faults Auditing of Contra Aid. State Department Controls Unable to Verify Delivery, Report Says" in the subheadline.

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

There was no objection.

The article follows:

GAO FAULTS AUDITING OF CONTRA AID—STATE DEPT. CONTROLS UNABLE TO VERIFY DELIVERY, REPORT SAYS

(By Joanne Omang and John M. Goshko)

State Department audit controls over millions of dollars in U.S. humanitarian aid to Nicaraguan rebels "cannot verify actual delivery or receipt of items" in the field, a General Accounting Office official said in congressional testimony prepared for delivery today.

The statement by Frank C. Conahan, director of GAO's national security and international affairs division, said the department "does not have procedures and controls which would allow it to provide these assurances" that Congress asked for when it approved the $27 million aid program last fall.

The report for the House Foreign Affairs subcommittee on Western Hemisphere affairs, a copy of which was provided to The Washington Post, is likely to provide ammunition in the debate over President Reagan's new request for $100 million in aid to the contras, including perhaps $70 million in covert military aid. Its contents were disclosed on a day of rising rhetorical warfare between backers and opponents of new aid for the Nicaraguan rebels. The battle is expected to continue until Congress votes on the request, probably in about two weeks.

White House communications director Patrick J. Buchanan launched the opening salvo by warning on "CBS Morning News":

"if we don't get that assistance to the contras, they'll be defeated," he said. "The communists . . . will roll up Nicaragua and then we'll be left with two options: basically the United States can then step aside and watch the Warsaw Pact roll up Central America, or we send in the Marines."

Secretary of State George P. Shultz expressed general agreement. "If it's a question of avoiding the use of U.S. military forces directly, then support for the president's package is indicated," he told a House subcommittee.

On the other side of the issue, 167 religious leaders charged that "exaggeration, misinformation and outright falsehood form the heart of the Reagan administration case against Nicaragua." And the Washington-based human rights group Americas Watch, reporting abuses by the Nicaraguan government as well as the contra rebels, urged that the aid package be defeated.

Paradoxically, the critical GAO report may provide ammunition for the administration, which has been arguing that the overt program is working so badly that only a new covert plan can meet the contras' needs.

"Those charged with administering the [contra aid] program are unable to verify expenditures made in the region, and are unable to observe the end use of procured items to ensure that they were not diverted, bartered or exchanged," Conahan's draft testimony said.

While the $5.2 million in aid funds so far spent in the United States has been under "considerable control," $7.1 million spent in the Central American region is not, Conahan said. "Payment is usually made to a Miami bank account of one of several brokers . . . there is no audit trail showing payments from the brokers' accounts to suppliers, and only partial documentation of shipments from the suppliers to the resistance forces."

Congressional sources said the GAO had told them about $4 million worth of equipment purchased in the United States remains in U.S. warehouses because of refusal by the Honduran government to allow its delivery to contra troops based in that country.

The developments occurred as White House officials, following a Cabinet strategy meeting on the aid proposal, said Reagan plans to deliver a nationally televised plea for the aid over the March 15-16 weekend, if the House sticks to its plan to vote the following week.

Spokesman Larry Speakes said the administration faces "an uphill fight" on the package, which would provide the 20,000 contras with $30 million in nonmilitary aid and give Reagan $70 million to use as he likes, presumably for covert military aid. "For the moment we think it is the appropriate package," Speakes said.

Administration officials have repeatedly argued that renewed military pressure from the contras is the only way to bring Nicaragua's leftist Sandinista government into regional peace negotiations, and that a contra defeat means an eventual choice between a communist Central America or U.S. military action. However, Reagan has also declared repeatedly, as recently as last week, that he has no plans to use troops in Central America.

Rep. David R. Obey (D-Wis.), chairman of the House Appropriations subcommittee on foreign operations, told Shultz that the administration stand is illogical. "We view the aid package not as a way to avoid American involvement, but as a means that will put us on the slippery slope to involvement," Obey said.

In the Philippines, "we let the people there do it. If we learned one lesson from the Philippines, it is 'don't give $100 million to the contras.' "

House Speaker Thomas P. (Tip) O'Neill Jr. (D-Mass.) echoed that in his first formal statement on the contra issue. "It would be a disaster for America to drop from the high road of smart diplomacy [in the Philippines] to the depths of gunboat diplomacy," he said. "Reagan should practice the magic of Manila on Managua."

The Catholic, Jewish and Protestant religious leaders, including eight seminary presidents and 20 bishops of varying denominations, said they will plant "crosses of sorrow and hope" in 78 cities nationwide to memorialize alleged victims of contra attacks in Nicaragua.

Their statement said the administration "has been covering up credible reports that the contras are systematically committing human rights atrocities" and that its policy is "built upon a foundation of falsehood."

Americas Watch Vice President Aryeh Neier told a news conference the group's ninth report on human rights in Nicaragua was "the most depressing yet" in showing that "all parties have contributed to the deterioration of the human rights situation; the Sandinista government, the contras and the United States government," the latter by "trying to smear those who compiled reports" critical of the contras.

U.S. charges that Nicaragua has murdered thousands of its political opponents "are unsubstantiated and almost certainly false," Neier said.

Mr. GONZALEZ. I offer all of this for the RECORD because I think there is nothing more that the RECORD should demand of us than the ongoing historical facts as they are being reported by our media; whether it is the printed or the electronic media.

We have had extremely valuable documentary reports on the electronic media; that is on television, by several of our networks that should have by now illustrated to us in the Congress and to the American people generally that the issues that we confront with respect to the churning events and processes of historical development in the countries immediately south of our border, are of such complexity that they cannot be susceptible of these simplistic attitudes of President Reagan and those acting in this administration in his behalf; beginning with the very first Secretary of State that President Reagan appointed as a member of his Cabinet, General Alexander Haig, who was first to describe the events in El Salvador; the smallest country in the Western World, as an East-West confrontation.

He went further and said:

I herewith draw a line in which we, the United States will draw the line on any further incursions in this contention known as the East-West confrontation or, in other words, West versus communism or countries in the free world versus the communist slave states.

At that point, I had reached the conclusion that the administration just formed days before, on January the 20, 1981, was irrevocably committed to a policy that would not find room for a diplomatic approach. That has been the record of Mr. Reagan's approach to the questions confronting us of the most serious nature, at a most serious and ominous conjunction of historical development for us who share the New World with these countries than perhaps at any point in our history.

Therefore, the demand is for us to evolve a mature, an understanding based on knowledge of that history and knowledge of all of these 21 or so nations that constitute this generally described area of Latin America.

My interests have been aroused since the previous President, Jimmy Carter, so that what I have offered for the record thus far and will not repeat today should indicate clearly that my approach has been basically nonpartisan. That I would, if the President were a Democrat, be speaking just as strong and perhaps more strongly in a partisan sense, more allowable, than I am now in the case of the present incumbent President.

The reason that my interest was aroused was because I could see, in late 1979 and early 1980, that whoever it was in that administration who was advising the President with respect to what should have been the evolving nature of a policy reflecting America's leadership position which we still had a vestigal amount, to lead in a collective sense.

I had pointed out but failed to penetrate the levels of decisionmakers under the Jimmy Carter administration, that the history was very eloquent in what it revealed; those events in which the United States successfully exercised leadership.

It was not necessarily such a thing as President Johnson's invasion of Santo Domingo. I might say for the record that in that case, the Organization of American States asked me to form part of the core of objective observers, as they called them, who would oversee the election held in Santo Domingo on July 1, 1966. And I served as such and went to Santo Domingo. I did not consider myself an expert before; I did not then, and I have not since, but in view of the fact that I am also the recipient of infor-

mation which charges me with knowledge and therefore, as I have exercised ever since I accepted a public trust based on the free elections of the citizens in my given area, and that is to speak out as a matter of responsibility and duty in the form of accountability based on the knowledge received.

Not that I was smart enough to think it up, not that I was smart enough to even dig it out or research it; but because of the unimpeachable and the absolute trustworthiness of the nature of the information and the source of the information, I have spoken out.

It has motivated me getting up in this well, the past 25 years almost, because I have spoken from this well from the very beginning of my experience as a Member of the House of Representatives. There was no television coverage and there was no thought given to seeking that, any more than there is today, where happily I think there is a little bit more accountability by having that kind of a coverage of the proceedings of the House of Representatives.

I believe and have always believed that the biggest problem in attempting to presume to represent people was a question of communication; and this is a continuing challenge, I believe.

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So that in exercising what I feel is basic accountability, I have spoken out. It has created in some cases very nasty situations. I have been shot at; I have had the FBI report not once but four times what they call hits or rewards offered for injury to me, including death. And happily, I have survived. And, unfortunately, my experience with such agencies as the FBI have left a very sour taste in my mouth. My experiences such as they have been in view of the information that has been brought to my attention by absolutely trustworthy and absolutely knowledgeable sources, and let me say that 90 percent of those sources have been constituent sources, they have been citizens that know of me, that live in the district, some of them have gone off, they are in the service, in the uniforms of our services, they have developed great expertise, they occupy positions of trust in our military intelligence and other branches of the service and have felt it was their duty to communicate with the only man they felt they knew who would have some access to the levels of command or at least judgment-making decision levels.

The truth of the matter is that an individual Member of the House, 1 out of 435, has very serious limitations. The very nature of the body would explain that.

So this means, which is a privilege, it is the privilege given a Member of a numerous body to extend over and above the limitations that are imposed of necessity during the course of debate on any issue, to extend on the issue that the Member feels impelled is of such importance that it warrants his appealing to this particular privilege.

Today, more than ever, I feel that we, the Members of Congress, and those in the House of Representatives particularly, must summon more, perhaps, than at any time, perhaps even during wartime, because in time of war the heroes are there and easily defined, but it is in time of peace when the thinking and the policy structuring that could be erected to provide the leadership that our country could follow to lead to avoiding such violence as warfare, is necessary to be forthcoming, and actually fortunate the land where that can be produced and where it can be forthcoming.

Would we not say now in retrospect that had our leaders in and out of Congress, in and out of the President's office, had a truer perspective of the nature of that outer world, in the one case Southeast Asia, even in the continuing case of Europe today as it is constituted, would it not be helpful to have a closer perspective, one based on the real world as it exists there, not as we have fancied it to be or as we have inherited the notion that it is. Would it not be a very great thing that the President could respect the coequal and the independent and the separate branch of the Government, the first branch of Government under the Constitution in article I? And say to the Congress before the approval of the War Powers Limitation Act there certainly would have been no duty on me to come before the Congress on some of the deliberations that, of necessity, had to be made on the executive level; but since then and even though I feel that I do not have to, out of respect to the representatives of the people I want to come before you and lay the cards on the table, based on the facts as they have developed and as they have been reaffirmed, and to show you that the correctness of my position is such that I have the active alliance of this and this and this country; but not only in the New World but in the Old World.

I come before you Members of Congress after I have initiated various attempts to bring about a collective and a peaceful and a negotiated and a diplomatic approach to the resolution of these very serious upheavals that are taking place south of the border. That would be the ideal. This would be the way that our students in government would say it is supposed to be functioning.

The truth of the matter is that President Reagan has made a very, very indifferent recognition of the presence and the significance of congressional approval. He is not the first President but nevertheless I feel that in his case it was far more fatal not to do it than in others.

Why do I say that? I say that because the facts show that at no time has President Reagan made an effort to seek the alliance or to exert the leadership of the United States in a collective form with the very organizations that we took the leadership several decades ago in forming on the basis of treaties that we, ourselves, initiated and wrote and were able at the time to obtain the overwhelming, if not the unanimous, alliance and affinity of interests of these nations.

The Treaty of Rio, the other two or three corollary understandings that gave rise to what we call the Organization of American States, wherein and when at what time has a President either through himself or through his Secretary of State made any effort to seek some resolution of these questions before unilaterally taking the decision to militarize in the heaviest and most exaggerated form that the history of that section of the world shows? Never in the history of the Caribbean and the Pacific on the other side of the Isthmus has there been such a military presence as that which the President has had in place for almost 4 years now.

The very fact that he announced the formation of a Bipartisan Commission on Central America in which he announced the membership of a goodly number of Members of Congress, both House and Senate, and went out and attracted some personalities such as the mayor of my city, but who, at the time he announced the formation of a bipartisan Commission in which he said he was forming as an advisory group because he was seeking and desiring the advice of this aggregation which he called the Bipartisan Commission on Central America, but simultaneously with the announcement of the names of those who had accepted he announced the decision to deploy the heaviest military presence in that area.

I challenge the wisdom and the judgment of the Members of Congress who accepted under those terms, even supposing they knew nothing about the decision of the President announced immediately after he announced the formation of the Commission. I felt that under those circumstances the President was acting in a duplicitous manner, because he had not waited to seek the advice and obtain that advice, he had acted immediately on a course of unilateral military intervention.

Today, at the same time that he is telling us that under no circumstances can he recommend $60 million for domestic needs to try to take care of the growing army of homeless Americans—and I am speaking now of

women and children, not ne'er-do-wells, not hoboes, not derelicts, but families—but wants to give much more than that, and apparently says he has the money for it, whereas he tells he does not for the other, to a group that by all sources' testimony are nothing more or less than a rather random and motley crew of assassins, rapists, murderers of schoolteachers, innocent village women, and men informers in Nicaragua.

He has ordered and we have ended up in occupying the sovereign state of Honduras. We are not there on the invitation of the representatives of the people of Honduras. On the contrary, the last item that I ask be inserted in the RECORD will show that even with the 40-some-million dollars that he flummoxed the Congress into giving him last year as nonlethal, whatever that may be, or humanitarian aid, cannot even be accounted. And that all that our responsible oversight agencies can tell us is they do not know what has happened to over half of those goods or materials or moneys.

Well, I have indicated on the RECORD where it is and I have said at the very outset when I spoke on this subject matter last, that is during the course of this second session, that they are held in Honduras, that the Honduran Government was refusing to even allow the unloading of the cargoes because our leaders and State Department have become so brazen, they have become so arrogant, that they do not mind announcing to the world that they were sending this aid into the sovereign state of Honduras to help a group of people and men that the Honduran people feared more, as they do now, than they did the Nicaraguans, and that they could not proclaim as a sovereign nation to the world that they could passively accept that and not be in violation of the basic rules of international law.

That is the long and short of it. And that is where the goods are. Whether they have unloaded them in the interim or not, I do not think so. In fact, I know so, because it is corroborated by this GAO report that was alluded to in this article in the Washington Post 2 days ago.

So the President is asking us for an additional, this time directly, $100 million.

What is it the President really seeks? The money? No, any more than he needed the $40 million in so-called nonlethal aid. What he needs desperately is some kind of a rescue from a miserable commitment, one that stands in shame before the world, one that has brought the condemnation, not the joinder, of every single country in the Western Hemisphere and every country in Europe and those that we do business with in the Far East. There is not a one of the countries that share the world in the New World with us that goes along with the Reagan policy in Latin America or Central America, specifically.

□ 1705

So what is it the President seeks? He seeks the imprimatur of approval.

There are some of my colleagues who say, well, he really knows he is not going to get $100 million, but he will do with about one-third of that, and that will be sufficient. He will sign that bill. He will accept it; meaning that what the President really wants is that approval, even though it might be indirect, by the Congress of those policies, that, I say again, are totally bankrupt, for we have invested now, just in the smallest country since 1981, $4 billion plus, most of it in military aid, direct and indirect.

How was it funded? Was it funded in that amount directly by the Congress? No. As in the case of the aid to the Contras which the CIA has given in the last 2 years, even when the Congress 2 years ago this summer passed a prohibitory amendment saying, "Mr. President, not one penny of this money goes to the Contras," or the CIA as they put it, all the President was using was the elasticity of his discretionary Executive budget, which went up in 1½ years 750 percent, and the overwhelming amount of that money was used to provide through the CIA that help to the Contras, that introduced for the first time in the New World the most deadly, death-dealing machines of war that have ever been introduced in the New World. This is where we are.

So if the President obtains even an oblique or an indirect stamp of approval, or imprimatur of approval, there is no question in my mind that there will be only one end result. It is just a matter of time and circumstances and the scenario that we will have inevitably, inexorably, because the President does not show one least bit of an inclination to deviate one bit from that policy, the involvement of our troops.

In today's Washington Post it is interesting to note that this is exactly, not what HENRY GONZALEZ has been saying, but what Secretary of Defense Caspar Weinberger says as of today's Post. What does he say? He says if you, the Congress, do not give us that money, we will eventually have to use our troops.

Well, I will tell this to Mr. Caspar Weinberger. Mr. Secretary, whether you get the money or not, you are already involving, you have already caused the death of 17 active-duty members of our armed services in Central America, and all you will be doing will be ensuring a calamitous incursion that no President since Calvin Coolidge has thought it wise or deemed it necessary to incur.

I say that, under these circumstances, we in the Congress must transcend this question of partisanship and need to blindly support the Chief Executive. There come times when we must make the decision. In this case, it is difficult to conjure and to bring on this House floor all of the tragic consequences that have occurred because of this mistaken policy; the 50,000 Salvadorans dead, the thousands inundating our borders now—for in my city of San Antonio, I guarantee you, my colleagues, I can take you and show you where we have more Salvadoran illegals than we have Mexican illegals, which is what has been agitating your minds in the deliberations concerning the amendments to the Immigration and Naturalization Act.

Surely we must realize that this is a failed and a bankrupt policy, that if we cannot after a heavy involvement, including some of our men who, today as I am speaking, contingents of our servicemen, are involved in the civil war in El Salvador, and where we have introduced the horrible machines of death that are killing in untold numbers of innocent women, innocent children, innocent peasants, where we have resorted to the resettlement so-called tactics of Vietnam and have uprooted entire hamlets unnecessarily, but because we are in not only forming the armed forces, but arming, guiding and making the key decisions.

For every helicopter we have there now, which are the heavy Huey attack helicopters with so-called night vision gunning down innocent children, we have American pilots flying the reconnaissance for them, pointing.

In Nicaragua, we have had several lost, whereby some misbegotten commanders have tried to imitate the CIA and its so-called plausible deniability. That is where the serviceman is told, "Well, if you're caught or if you're killed, you are not a serviceman, you are not on active duty. We are not going to give you your dog tag." And that is it. Now, you may have volunteers. We do have quite a number of American mercenaries there. We did in 1954, when the CIA took the credit for destabilizing the so-called Colonel Arbenz' regime.

But what did we resolve? We did not get any further, other than some time for something that no tide, no man or combination of men is going to stop, and that is the repressed up to now desires of those vast masses who now know that there is another world, and that they do not have to live that way. It just depends on what wisdom, whether through wit and will, we can find a reason to give hope and an outlet to that hope to the submerged masses that, for a couple of centuries and more, have been victimized by despots, tyrants, oppressors, and most of them with our help, simply because they were the ones that were doing business with our vast corporate enter-

prises. But even those have forsaken Latin America in the last decade. We had a drop from 40-percent investment to 17-percent investment in less than a decade in the seventies.

So with this type of a contingency, is it not time for us to ask for some accountability from the executive branch.

Mr. Speaker, I yield to my distinguished colleague from Minnesota.

Mr. VENTO. Mr. Speaker, I want to commend the gentleman. I think the gentleman is making a very important statement with regard to the problems in Central America.

Most specifically, I just want to point out that today the Foreign Affairs Committee is to vote on the aid to the Contras, a $100-million proposal that the President has recommended and, of course, we are besieged by the media blitz, and so forth, to support such.

I want to say that I do not support that $100 million recommendation from the President, with all due respect.

The fact is, of course, that most recently in news events, the Secretary of Defense has announced that if we do not support this particular type of aid, in fact, the only other alternative is that we would have American troops that would be present then in Nicaragua. By what action, by what rationale, I do not understand, nor do I agree with some of the conclusions that the Secretary spoke.

But I want to point out that the fact is that considerable American troops, considerable American personnel have been in Honduras on so-called training activities. We have had virtually tens of thousands of American troops and hundreds of millions of dollars spent in Honduras, in the nation adjacent to, next to, Honduras. And the fact is that we have placed into those countries investment, airfields, communication facilities—in other words, we have been spending through the Department of Defense directly tens of millions of dollars, $100 million in one particular instance over the last 4 or 5 years, much of it not done with the avowed approval, but with some of the flexibility that the Department of Defense and any administration, I suspect, needs in order to conduct our defense and our foreign policy.

□ 1715

However, I think that this type of money, this type of activity, speaks to the fact about what our involvement has been, and I think that the so-called patrol and other types of activities are merely a rather transparent effort to in fact provide a U.S. military presence and a not so subtle threat to the Nicaraguan Government.

I think that these activities, this sort of gunboat diplomacy, as I think it is properly characterized, speak to an action, a willingness that we would seek a military solution in Central America, when indeed I think, as the gentleman commented about the repression, about the economic circumstances there, about the problems that exist—and there are real problems in Central America—that these do not speak to a military solution but much rather to a political solution to this through the Contadora process, through the support groups that have been created by Central and South American neighbors, the very countries that are even more close than, for instance, our Nation, whether it be Florida or Texas, with respect to these particular areas.

And so it is very important, I think, that we have this debate, that the gentleman takes a little time on special orders today to explore the problems that exist with regard to these nations, if we are to in fact help and participate fully in the crafting of a policy.

The point is that many say we have Marxists in Central America today, we have Communists in Central America, and indeed that statement is true. I think all of us would agree that there are those who have a different political ideology, different political views than we have, I mean radically different views, and I think all of us can agree on that point.

But the fact is that we have these same political parties in many of our NATO allies, for instance, in France, in Italy one-third of the chamber of deputies is of course Communist. So the fact is that the mere presence of Communists and the fact that they think ugly thoughts and they think thoughts and pursue different remedies, different economic solutions than those which we accept through our form of government and our economic system as being the acceptable mode, should not, I think, threaten our Nation if indeed it does at all.

The fact is, is our national security at stake? Are we in fact pursuing a foreign policy that will indeed result in getting along with our Central American neighbors, whoever happens to be in power there, and it is not our will but that I hope of a self-determined will, and that is certainly a goal I think we should all agree we should strive for, whether it is Nicaragua or El Salvador.

But it seems to me that the policy that is being pursued by this administration is one that makes a common conflict with all the nations, with all the different groups, and in fact is expanding the type of conflict which is occurring in Central America rather than trying to keep it in perspective and in focus. Certainly we have to be concerned. But this idea of making a common enemy out of anyone who is against any type of government form is a problem. I have a lot of problems with the lack of democracy and self-determination and human rights issues in Central America.

I think that all Members indeed in this body would suggest that they are concerned about that, but I am concerned about what is happening in Chile, I am concerned about what is happening in the other nations of South America and Central America as well, not just sort of this overconcern with one nation such as Nicaragua, which indeed we have to be concerned about. We have to pursue the proper policy to what end we are seeking. I think the result here, as mentioned earlier in my comments, is political rather than military.

I want to thank the gentleman because I think he is pointing out one of the very basic problems here which is the problem of the economy of Central America that constitutes the very serious problem, where a handful of families control the entire economy. And until we democratize, as it were, that economy or those economies in those nations, I think we are not going to achieve the political goals that we share, the rights of individuals that are so important.

It is not an easy task, of course, to do that. The cooperatives, the labor unions, the other American business expertise that we have provided in these nations in terms of foreign assistance are extremely important. The education of individuals from those areas in our Nation perhaps is one of the best forms of investment that we could make, and yet we are cutting those budgets back home and cutting the Fulbright programs and the other scholarship programs that have been so important historically in developing the proper rapport with these people.

But what is also important in recognizing the problems that exist in terms of economic democratization of various countries is what has happened, for instance, in Mexico and how they have strived to try to attain that type of broad-based economy. Economic democratization does not mean anything more than, for instance, the free enterprise system which we are so concerned about here and the type of economy, the mixed economy that we have here, where we do not have just a handful of families or a handful of people controlling the entire country.

The gentleman has been very kind with his time in yielding to me so that I could add my voice this week, I think an important time to add our voices to his concerns about policy issues which we are going to be facing in the weeks and months ahead, especially with regard to support for the Contras, the so-called freedom fighters.

I thank the gentleman for yielding and I commend him for taking the time.

Mr. GONZALEZ. I feel not only grateful but I feel highly honored that my very able and very distinguished friend from Minnesota has taken the time himself. I know that he has spoken out. I know how he has voted in the past, and it has been one of those inspiring comradeships that has motiviated me, in part, to speak out.

I think that the gentleman recognizes my anguish when I read in the paper the day before yesterday that the President himself says, "Well, we have got to remember that these terrorists are just 2½ hours drive to Harlingen, TX.

Well, now, Harlingen, TX, is the seat, the capital, of the Confederate Air Force. Why, they would not dare let those Nicaraguans in there, first; and, second, this is the sesquicentennial year in Texas. My God, this is the year we celebrate the defeat of Santa Anna's armies, the last one that invaded that part of the country. And Mexico shows no desire whatsoever, as I said the other day, to try to get the Alamo back. They do not show any interest that I know of even in trying to get any portion of Texas back, at least not until Texas repeals its sales tax.

But then we have the Texas Rangers. My God, the Texas Rangers alone, one riot, one man. I do not share the President's fears.

Mr. VENTO. If the gentleman will yield, I feel comforted by all of that protection from down south in Texas.

Mr. GONZALEZ. I thought I better tell my Minnesota friend.

Mr. VENTO. I know they are not going to get to Minnesota with all of that in front of them. But I think the more important concern, of course, has been almost what I would say is a flood of what is illegal immigration that has come into the Nation, and that certainly is a serious concern and yet one that is not addressed. But I might say the greater threat has occurred not because of some of the illegal but some of the legal, some of the invitations that went out, for instance, to various people who settled in Florida and settled in other parts of our Nation who fled these nations and in fact have now formed and even trained their various groups in our country with private support and, I guess, not so subtle public tolerance of that, only to then use our nation as a basis of training, of raising money to then return to Central America to cause some difficulty, to form these various groups, and so forth, and the public policy that seems to be at least blind or actually endorsing those sorts of activities. So I think these sorts of scare tactics and these sorts of innuendoes that have characterized some of this show I think more the desperation of the position rather than the logic of the position of those who would advocate this type of aid.

Mr. GONZALEZ. I agree.

Mr. VENTO. I think, if our national security was genuinely at risk, that this House would respond in such a way as to deal with that. But I think the endorsement of every single point of conflict as being the key area of national security risk really demeans this body, demeans the discussion of this issue which is not helpful and I think is a detour in the main issue that the Congress has to face and that we have to develop in common league with the administration in terms of foreign policy. I hope we can develop that. I think that the words and the comments that have been spoken speak more to politics than to a rational policy path for our foreign policy.

So I thank again the gentleman for yielding and I thank the Texas Rangers for their defense of our Nation.

Mr. GONZALEZ. Well, they are there, I want to remind my friend from Minnesota, and they are a formidable group still, and they are not going to allow any such thing. Besides, Harlingen is in from the border a little bit. It is not right on the border. I do not think those fellows if they even tried would want to come, unless they came maybe perhaps through Matamoros or Brownsville, but then I think they would be more interested in coming by way of Louisiana and New Orleans where they probably would have more fun, anyway.

BEWARE OF QUICK FIXES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. PICKLE] is recognized for 5 minutes.

Mr. PICKLE. Mr. Speaker, there has been a lot of talk in the past couple of weeks about a great new and painless revenue-raising idea that could provide the Federal Treasury with a $10- to $20-billion windfall. It's called tax amnesty.

You have to admit that it sounds good. It would get us off the hook for about $10 to $20 billion of tough budget-cutting decisions. It could bring in additional revenue without the pain of voting for a tax increase.

But I am wary of any quick fix, especially ones that are designed to allow us to avoid making the tough decisions that we were sent here to make.

If there is indeed sizable dollars in uncollected back taxes out there that would come in if we granted a tax break for cheaters, then why don't we just give IRS the additional enforcement personnel they need to go out and get that revenue?

Nearly every dollar spent on IRS enforcement brings in a $10 return to the Treasury. Voluntary compliance with tax laws has been declining in recent years. I am afraid that tax amnesty would further erode voluntary compliance. It would send out the signal that it's OK to cheat on your taxes because we are going to forgive you whenever we need a boost in revenues so we can avoid making tough decisions on budget cuts or tax increases.

The IRS already knows who most of the tax cheaters are but they don't have the personnel to go out and get them. If we give IRS additional enforcement personnel, it will bring in additional revenue and it will send a signal that everyone must pay their taxes.

I think this whole issue should be subject to a public hearing. IRS has always taken a position against tax amnesty and has put forth valid reasons that we should examine closely. The Treasury Department is showing signs of weakening its previous opposition and I think we should get them on record to explain their position.

Before my colleagues jump on this quick-fix bandwagon, I think we should give it very close examination. I present here an editorial from today's Washington Post that expresses a wise caution about any quick fix.

FLAWS IN TAX AMNESTY

Tax amnesty is a fundamentally bad idea, and the Senate Budget Committee would make a serious mistake in endorsing it. The appeal is obvious. It promises a surge of revenue painlessly, without a tax increase. A number of the states have offered tax amnesties in recent years, and governors enthusiastically trumpet the revenues that they claim to have collected that way. But the senators need to give that proposition a careful second look.

The first issue is equity. A tax amnesty generally means a period in which people with guilty consciences can come forward and pay what they owe without penalties or the fear of criminal prosecution. Why should Congress enact a tax break for the cheaters, benefiting them rather than the good citizens who have paid their full tax liabilities all along?

The second issue is effectiveness. The states' experiences here are poor guides for federal policy. Amnesties have been most productive in those states with slack collection programs. Massachusetts, for example, coupled the announcement of an amnesty with a warning of much tougher enforcement and higher penalties ahead. In comparison with the states, federal enforcement has always been pretty muscular and, in any case, Congress does not have any new and sudden tightening of the system in mind. In these circumstances a federal amnesty would only set a bad precedent. Seeing one amnesty, people would naturally expect others to follow—and some would begin cutting corners in anticipation of it.

Senators would also be wiser not to assume that an amnesty draws huge waves of revenue from penitent non-taxpayers with great secret wealth previously unsuspected by the authorities. In Illinois, to take another example, an amnesty collected a substantial amount of money—but most of it apparently came from taxpayers who were already being audited, or were engaged in legal quarrels with the state over the amounts that they owed. Amnesty simply offered them a cheap way to end the quarrels.

71-059 O-87-27 (Pt. 3)

The Internal Revenue Service itself has contributed to the idea of vast hidden wealth by its assertion, in a study several years ago, that some $90 billion a year in income taxes goes uncollected. But that estimate is highly controversial and, other specialists argue, is far too high. Is there any point in enacting a bad law in hopes of capturing money that doesn't exist?

If Congress wants to go after uncollected taxes—as it certainly should—there's a better way. It can give the IRS more money to do its job. The IRS has been systematically underfinanced for years. But each dollar invested in the IRS results in upwards of $10 in additional revenue. That kind of arithmetic ought to appeal to a Congress seriously interested in deficit reduction.

CANADIAN TIMBER—AN ISSUE FOR NEGOTIATION, NOT LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. FRENZEL] is recognized for 20 minutes.

Mr. FRENZEL. Mr. Speaker, one of the most vexing bilateral problems we have with Canada is the timber issue. The United States' domestic timber industry charges that Canada's—actually British Columbia's—low stumpage fees constitute a domestic subsidy to its timber industry. Canada says that the problem is more likely due to the high value of the dollar, that its stumpage fees are fairly determined, and that there is a strong United States consumer demand for many of its lumber products.

Even though Canada does make some strong arguments for its position, many Members of Congress are convinced that we should pass legislation to protect United States industry. One likely bill, H.R. 2451, the natural resources subsidy bill, would, in effect, unilaterally determine that Canadian stumpage fees constitute a subsidy thereby making Canadian lumber eligible for assessment of countervailing duties. In 1983, the Department of Commerce ruled that Canadian stumpage fees were not a subsidy.

I believe that H.R. 2451 would mandate unwise public policy. It will force the Canadians to retaliate by refusing to import many United States products. Passage, or even further consideration, of the bill would also send a strong negative signal to the Canadians about the United States-Canada free trade agreement negotiations.

Timber is by far the largest industry in Canada. No United States industry compares to Canadian timber in proportion to the domestic economy. A bill containing what Canadians believe are unfair timber provisions would be a terrible discouragement to Canada to go to the free trade agreement bargaining table.

Even though I believe that the problem will be ameliorated somewhat when the dollar starts to decline vis-a-vis the Canadian dollar and the housing market will begin to improve; there still will be a problem that needs serious bilateral consideration particularly before we see any of the above improvements. It seems to me that we should deal with the problem in the context of the free trade agreement negotiations, not unilaterally through protectionist legislation such as H.R. 2451. Even if timber needs immediate attention, as alleged, that attention should occur at the bargaining table rather than through single-minded unilateral congressional action.

It is easier to blame imports for the woes of domestic industry. Sometimes they are unfair. I'm not sure they are in this case. If the U.S. timber industry is suffering through no fault of its own, we may want to look at our own domestic policies for possible relief. Or perhaps we should disband our own auction system and look toward developing stumpage fees of our own patterned after those in Canada. Import restrictions should be the least preferred course of possible relief for the U.S. timber industry, unless there is clear and convincing proof the imports are unfair.

There has only been a 0.6-percent increase per year in the Canadian share of the U.S. market between 1978–84. The large increase in the Canadian share occurred between 1975–78 when Canadian lumber filled a shortage in domestic demand in an upturn in the housing market. Even though the housing market is fairly depressed today, the U.S. industry still cannot supply domestic demand for all lumber products.

There is also evidence that many consumers prefer Canadian lumber products and are even willing to pay a premium for some of them. For those Canadian lumber products that are cheaper than the U.S. equivalent, the strength of the U.S. dollar has had more to do with the price differential rather than the low stumpage fees. Canadian stumpage fees are low, but they have been determined the same way for years. They are purposely low to account for the higher prices Canadian companies must pay for transportation and removal of the timber. Further, Canadian companies must pay for infrastructure improvements needed to access the timber and for reforestation costs. U.S. companies are afforded the same stumpage prices in Canada as their Canadian competitors.

The Congressional Research Service estimates that the U.S. Forest Service has subsidized the sale of timberland in the United States to the tune of about $1.5 billion in the last 10 years. We have also granted sizable tax breaks to the U.S. timber industry, and it appears that we will continue to do so. Both of these could be considered countervailable subsidies by the Canadians. Many U.S. jobs could be lost as a consequence which support exports to Canada.

I urge my colleagues to avoid the pitfalls that would result from further consideration of H.R. 2451, and instead to urge the administration to continue its efforts to negotiate bilaterally now and during the free trade agreement negotiations.

COURT ANNEXED ARBITRATION ACT OF 1986 AND INTERNATIONAL ARBITRATION ACT OF 1986

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KASTENMEIER] is recognized for 5 minutes.

Mr. KASTENMEIER. Mr Speaker, I am introducing two bills that relate to arbitration. First, I am proposing the Court-Annexed Arbitration Act of 1986. This legislation recognizes the importance of alternative methods of dispute resolution. At the same time, because the authorization encompassed by this bill ends after 5 years, it is an example of congressional support for structured experimentation in the Federal courts.

As my colleagues know, the Federal district courts have experienced a dramatic increase in the number of filed civil cases. For example, between 1960 and 1983 there has been a 250-percent increase in the number of cases filed in Federal district courts. (Unsurprisingly, even though the number of district judges has been increased by Congress, there still has been a large augmentation in the number of filings per judge at the district court level from less than a 400 per judge to nearly 600).

This caseload crisis could, of course, be ameliorated by the elimination of diversity of citizenship jurisdiction. Such a reform is the single most effective change that could be effectuated for the Federal judiciary. It respects federalism; it equips the Federal courts to confront the budget axe of Gramm-Rudman-Hollings; and it assists not only the trial courts but also the courts of appeals and the Supreme Court.

Although the House has twice passed diversity legislation in the past, such a move appears to be difficult to achieve in the Senate in light of the entrenched opposition of trial lawyers and their bar associations. As a result, responsible advocates of court reform are obligated to turn to nonjudicial forums of the resolution of disputes. Arbitration is one such alternative.

As Chief Justice Burger said in a speech to the American Bar Association, arbitration is not . . . "the answer or cure-all for the mushrooming caseloads of the court, but [is] one example of a better way to do it." Long ago, Aristotle observed that ". . . arbitration was devised to the end that equity might have full sway." These words still ring true today.

To date, at least three Federal courts have experimented with arbitration. While the results of that experimentation have been mixed, in my view, there is adequate justification for continuing the experiment. The bill does, however, require that any further arbitration programs be rooted in express congressional authorization. Therefore, only those 10 districts listed in the bill can engage in arbitration programs. In addition, five further districts can be added to the list provided that their arbitration plans are approved by the Judicial Conference of the United States and they are subjected to study by the Federal Judicial Center.

Due to the fact that the proposed legislation authorizes an experiment for a 5-year period, at the end of 4 years the Federal Judicial Center will file a report with Congress on implementation of the legislation and recommendations for legislative change.

The purpose of the authorization and the report is to provide Congress with information that will:

First, describe the arbitration programs as conceived and as implemented in the experimental districts;

Second, determine the level of satisfaction with the court-annexed arbitration programs in each of the experimental districts by court personnel, attorneys and litigants whose cases have been referred to arbitration;

Third, summarize those program features that can be identified as being related to program acceptance both within and across districts;

Fourth, describe the levels of satisfaction relative to the cost per hearing of each program; and

Fifth, allow a determination to be made whether to terminate or continue the experiment or alternatively, to codify an arbitration provision in title 28 of the United States Code authorizing arbitration in all Federal district courts.

In conclusion, I hope my colleagues will be supportive of this legislative initiative.

Second, I also am introducing a bill that will authorize Federal courts to enforce the decisions of international arbitrators. Current law is ambiguous on Federal court enforcement of international arbitral awards. Occasionally, courts have failed to recognize arbitration awards rendered against foreign governments because the awards have been found to conflict with the Federal act of State doctrine or the doctrine of sovereign immunity.

The proposed legislation solves present uncertainties in the law by providing that an agreement to arbitrate shall be deemed as consent to subsequent judicial proceedings to confirm any arbitral award made under such agreement.

Credit for this bill should be directed to Senator CHARLES MCC. MATHIAS, Jr., who introduced similar legislation in the Senate in June of 1985. The rationale for the legislation is set forth in his floor remarks:

Since arbitration agreements are becoming more common as a means of settling international commercial disputes, we need this simple guarantee to secure the safety of U.S. companies' interests abroad. This amendment would recognize the positive role of international arbitration and encourage its use. It would also prevent U.S. courts from invoking the act of state doctrine in inappropriate cases, and it would prevent the foreign government from invoking the sovereign immunity defense to escape enforcement of arbitral awards.

Reform is needed to promote the international rule of law, which provides the protection that U.S. businesses need when they operate overseas.

The procedure of submitting controversies to impartial arbitrators is a proven success on the international level. When a commercial relationship exists between a private enterprise and a sovereign state, a clause is normally inserted in a contract specifying that any disputes that might arise will be resolved by an arbitrator or arbitrators mutually agreed upon by the parties. Alternatively, an arbitrator or arbitrators could be selected by the International Court of Justice.

The arbitration process has obvious advantages to all the parties, especially when compared to the alternative of litigation in the judicial system of the country where the claim arose. Arbitration contains the element of compromise, whereas litigation is a winner-take-all situation. Moreover, arbitration is participator as opposed to being adversary. And finally, arbitration does not preclude going to court, should the parties fail to comply with the arbitral agreement.

When the parties go to court, one of them generally tries to procure an order enforcing the arbitral award. Thus, the court's job is different than relitigating the entire case.

As mentioned above, uncertainties exist in current law about the enforcement of arbitral awards in Federal courts. Since the proposed legislation removes those uncertainties, it will provide a substantial improvement to international law. The bill is entirely consistent with our international obligations and the norms of Federal judicial procedure.

I hope my colleagues in the House and Senate give serious thought to the proposal and assist in its ultimate enactment.

Interested parties should submit comments to the Subcommittee on Courts, Civil Liberties and the Administration of Justice, 2137B Rayburn House Office Building, Washington, DC 20515. Telephone Number (202) 225-3926.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. LEVINE of California (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. HILLIS (at the request of Mr. MICHEL), for today, on account of attending the funeral of Charles A. Halleck.

Mr. MYERS of Indiana (at the request of Mr. MICHEL) until 3:30 p.m. today, on account of attending the funeral of Charles A. Halleck.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. FRANKS, for 5 minutes, today.

Mr. KAPTUR, for 5 minutes, today.

Mr. PICKLE, for 5 minutes, today.

(The following Members (at the request of Mr. STRANG) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 60 minutes, today.

Mr. PARRIS, for 5 minutes, today.

Mr. PARRIS, for 5 minutes, March 7.

Mr. DANNEMEYER, for 60 minutes, March 11.

Mr. DANNEMEYER, for 60 minutes, March 12.

Mr. DANNEMEYER, for 60 minutes, March 13.

Mr. ARMEY, for 60 minutes, March 12.

Mrs. BENTLEY, for 5 minutes, March 7.

Mr. CRAIG, for 60 minutes, March 12.

Mr. MCCOLLUM, for 60 minutes, March 12.

Mr. FRENZEL, for 20 minutes, today.

Mr. GINGRICH, for 5 minutes, today.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ECKART of Ohio, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

(The following Member (at the request of Mr. PICKLE) to revise and extend his remarks and include extraneous material:)

Mr. KASTENMEIER, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. NIELSON of Utah, prior to the vote on House Resolution 390, in the House, today.

Mr. BEREUTER, immediately before Frank amendment to H.R. 4306, in the Committee of the Whole, today.

(The following Members (at the request of Mr. STRANG) and to include extraneous matter:)

Mr. COURTER.

Mr. CRANE.

Mr. LIGHTFOOT.

Mr. BARTON of Texas.

Mr. CARNEY.

Ms. SNOWE in two instances.

Mr. ARMEY.

Mr. MCCANDLESS.

Mr. DANNEMEYER in two instances.

Mrs. ROUKEMA.

Mr. MARLENEE.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. MORRISON of Connecticut.

Mr. WISE.

Mr. HOYER in two instances.

Mr. MARKEY in two instances.

Mr. MONTGOMERY.

Mr. PEPPER.

Mr. RANGEL.

Mr. GARCIA.

Mr. MINETA.

Mr. WEISS.

Mr. LIPINSKI.

Mr. MOODY.

Mr. COELHO.

Mr. GUARINI.

Mr. ATKINS.

Mr. LANTOS.

SENATE BILL AND JOINT RESOLUTIONS REFERRED

A bill and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 360. An act to direct the Secretary of Agriculture to convey, without consideration, the Nebraska Game and Parks Commission, approximately 173 acres of land within the Nebraska National Forest to be used for the purposes of expanding the Cha-

dron State Park, Nebraska; to the Committee on Interior and Insular Affairs.

S.J. Res. 257. Joint resolution to designate May 2, 1986 as "National Teacher Appreciation Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 261. Joint resolution to designate the week of April 14, 1986 through April 20, 1986 as "National Mathematics Awareness Week", to the Committee on Post Office and Civil Service.

S.J. Res. 262. Joint resolution to authorize and request the President to issue a proclamation designating June 2 through June 8, 1986, as "National Fishing Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 265. Joint resolution authorizing and requesting the President to designate the week of March 9 through 15, 1986, as "National Employ the Older Worker Week"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. PICKLE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 31 minutes p.m.) under its previous order, the House adjourned until Monday, March 10, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2929. A letter from the Administrator, Environmental Protection Agency, transmitting the annual report for fiscal year 1985 on the total number of applications for conditional registration of pesticides, pursuant to the act of June 25, 1947, chapter 125, section 29 (92 Stat. 838); to the Committee on Agriculture.

2930. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to provide for membership for the United States in the Multilateral Investment Guarantee Agency, and for United States acceptance of the merger of the capital resources of the Inter-American Development Bank, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

2931. A letter from the Secretary, Department of Energy, transmitting the annual report of actions taken under the Powerplant and Industrial Fuel Use Act of 1978 and section 2 of the Energy Supply and Environmental Coordination Act of 1974, during calendar year 1985, pursuant to 42 U.S.C. 8482; to the Committee on Energy and Commerce.

2932. A letter from the Secretary, Department of Health and Human Services, transmitting a report on the status of health personnel in the United States, pursuant to 42 U.S.C. 295h-2(c); to the Committee on Energy and Commerce.

2933. A letter from the Acting Archivist of the United States, National Archives, transmitting the agency's annual report of its activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2934. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the Board's annual report of its activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2935. A letter from the Chairman, Commodity Futures Trading Commission, transmitting the Commission's eleventh annual report on its activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2936. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting a report of the Corporation's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2937. A letter from the Director, Office of Legislative and Public Affairs, National Science Foundation, transmitting the Foundation's annual report of its activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2938. A letter from the Executive Director, National Mediation Board, transmitting the annual report of the Board's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2939. A letter from the Postmaster General, United States Postal Service, transmitting the annual report of the Postal Service's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2940. A letter from the President, National Endowment for Democracy, transmitting a report of the agency's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2941. A letter from the Marshal of the Court, Supreme Court of the United States, transmitting the annual report on administrative costs of protecting Supreme Court Officials, pursuant to 40 U.S.C. 13n(c) (Aug. 18, 1949, ch. 479, sec. 9(c) (96 Stat. 1958)), Public Law 99-218 (99 Stat. 1729); to the Committee on the Judiciary.

2942. A letter from the Acting Assistant Secretary, Legislative and Intergovernmental Affairs, Department of State, transmitting a draft of proposed legislation to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

2943. A letter from the Chairman, U.S. Merit Systems Protection Board, transmitting a report on the number of appeals filed during calendar year 1985, pursuant to 5 U.S.C. 7701(i)(2); to the Committee on Post Office and Civil Service.

2944. A letter from the Chairman, U.S. Merit Systems Protection Board, transmitting a report on the Board's appeals decisions for fiscal year 1984, pursuant to 5 U.S.C. 1205(a)(3); to the Committee on Post Office and Civil Service.

2945. A letter from the Secretary of Defense, transmitting a report on waivers of minimum funding and staffing requirements for technology transfer from Federal laboratories, pursuant to Public Law 96-480, section 11(b); to the Committee on Science and Technology.

2946. A letter from the Executive Secretary, Department of Defense, transmitting a report on the Department's procurement from small and other business firms for October 1985 through November 1985, pursuant to 15 U.S.C. 639(d); to the Committee on Small Business.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of the rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 969, A bill to amend the Energy Security Act and the National Energy Conservation Policy Act to repeal the statutory authorities administered by the Residential Energy Conservation Service and the Commercial and Apartment Conservation Service; with amendments (Rept. 99-484). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. House Resolution 391. Resolution providing for the consideration of H.R. 4306, a bill to revise the terms of certain agricultural programs (Rept. 99-485). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 4240. A bill to amend title 23 of the United States Code to increase the limitation on the amount of obligations from $30,000,000 to $100,000,000 for emergency relief projects in any State resulting from any single natural disaster or catastrophic failure occurring in calendar year 1986; with amendments (Rept. 99-486). Referred to the Committee of the Whole House on the State of the Union.

ADVERSE REPORTS

Under clause 2 of rule XIII.

Mr. WHITTEN: Committee on Appropriations, House Joint Resolution 540. Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985. (Adverse Rept. 99-483, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FASCELL (for himself, Mr. WRIGHT, Mr. FOLEY, Mr. BROOMFIELD, Mr. HAMILTON, Mr. GILMAN, Mr. YATRON, Mr. SOLARZ, Mr. MICA, Mr. LANTOS, Mr. SMITH of Florida, Mr. WEISS, Mr. HYDE, Mr. SOLOMON, and Mr. BEREUTER):

H.R. 4329. A bill to authorize United States contributions to the International Fund established pursuant to the November 15, 1985, agreement between the United Kingdom and Ireland; to the Committee on Foreign Affairs.

By Mr. ROYBAL:

H.R. 4330. A bill to amend titles XI and XVIII of the Social Security Act with respect to Medicare policies concerning continuing care, to improve the quality assurance system as it applies to Medicare beneficiaries, and for other purposes; jointly, to

the Committees on Ways and Means, and Energy and Commerce.

By Mr. WATKINS (for himself, Mr. TALLON, and Mr. ALEXANDER):

H.R. 4331. A bill to authorize the Secretary of Agriculture to make grants for the purpose of establishing institutes of rural technology development; considered and passed.

By Mr. HUGHES (for himself, Mr. MCCOLLUM, Mr. MAZZOLI, Mr. MORRISON of Connecticut, Mr. FEIGHAN, Mr. SMITH of Florida, Mr. LUNGREN, and Mr. SHAW):

H.R. 4332. A bill to amend chapter 44 (relating to firearms) of title 18, United States Code, and for other purposes; to the Committe on the Judiciary.

By Mr. APPLEGATE (for himself, Mr. SOLOMON, Mr. MONTGOMERY, and Mr. HAMMERSCHMIDT):

H.R. 4333. A bill to amend title 38, United States Code, to improve veterans' benefits for former prisoners of war; to the Committee on Veterans' Affairs.

By Mr. ASPIN (for himself and Mr. DICKINSON) (by request):

H.R. 4334. A bill to amend title 10, United States Code, to authorize the Secretary of Defense to waive application of provisions of law concerning contract procedures, contract terms and conditions, and contract performance for petroleum acquisition; to the Committee on Armed Services.

By Mr. BEDELL (for himself, Mr. STALLINGS, Mr. DASCHLE, and Mr. PENNY):

H.R. 4335. A bill to expand markets for agricultural commodities, to improve the environment, and to enhance the energy security of the United States by providing for the increased use of alcohol-blended fuel in motor vehicles; to the Committee on Energy and Commerce.

By Mr. CRANE (for himself, Mr. DUNCAN, Mr. DANNEMEYER, Mr. BLILEY, Mrs. LLOYD, and Mr. COBEY):

H.R. 4336. A bill to amend the Social Security Act to provide that Social Security coverage for employees of religious organizations shall be optional; to the Committee on Ways and Means.

By Ms. FIEDLER:

H.R. 4337. A bill to amend section 304 of the Tariff Act of 1930 (19 U.S.C. 1304) to expedite disposition by the Secretary of the Treasury of certain complaints relating to the country of origin marking requirement for articles imported into the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. FLORIO (for himself, Mr. DOWDY of Mississippi, Mr. RICHARDSON, Ms. MIKULSKI, Mr. OBERSTAR, Mr. SHUSTER, Mr. RAHALL, Mr. STAGGERS, Mr. RINALDO, and Mr. TOWNS):

H.R. 4338. A bill to amend the Railroad Retirement Act of 1974 to prevent the elimination of certain cost-of-living increases in certain annuity amounts, to prevent other benefit reductions, and for other purposes; to the Committee on Energy and Commerce.

By Mr. JENKINS:

H.R. 4339. A bill to amend the Internal Revenue Code of 1954 to provide interest rate assumptions in computing the unfunded vested benefits of a multiemployer plan, and for other purposes; to the Committee on Ways and Means.

By Ms. KAPTUR:

H.R. 4340. A bill to establish the United States Trade Data Bank, the Intragovernmental Council on Economic and Trade Data, and for other purposes; to the Committee on Ways and Means.

By Mr. KASTENMEIER:

H.R. 4341. A bill to amend title 28 of the United States Code to encourage prompt, informal, and inexpensive resolution of civil cases in U.S. district courts by the use of arbitration, and for other purposes; to the Committee on the Judiciary.

H.R. 4342. A bill to amend title 9, United States Code, to clarify that Federal courts are authorized to enforce the decisions of international arbitrators; to the Committee on the Judiciary.

By Mr. LIVINGSTON (for himself, Mr. BURTON of Indiana, Mr. RUDD, Mr. LAGOMARSINO, and Mr. SMITH of New Jersey):

H.R. 4343. A bill to provide for radio broadcasting to Nicaragua by a separate broadcasting service within the Voice of America; to the Committee on Foreign Affairs.

By Mr. McEWEN:

H.R. 4344. A bill to provide that receipts and disbursements of the Highway Trust Fund, the Airport and Airway Trust Fund, and the Inland Waterways Trust Fund shall not be included in the totals of the budget of the U.S. Government as submitted by the President or the congressional budget; jointly, to the Committee on Public Works and Transportation, and Government Operations.

By Mr. McEWEN (for himself, Mr. APPLEGATE, Mr. WYLIE, and Ms. KAPTUR):

H.R. 4345. A bill to authorize the Administrator of Veterans' Affairs to establish a national cemetery in or near Cleveland, OH; to the Committee on Veterans' Affairs.

By Mr. MONTGOMERY:

H.R. 4346. A bill to provide for registration by the Selective Service System of persons qualified in health-care occupations that are essential to the Armed Forces and in which the Armed Forces are understaffed; to the Committee on Armed Services.

By Mr. NEAL:

H.R. 4347. A bill to provide that the percentage of total apportionments of funds allocated to any State from the Highway Trust Fund in any fiscal year be at least 100 percent of the percentage of estimated tax payments paid into the Highway Trust Fund which are attributable to highway users in such State in the latest fiscal year for which data is available; to the Committee on Public Works and Transportation.

By Mr. OBERSTAR:

H.R. 4348. A bill to amend the Boundary Waters Canoe Area Wilderness Law to change the authorizations of appropriations for resource management review and grants; to the Committee on Interior and Insular Affairs.

By Mr. REGULA (for himself, Mr. COURTER, Mr. MCCAIN, Mr. BOEHLERT, and Mr. LIGHTFOOT):

H.R. 4349. A bill to amend the Internal Revenue Code of 1954 to allow individuals a deduction from gross income for contributions to a health services savings account and to amend title XVIII of the Social Security Act to establish a limited Medicare option for catastrophic care, and for other purposes; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. VENTO (for himself, Mr. LAGOMARSINO, Mr. HUCKABY, Mr. PASHAYAN, Mr. LOTT, Mr. STALLINGS, Mr. BROWN of Colorado, Mrs. JOHNSON, Mr. GEJDENSON, Mr. SEIBERLING, and Mr. UDALL):

H.R. 4350. A bill to amend the Wild and Scenic Rivers Act, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. VUCANOVICH:

H.R. 4351. A bill to withdraw and reserve for the Department of the Navy certain public lands within the Bravo-20 Bombing Range, Churchill County, NV, for use as a training and weapons testing area, and for other purposes; jointly, to the Committees on Armed Services, and Interior and Insular Affairs.

By Mr. ADDABBO (for himself, Mr. ACKERMAN, Mr. ANDERSON, Mr. ANDREWS, Mr. ANNUNZIO, Mr. APPLEGATE, Mr. ASPIN, Mr. BEILENSON, Mr. BERMAN, Mr. BEVILL, Mr. BIAGGI, Mr. BOLAND, Mr. BONER of Tennessee, Mr. BORSKI, Mrs. BOXER, Mr. BRYANT, Mr. BUSTAMANTE, Mr. CARNEY, Mr. CARPER, Mr. CARR, Mr. CHANDLER, Mr. CLINGER, Mr. COATS, Mr. COBEY, Mr. COELHO, Mr. COLEMAN of Texas, Mr. CONTE, Mr. COUGHLIN, Mr. COYNE, Mr. CROCKETT, Mr. DANNEMEYER, Mr. DE LA GARZA, Mr. DE LUGO, Mr. DELLUMS, Mr. DICKS, Mr. DINGELL, Mr. DIO-GUARDI, Mr. DIXON, Mr. DORGAN of North Dakota, Mr. DOWDY of Mississippi, Mr. DWYER of New Jersey, Mr. DYSON, Mr. EARLY, Mr. ECKERT of New York, Mr. EDGAR, Mr. EDWARDS of California, Mr. ERDREICH, Mr. EVANS of Illinois, Mr. FASCELL, Mr. FAUNTROY, Mr. FAZIO, Ms. FIEDLER, Mr. FISH, Mr. FLIPPO, Mr. FLORIO, Mr. FORD of Michigan, Mr. FOWLER, Mr. FRANK, Mr. FRANKLIN, Mr. FRENZEL, Mr. GEJDENSON, Mr. GILMAN, Mr. GREEN, Mr. GUARINI, Mr. HATCHER, Mr. HEFTEL of Hawaii, Mr. HERTEL of Michigan, Mr. HORTON, Mr. HOYER, Mr. HUGHES, Mr. HUNTER, Mr. JACOBS, Mr. KANJORSKI, Mr. KASTENMEIER, Mr. KEMP, Mr. KINDNESS, Mr. KOLBE, Mr. KOSTMAYER, Mr. KRAMER, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LENT, Mr. LEVIN of Michigan, Mr. LOWERY of California, Mr. LUNDINE, Mr. MCGRATH, Mr. MCHUGH, Mr. MACK, Mr. MANTON, Mr. MARTINEZ, Mr. MATSUI, Mr. MAZZOLI, Mr. MINETA, Mr. MOLLOHAN, Mr. MONSON, Mr. MOODY, Mr. MOORHEAD, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. NEAL, Mr. NIELSON of Utah, Mr. NOWAK, Ms. OAKAR, Mr. O'BRIEN, Mr. OWENS, Mr. PASHAYAN, Mr. PORTER, Mr. PURSELL, Mr. QUILLEN, Mr. RANGEL, Mr. REID, Mr. RICHARDSON, Mr. RINALDO, Mr. RODINO, Mr. ROE, Mr. SABO, Mr. SAVAGE, Mr. SCHAEFER, Mr. SCHEUER, Mr. SCHUMER, Mr. SHELBY, Mr. SHUSTER, Mr. SIKORSKI, Mr. SISISKY, Mr. SKELTON, Mr. SMITH of New Jersey, Mr. SMITH of Florida, Mr. SMITH of Iowa, Mr. SOLARZ, Mr. SOLOMON, Mr. STOKES, Mr. TOWNS, Mr. TRAXLER, Mr. VALENTINE, Mr. VENTO, Mr. WALGREN, Mr. WEBER, Mr. WEISS, Mr. WHEAT, Mr. WILSON, Mr. WIRTH, Mr. WOLF, Mr. WORTLEY, Mr. YATES, Mr. YATRON, Mr. YOUNG of Florida, and Mr. YOUNG of Missouri):

H.J. Res. 553. Joint resolution to authorize and request the President to issue a proclamation designating May 11, through

May 18, 1986, as "Jewish Heritage Week"; to the Committee on Post Office and Civil Service.

By Mr. PEPPER:

H.J. Res. 554. Joint resolution to designate the week beginning May 18, 1986, as "National Digestive Diseases Awareness Week"; to the Committee on Post Office and Civil Service.

By Ms. SNOWE (for herself, Mr. HORTON, Mr. DAUB, Mr. MINETA, Mr. WOLF, Mr. TOWNS, Mr. ROYBAL, Mr. SAXTON, Mr. CROCKETT, Mr. SYNAR, Mr. HEFTEL of Hawaii, Mr. HAMMERSCHMIDT, Mr. FAZIO, Mr. OWENS, Mr. DYSON, Mr. NEAL, Mr. RICHARDSON, Mr. STARK, Mr. CONTE, Mr. WYLIE, Mr. LAGOMARSINO, Mr. MADIGAN, Mr. RINALDO, Mr. DANNEMEYER, Mr. CHAPPIE, Mr. BIAGGI, Mr. RODINO, Mr. WORTLEY, Mr. BILIRAKIS, Mrs. BENTLEY, Mr. REID, and Mr. LIGHTFOOT):

H.J. Res. 555. Joint resolution to designate the week beginning November 24, 1986, as "National Family Caregivers Week"; to the Committee on Post Office and Civil Service.

By Mr. DREIER of California:

H. Res. 392. Resolution to express the sense of the House of Representatives that the Postmaster General should issue a postage stamp honoring all American servicemen and civilians still unaccounted for as a result of the conflict in Indochina; to the Committee on Post Office and Civil Service.

By Mr. PEPPER (for himself and Mr. SILJANDER):

H. Res. 393. Resolution expressing the sense of the House of Representatives regarding support by the United States for the National Union for the Total Independence of Angola [UNITA]; to the Committee on Foreign Affairs.

By Mr. SHAW:

H. Res. 394. Resolution providing for a voluntary controlled substances testing program for Members, officers, and employees of the House; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

303. By the SPEAKER: Memorial of the Senate of the Commonwealth of Massachusetts, relative to the status of Americans still missing and unaccounted for in Indochina; to the Committee on Foreign Affairs.

304. Also, memorial of the Legislature of the State of Minnesota, relative to actions to determine the fate of persons missing in action in Southeast Asia; to the Committee on Foreign Affairs.

305. Also, Memorial of the General Assembly of the Commonwealth of Pennsylvania, relative to the issuance of a stamp honoring American horology; to the Committee on Post Office and Civil Service.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 97: Mr. SMITH of New Hampshire.

H.R. 808: Mr. FEIGHAN, Mr. MOAKLEY, Mr. RODINO, Mr. SABO, and Mr. OBERSTAR.

H.R. 811: Mr. GINGRICH.

H.R. 1140: Mr. PICKLE, Mr. MORRISON of Connecticut, and Mr. SMITH of Florida.

H.R. 1145: Mr. SOLARZ.

H.R. 1770: Mr. HYDE.

H.R. 1840: Mr. SKELTON, Mr. LEWIS of California, Mr. EMERSON, Mr. ROGERS, and Mr. CARPER.

H.R. 1950: Mr. MCKINNEY.

H.R. 2504: Mr. MARKEY.

H.R. 2815: Mr. PACKARD.

H.R. 3081: Mr. COUGHLIN, Mr. KOSTMAYER, and Mr. BROOMFIELD.

H.R. 3155: Mr. LEVINE of California.

H.R. 3465: Mr. ACKERMAN, Mrs. KENNELLY, Mr. HUGHES, Mr. MADIGAN, Mr. FAZIO, Mr. EARLY, Mr. MRAZEK, Mr. SENSENBRENNER, and Mr. HAWKINS.

H.R. 3555: Mr. SCHUMER, Mr. OWENS, Mr. GRAY of Illinois, Mr. BOSCO, Mr. DANNEMEYER, Mr. HUNTER, Mr. LIPINSKI, Mr. MINETA, Mr. SNYDER, Mr. YATES, Mr. NICHOLS, and Mr. MATSUI.

H.R. 3743: Mr. BATEMAN.

H.R. 3803: Mr. GOODLING, Mr. MURPHY, Mr. FORD of Michigan, Mr. HAYES, Mr. WILSON, Mrs. BENTLEY, Mr. WATKINS, and Mr. LELAND.

H.R. 3833: Mr. OBERSTAR.

H.R. 3961: Ms. OAKAR, Mr. LUKEN, Mr. MURPHY, Mr. BOUCHER, Mr. VISCLOSKY, Mr. TOWNS, Mr. RAHALL, and Mr. GRAY of Illinois.

H.R. 4012: Mr. FORD of Michigan.

H.R. 4014: Mr. BOLAND, Mr. STARK, Mr. RICHARDSON, Mr. MONTGOMERY, Mr. CHAPPELL, Mr. GUARINI, Mr. FRANK, Mrs. BOXER, Mr. HUNTER, Mr. LEHMAN of Florida, Mr. LELAND, Mr. MRAZEK, Mr. SHELBY, Mr. FLORIO, Mr. MANTON, Mr. BOUCHER, Mr. MCGRATH, Mr. LOWRY of Washington, Mr. VALENTINE, Mr. SCHEUER, Mr. RAHALL, Mr. WHITEHURST, Mr. FAZIO, Mr. WHEAT, and Mrs. LLOYD.

H.R. 4048: Mr. LUJAN, Mr. WILSON, Mr. MARTINEZ, Mr. BATEMAN, Mr. ROBINSON, Mr. SMITH of Florida, Mr. DARDEN, Mr. RANGEL, Mr. BURTON of Indiana, Mr. BEVILL, and Mr. KINDNESS.

H.R. 4073: Mr. WHITTAKER.

H.R. 4085: Mr. KEMP.

H.R. 4109: Mr. WIRTH, Mr. SEIBERLING, Mr. EDGAR, and Mr. DIXON.

H.R. 4125: Mr. HUNTER, Mr. UDALL, Mr. FRANK, Mr. WOLF, Mr. WORTLEY, Mr. BILIRAKIS, and Mr. COURTER.

H.R. 4128: Mr. ALEXANDER and Mrs. LLOYD.

H.R. 4194: Mr. GREEN, Mr. LEHMAN of Florida, Mr. LEVINE of California, Mr. LEVIN of Michigan, and Mr. MARKEY.

H.R. 4202: Mr. BUSTAMANTE, Mr. DELAY, Mr. HORTON, Mr. LELAND, Mr. LIVINGSTON, Mr. LOTT, Mr. LOWRY of Washington, Mr. MURPHY, Mr. WHITEHURST, Mr. WHITTAKER, Mr. WOLF, Mr. WOLPE, Mr. EMERSON, and Mr. DORNAN of California.

H.R. 4205: Mr. OBERSTAR, Mr. STARK, Mr. FORD of Michigan, Mr. SCHEUER, Mr. DELLUMS, Mr. GUARINI, Mr. HAYES, Mr. BATES, and Mr. TOWNS.

H.R. 4221: Mr. SWIFT and Mr. DICKS.

H.R. 4228: Mr. LAGOMARSINO and Mr. SMITH of Florida.

H.J. Res. 7: Mr. MCMILLAN, Mr. MYERS of Indiana, Mr. SKEEN, Mrs. MEYERS of Kansas, Mr. REGULA, Mr. BERMAN, Mr. LOEFFLER, Mr. GOODLING, Mrs. VUCANOVICH, and Mr. MILLER of Washington.

H.J. Res. 96: Mrs. HOLT, Mr. LIPINSKI, Mr. WYLIE, and Mr. SKELTON.

H.J. Res. 127: Mr. VALENTINE, Mr. FAZIO, and Mr. MCEWEN.

H.J. Res. 365: Mr. EVANS of Iowa and Mr. NIELSON of Utah.

H.J. Res. 376: Mr. FEIGHAN.

H.J. Res. 470: Mr. SCHUMER, Mr. BIAGGI, Mr. CHAPPELL, Mr. SABO, Mr. TRAFICANT, Mr. BORSKI, Mrs. BENTLEY, Mr. DIOGUARDI, Mr. DOWDY of Mississippi, Mr. FISH, Mr. STANGELAND, Mr. LUKEN, Mr. ANDREWS, Mr. AKAKA, Mr. KOLTER, Mr. HUGHES, and Mr. GARCIA.

H.J. Res. 504: Mr. ARMEY, Mr. DELAY, Mr. FISH, Mr. GINGRICH, Mr. LIPINSKI, and Mr. MONSON.

H.J. Res. 505: Mr. ADDABBO, Mr. ANDERSON, Mr. ANNUNZIO, Mr. ANDREWS, Mr. ANTHONY, Mr. BADHAM, Mr. BARNES, Mr. BENNETT, Mrs. BENTLEY, Mr. BEVILL, Mr. BROWN of Colorado, Mr. BONER of Tennessee, Mr. BOSCO, Mrs. BOXER, Mr. BURTON of Indiana, Mr. BUSTAMANTE, Mr. CALLAHAN, Mr. CARPER, Mr. CARR, Mr. CHANDLER, Mr. CLAY, Mr. COBEY, Mr. COBLE, Mr. COELHO, Mr. COLEMAN of Missouri, Mrs. COLLINS, Mr. CONTE, Mr. CONYERS, Mr. CROCKETT, Mr. DARDEN, Mr. DELAY, Mr. DE LA GARZA, Mr. DELLUMS, Mr. DE LUGO, Mr. DORNAN of California, Mr. DYMALLY, Mr. DYSON, Mr. EMERSON, Mr. FEIGHAN, Mr. FISH, Mr. FOGLIETTA, Mr. FOLEY, Mr. FOWLER, Mr. FRANK, Mr. FUSTER, Mr. GRAY of Illinois, Mr. GREEN, Mr. GUARINI, Mr. GUNDERSON, Mr. RALPH M. HALL, Mr. HAMILTON, Mr. HAMMERSCHMIDT, Mr. HANSEN, Mr. HAYES, Mr. HENDON, Mr. HERTEL of Michigan, Mr. HORTON, Mr. HOWARD, Mr. HOYER, Mr. JACOBS, Mr. JONES of Tennessee, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KASTENMEIER, Mr. KOLTER, Mr. KILDEE, Mr. KOSTMAYER, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LELAND, Mr. LENT, Mr. LEWIS of California, Mr. LEWIS of Florida, Mr. LIPINSKI, Mr. LIVINGSTON, Mr. MANTON, Mr. MARKEY, Mr. MARTINEZ, Mr. MATSUI, Mr. MAVROULES, Mr. MAZZOLI, Mr. MILLER of Ohio, Mr. MOAKLEY, Mr. MRAZEK, Mr. MURPHY, Mr. NELSON of Florida, Ms. OAKAR, Mr. OBERSTAR, Mr. O'BRIEN, Mr. ORTIZ, Mr. OWENS, Mr. PANETTA, Mr. PEPPER, Mr. PERKINS, Mr. PRICE, Mr. PURSELL, Mr. RAHALL, Mr. RANGEL, Mr. RAY, Mr. RICHARDSON, Mr. ROE, Mr. ROBERTS, Mr. ROWLAND of Georgia, Mr. ROSE, Mr. SAVAGE, Mr. SABO, Mr. SCHEUER, Mr. SCHUMER, Mr. SILJANDER, Mr. SMITH of Florida, Mr. SMITH of Iowa, Ms. SNOWE, Mr. STOKES, Mr. TAUZIN, Mr. THOMAS of Georgia, Mr. TOWNS, Mr. TRAXLER, Mr. VALENTINE, Mr. VANDER JAGT, Mr. VENTO, Mr. VOLKMER, Mr. WALGREN, Mr. WEBER, Mr. WILSON, Mr. WOLPE, Mr. WORTLEY, Mr. WYDEN, Mr. YATRON and Mr. YOUNG of Missouri.

H.J. Res. 508: Mr. PORTER, Mr. WOLPE, Mr. ANDERSON, Mr. FISH, Mr. BONIOR of Michigan, Mr. WALGREN, Mr. CHENEY, and Mr. STENHOLM.

H.J. Res. 514: Mr. HUTTO, Mr. HENRY, Mr. GIBBONS, Mr. FEIGHAN, Mr. DYMALLY, Mr. DANNEMEYER, Mr. WAXMAN, Mr. NIELSON of Utah, Mr. O'BRIEN, Mr. WORTLEY, Mr. RAHALL, Mrs. BOXER, Mr. BEDELL, Mr. DE LA GARZA, Mr. YOUNG of Alaska, Mr. BRYANT, Mr. GINGRICH, Mr. BENNETT, Mrs. BENTLEY, Mr. MCDADE, Mr. REID, Mr. DORGAN of North Dakota, Mr. ACKERMAN, Mr. AKAKA, Mr. ADDABBO, Mr. ANDERSON, Mr. ANDREWS, Mr. CHAPPELL, Mr. DAUB, Mr. DWYER of New Jersey, Mr. BEVILL, Mr. LAGOMARSINO, Mr. MANTON, Mr. MRAZEK, Mr. ANTHONY, Mr. COLEMAN of Missouri, and Mr. HEFTEL of Hawaii.

H.J. Res. 522: Mr. EDGAR, Mr. PERKINS, Mr. MINETA, Mr. NOWAK, Mr. SCHEUER, Mr. OBERSTAR, Mr. WEISS, Mr. LEVIN of Michigan, Mr. DELLUMS, Ms. SNOWE, and Mr. DASCHLE.

H.J. Res. 523: Mr. WEBER, Mr. BUSTAMANTE, Mr. SUNIA, Mr. RICHARDSON, Mr. FEIGHAN, Mr. NIELSON of Utah, Ms. KAPTUR, Mr. WEISS, Mr. JEFFORDS, Mr. WIRTH, Mr. HUGHES, Mr. GEKAS, Mr. COURTER, Mr. HENRY, Mr. EVANS of Iowa, Mr. LEACH of Iowa, Mr. CHAPPIE, Mr. FUQUA, Mr. CONTE,

Mr. DEWINE, Mr. FISH, Mr. COUGHLIN, Mr. PERKINS, Mr. LIGHTFOOT, Mr. DIOGUARDI, Mr. HORTON, Mr. NATCHER, Mr. KOSTMAYER, Mr. BORSKI, Mr. EMERSON, Mr. SMITH of Iowa, Mr. CLAY, and Mr. WILSON.

H.J. Res. 539: Mr. SCHULZE.

H.J. Res. 541: Mr. GEJDENSON, Mr. LUNDINE, Mr. BOUCHER, Mr. LEHMAN of California, Mr. LEVINE of California, Mr. COOPER, Mr. SCHEUER, Mr. LEVIN of Michigan, Mr. OBERSTAR, Mr. SABO, Mr. DE LUGO, Mrs. COLLINS, Mr. BEREUTER, Mr. BARNES, Mr. DYMALLY, Mr. BIAGGI, Mr. FLORIO, Mr. AUCOIN, Ms. KAPTUR, Mr. BARNARD, Mr. HOWARD, and Mr. UDALL.

H.J. Res. 548: Mr. MAVROULES, Mr. MACK, Mr. MURPHY, Mr. CONYERS, Mr. DYSON, Mr. NICHOLS, Mr. CHAPMAN, Mr. HAYES, Mr. LAGOMARSINO, Mrs. LLOYD, Mr. WORTLEY, Mr. DE LA GARZA, Mr. BEVILL, Mr. LAFALCE, and Mr. LANTOS.

H. Con. Res. 127: Mr. PETRI, Mr. BADHAM, Mr. CHAPMAN, Mr. DANIEL, Mr. DYSON, Mr. WHITEHURST, Mr. SKELTON, Mr. COLEMAN of Missouri, and Mr. ARCHER.

H. Con. Res. 289: Mr. BONIOR of Michigan.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 4286: Mr. MATSUI.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

282. By the SPEAKER: Petition of the City Council, Brooklyn, OH, relative to the General Revenue Sharing Program; to the Committee on Government Operations.

283. Also, petition of Senator Nelson, committee on general governmental operations, 18th Guam Legislature, Agana, GU, relative to proposed legislation concerning S. 1053 of the U.S. Senate; to the Committee on the Judiciary.