HOUSE OF REPRESENTATIVES—*Thursday, May 1, 1986*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O Lord, on this national day of prayer we give thanks for the abundance of blessings that You have given us as individuals and as a nation. We acknowledge our dependence on Your grace and we admit our faults. We pray that You will bless our land and give us ever Your love and Your peace. As You have looked upon us over the years with mercy we come to You with our petitions asking that Your benediction will be with us now and evermore. 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.

STALINIST SECRECY IN THE NUCLEAR AGE

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

Mr. LANTOS. Mr. Speaker, it is May Day in Moscow, and there is a new leader standing atop Lenin's Mausoleum reviewing thousands marching through Red Square. But the pathological pattern of Stalinist secrecy continues to blanket the Soviet Union even more ominously than the radioactive cloud drifting slowly across the whole of Europe.

What is unfolding in the Ukraine is not just a human tragedy; it is a governmental crime. This globe is too small and too fragile and too interdependent for Stalinist secrecy to determine the fate—not only of the Soviet people—but of the millions who live beyond Soviet borders.

Winston Churchill once said that "Russia is a riddle, wrapped in a mystery, inside an enigma," but there are keys to that riddle—the irrational insistence that Soviet society is perfect and the callous indifference to human suffering.

THE LIABILITY CRISIS—FIVE ESSENTIAL STATE TORT REFORMS

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

Mr. PORTER. Mr. Speaker, I've said the liability explosion is a real crisis that, for the most part, ought to be solved by the States.

PETE STARK and I have introduced a resolution which sends a message to the States that they must act. In the resolution we suggest five State tort reforms that would make their systems for compensation for personal injuries more fair and more predictable and draw insurance coverage back to the market.

We suggest that each State place a cap on damages for noneconomic loss, the so-called damages for pain and suffering and punitive damages. We suggest that they reform the doctrine of joint and several liability so that one responsible for less than half the negligence cannot be made to pay for more than half the loss. And we urge the States to eliminate duplicate recoveries, to allow payments of large judgments over time and to shorten their statutes of limitation, wherever this can equitably be done, to eliminate excessively long exposure.

These reforms would set their tort systems on a more predictable path, stabilize insurance premiums and assure that coverage would be available. Nothing less will do.

THE ADMINISTRATION'S QUESTIONABLE FOREIGN AID PRIORITIES

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

Mr. SCHEUER. Mr. Speaker, the administration proposes to give $150 million in aid to the Philippines, while it is still fighting to send $100 million to the Contras in Nicaragua.

If one looks at these foreign aid packages from a per capita standpoint, President Reagan wants to give the Contras $30 for each of the 3.3 million residents of Nicaragua, while he plans to give the Aquino government $2.50 per capita for each of the 58 million people who live in the Philippines.

Mr. Speaker, how can we justify giving $30 per capita to the Contras to promote death and destruction, while providing only $2.50 to the Aquino government to help the Philippines overcome decades of dictatorial thievery, corruption, and incompetence?

Mr. Speaker, what has happened to our Nation's system of values?

Since the end of World War II, our Nation has provided billions and billions of dollars in assistance to nations across the globe for economic development and other humanitarian purposes.

Now it seems that the administration places more emphasis on fomenting violent revolution in Central America than helping the newly elected Government of the Philippines establish a democratic government and begin the process of developing the nation.

Mr. Speaker, I don't believe our Nation's value system has changed, or that the Reagan administration's aid plans for Nicaragua and the Philippines reflect our values.

It is time for the Reagan administration to take a good look at its foreign aid priorities—and resume the good work the United States has performed since World War II.

SUPPLY-SIDE ECONOMICS—1920 STYLE

(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, contrary to folklore, supply-side economics was not invented in 1980. In 1920, the then Secretary of the Treasury, Andrew W. Mellon, proposed to Congress a reduction of income taxes as a measure of raising revenue. He argued that it was better to turn over a dollar three times and collect a dime on each transaction, than to turn it over but once, and collect a quarter. Congress responded. So did the economy, and revenues increased.

If the supply-side formula worked in 1920, why did it fail 60 years later? In 1920 interest rates were low; labor and capital did not have to compete with the "productivity" of Government bonds. In 1980, interest rates reached unprecedented heights, forcing labor and capital to compete with the double-digit return on the risk-free government bonds. The tax reduction, instead of stimulating the employment of labor and capital, stimulated a speculative frenzy in the stock, bond, and foreign exchange markets.

Mr. Speaker, if we want to derive real economic benefits from the supply-side formula, then we have first to bring down the rate of interest to the 2-to-3 percent level at once, by refinancing the public debt through the issuance of gold bonds. This would

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do more than any single measure, not only to reduce outlays, but to increase revenues as well.

TAX FREEDOM DAY

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

Mr. ECKART of Ohio. Mr. Speaker, today I rise to remind the public that May 1 is also Tax Freedom Day. This day serves to remind us all as taxpayers that from the first of this year through today we have worked to satisfy Federal and State tax requirements.

Consider that 1 hour and 45 minutes of the average American taxpayer's work day is spent to pay Federal taxes, and an additional 55 minutes to pay State and local taxes.

Symbolically, Tax Freedom Day is a sobering reminder of the urgent need for tax reform.

Last December, this House met its commitment for tax reform, and we continue to watch while the other body fiddles. In effect, three out of four taxpayers would pay less under the tax bill; as we watch this strange mating dance in the other body, which one day embraces all loopholes and even creates a few more and the next day rejects them all, we can only watch with conscious deliberation. What will be the consequences for the American taxpayers?

Our bill does in fact provide freedom for taxpayers; and today on May 1, let us look at who has met the obligation of reducing taxes for the American taxpayer.

THANKING JAMES J. CARVINO, CHIEF OF THE CAPITOL POLICE

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

Mr. STRANG. Mr. Speaker, 115 of us have signed a letter of gratitude to James J. Carvino, Chief of the U.S. Capitol Police, saying the following:

> We are most pleased to welcome the return of your fine officers to their accustomed posts on and around Capitol Hill. We have missed them, and the improvement in morale is a tribute to your leadership as well as a contribution in security.

Mr. Speaker, we would welcome any other Members who would like to sign this letter of thanks.

POLITICAL MANEUVERING ON CONTRA AID

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

Mr. FRANK. Mr. Speaker, today is day 16 of the hostage crisis which eventuated when the Republican Party kidnaped its own bill on the Contras a couple weeks ago. We were told on several occasions that there was great urgency for voting on that, so by a brilliant legislative maneuver of marching into their own end zone, which they found unprotected, the Republican Party kept the bill off the floor.

They had an effort to get petition signatures, and we can now report that as of the key date, 274 Members of the House have refused to sign their discharge petition. It now is clear that we will not vote on that bill until June.

One of the things, though, that we know will happen is that our Republican friends will not have to write any new speeches, because all the speeches they gave us in March about how urgent it was that we adopt that bill within a week, they will give us again in June; and if we do not act on it in June, we will hear them again in September.

□ 1110

The fact is there is not a majority in the House for the position they want yet, which is why they held the bill off the floor. There is not a majority in the country for their position. So instead we got a tactical maneuver to disguise that as they continue to try to find some support which they do not yet have for a policy of killing without end and a policy without purpose.

OUR FRIENDS ON THE LEFT SHOULD SCRUTINIZE CAREFULLY THE BEHAVIOR OF THE SOVIET STATE IN THE CURRENT DISASTER

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

Mr. GINGRICH. Mr. Speaker, I think that all of our friends on the left should look carefully at the behavior of the Soviet state in the current disaster involving a nuclear reactor near Kiev.

Yesterday the Soviet dictatorship released a picture which apparently has been retouched. In a period when their people are dying, in a period when they are sending radiation throughout Western Europe, at a time when they have a true international problem that they should be recognizing, from the best evidence we have they are systematically lying not only to the world but to their own people, and they are callously endangering the lives not only of their own people but of many Western Europeans.

The next time we debate Nicaragua or Angola and our friends on the left talk about any kind of conversation or promises by the Communists, I hope they will remember the lesson we are being given right now about the systematic callousness, the systematic deceit of the Soviet dictatorship and what it should teach us about the dictatorship with which we coexist on this planet.

WE ARE LOSING GROUND ON THE TRADE DEFICIT PROBLEM

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

Mr. BONKER. Mr. Speaker, I think all of us are disappointed with the trade deficit figures posted for the month of March, figures that were released this morning. It tells us that the trade deficit for last month is $14.2 billion, which is up $2 billion over the previous month of February.

There is a lot that is wrong with these trade figures. First of all, imports have reached new and staggering levels. Also, our trade deficit with Japan is $5.5 billion higher than it was the previous month. Most disturbing is that the dollar's decline, which has been rather dramatic in the last few months, apparently is having no positive effect on our trade deficit.

Mr. Speaker, a lot more needs to be done. That is why I commend you for recognizing this problem, for instructing the various committees with jurisdiction to report out trade legislation by next week so that we can have a comprehensive trade bill on the floor and report it out by the end of this month.

It is time that this Congress take effective action to bring down that trade deficit and make the United States competitive again in the world economy.

TODAY IS TAX FREEDOM DAY

(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, today is Tax Freedom Day. This is the first day of this year that the average American working man and woman is free to work for the support of their family instead of supporting the Government here in Washington.

I greet this day with optimism and with disappointment. I am optimistic because the American working men and women can now tend to bending their resources and their resourcefulness to the support of their families and with disappointment because we have not lived up to the example of responsibility they set for us by giving them what they demand and what they need; responsible tax reform which encourages a growing economy, rewards traditional family values, and promotes equity in our tax system.

I think the time has come, Mr. Speaker, for this Congress to respond to the American working man and

woman and do our very best to move tax freedom day earlier in the year. Perhaps April 1 would be a more appropriate date for them to have their enjoyment.

PREVENTING DRUG ABUSE THROUGH EDUCATION

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

Mr. FEIGHAN. Mr. Speaker, much of our rhetoric about combating drug abuse is cast in terms of warfare. While the image of battle is appropriate to an effort meriting the mobilization of all our social and moral resources—and often requiring violent action—we should not be misled by our own metaphors into forgetting that much of our success in discouraging drug abuse will depend on the commonsense vehicle of education in the home and at school.

A forthcoming study by Prof. Wade Silverman of the Emory University Medical School highlights the need for more vigorous efforts at grassroots preventive education. In a survey of 600 Atlanta area high school seniors and their parents, Silverman found large disparities between parents' and children's perceptions of drug use. While just over a third of the parents said their children had used alcohol in the previous 30 days, two-thirds of the children stated that they had in fact used alcohol. Only 3 percent of the parents believed their children had smoked marijuana in the previous 30 days; more than 9 times as many kids, or 28 percent, said they had used the drug.

Even more revealing, perhaps, than these responses about drug use were the results for a question about whom teens would confide in about drug abuse. More than half the parents thought they would be their children's first choice; yet only 20 percent of the children made the same choice; 7 out of 10 said they would talk to a friend.

This study should tell us a number of things. First, we need to devote more resources to preventive education programs. While the administration's rhetoric about drug abuse has increased in the last few years, its funding priorities have moved in the opposite direction. Drug abuse prevention programs have been cut by more than 40 percent. Second, we should focus our educational efforts on peer relationships. If we are going to influence teen behavior, we must reach out to the social world from which they draw many of their behavioral cues. Third, we must not only educate others; we must educate ourselves.

INTERNATIONAL EMERGENCY RESPONSE TEAM TO COPE WITH NUCLEAR ACCIDENTS

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

Mr. MARKEY. Mr. Speaker, Soviet stonewalling on the Chernobyl catastrophe is as unacceptable as a nuclear powerplant with no containment building, and as unwelcome as the radioactive cloud drifting over Europe. The Iron Curtain is not a lead curtain, and Soviet silence and disinformation will not shield its population, its water, or its farmland from the radioactive materials resulting from the Chernobyl accident. This body, together with the world community, must continue to pressure the Soviet Union to provide full disclosure of the causes and consequences of this nuclear bhopal.

That is why I introduced a resolution yesterday calling for the formation of an international emergency response team to cope with nuclear accidents, no matter where they occur. This nuclear SWAT team, under the auspices of the International Atomic Energy Agency, would have the necessary funding, resources, technical capability, and international cooperation to minimize the consequences of such nuclear accidents. It also would provide for an international early warning system so that neighboring countries would not have to find out about nuclear accidents the hard way—by monitoring dramatically increased levels of radioactivity on their own soil.

I urge all of you to cosponsor this resolution and put it on a fast track for passage by the full House.

Mr. KEMP. Mr. Speaker, will the gentleman yield to me?

Mr. MARKEY. I yield to the gentleman from New York.

Mr. KEMP. I thank the gentleman for yielding.

Mr. Speaker, I would like to associate myself with the remarks of the gentleman from Massachusetts and congratulate him on his leadership. I would like very much to be one of the cosponsors of the resolution of the gentleman from Massachusetts.

Mr. MARKEY. I thank the gentleman.

HOUR OF MEETING ON WEDNESDAY, MAY 14, 1986

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, May 13, 1986, it adjourn to meet at 11 a.m. on Wednesday, May 14, 1986, to receive former Members.

The SPEAKER pro tempore (Mr. MONTGOMERY). Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

AUTHORIZING THE SPEAKER TO DECLARE A RECESS ON WEDNESDAY, MAY 14, 1986

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker to declare a recess subject to the call of the Chair on Wednesday, May 14, 1986, for the purpose of receiving in this Chamber former Members of Congress.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

DAYS OF REMEMBRANCE OF VICTIMS OF THE HOLOCAUST

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the Senate concurrent resolution (S. Con. Res. 126) authorizing the rotunda of the U.S. Capitol to be used on May 6, 1986, for a ceremony commemorating the days of remembrance of victims of the Holocaust, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. KEMP. Mr. Speaker, reserving the right to object, I do not object. I would like to offer the total support of the minority side of the aisle for this most important day of remembrance, to remind the world and future generations that this must never, never, never happen again. The one way in which we can help ensure that such a holocaust can never happen again is to remind ourselves of the deprivation of human rights and the tyranny with which it was caused.

Mr. Speaker, I rise on behalf of the minority side of the aisle to give unanimity to the suggestion of the gentlewoman from Ohio that this day, and our rotunda, be used in such a fitting manner.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. KEMP. I would be happy to yield to the gentlewoman from Ohio.

Ms. OAKAR. I thank the gentleman for yielding.

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

Mr. Speaker, this resolution will authorize the rotunda of the U.S. Capitol to be used on May 6, 1986, for a ceremony commemorating the days of remembrance of victims of the Holocaust. The Holocaust was the worst crime in the history of the human race. It is hard for me, as well as my colleagues, to comprehend such premeditated destruction of human life. The whole point of this ceremony on May 6 will be to commemorate the

memory of our loss of 6 million victims of the Holocaust. This event will help to remind us how devastating this tragedy was and that we must never permit this to happen again.

Mr. KEMP. I thank the gentlewoman for her comments.

I want to remind my colleagues that Elie Wiesel the chronicler of the Holocaust, the author of so many inspiring books about the triumph of the human spirit and the tragedy of the Holocaust, points out that indifference to evil is evil itself.

We cannot be indifferent to evil as it exists in the world, nor can we be indifferent to those practices of evil in the past. This is an evil that has to be commemorated, not to memorialize it, but to prevent it from ever happening again and to remind the world that this Nation stands side by side with those men and women who are survivors, and the children of survivors, but this is a memorial, not to evil, but to those men and women who tragically lost their lives in the Holocaust, this great crime of the 20th century that goes beyond any other crime in human memory.

Mr. Speaker, I withdraw my reservation of objection and salute the gentlewoman from Ohio [Ms. OAKAR] and other cosponsors of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 126

Whereas, pursuant to such Act, the United States Holocaust Memorial Council has designated May 4 through May 11, 1986, as "Days of Remembrance of Victims of the Holocaust"; and

Whereas, the United States Holocaust Memorial Council has recommended that a one-hour ceremony be held at noon on May 6, 1986, consisting of speeches, readings, and musical presentations as part of the days of remembrance activities: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the rotunda of the United States Capitol is hereby authorized to be used on May 6, 1986, from 10 o'clock ante meridiem until 3 o'clock post meridiem for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust. Physical preparations for the conduct of the ceremony shall be carried out in accordance with such conditions as may be prescribed by the Architect of the Capitol.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Concurrent Resolution 126, the Senate concurrent resolution just adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

WELCOMING NATAN (ANATOLY) SHCHARANSKY TO THE UNITED STATES

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the concurrent resolution (H. Con. Res. 329), welcoming Natan (Anatoly) Shcharansky to the United States, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. KEMP. Mr. Speaker, reserving the right to object, and I will not object, I simply take this time, Mr. Speaker, to strongly endorse the resolution offered by the distinguished majority leader, JIM WRIGHT, and our minority leader, BOB MICHEL, and on behalf of the leadership of the minority, let me say that we totally and wholeheartedly concur with the effort of Mr. WRIGHT and Mr. MICHEL to allow the rotunda to be used for this ceremony. This will be the first of its kind in terms of welcoming to the United States a great champion of human rights and a symbol of courage throughout the world, Anatoly Shcharansky, who is now going by his new name, Natan. It is a particular honor to rise in support of this resolution on behalf of BOB MICHEL, who was an original cosponsor.

I would like to say that it will be a great moment in the rotunda, in the Congress, in the United States when we will have the opportunity to recognize Anatoly Shcharansky and his lovely wife Avital who, side by side, have fought not only for freedom of emigration of Natan Shcharansky and on behalf of all those Jews of the Soviet Union who, whether they have been permitted to leave, or whether they are forced to remain. This ceremony is extremely important. All of us should be there. It is going to be a great day.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. KEMP. I would be glad to yield to the gentlewoman from Ohio.

□ 1125

Ms. OAKAR. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I, too, want to join in commending the majority leader, Mr. WRIGHT, and the minority leader, Mr. MICHEL, for their leadership on this and for assuring that the Capitol would be reserved by raising this resolution.

Mr. Speaker, I want to submit to letter for the RECORD from Anatoly Shcharansky's mother that I had the privilege, along with the gentlewoman from Colorado [Mrs. SCHROEDER, of delivering to the Soviet Embassy when we were able to meet with Anatoly's mother in the Soviet Union several years ago.

I want my colleagues to just hear part of this, because I think she, along with so many other people, was so courageous in assuring his release. He is a symbol of human rights, not only for Jews around the world, but for all people.

One of the things she says in her letter to the Soviet leaders is, "to show humanity, free my son before his term is up. Such compassion will save a man's life and you will help me, an old mother, to live the few years remaining to me in peace."

So I would like to submit this letter for the RECORD. It was truly one of the most moving experiences I have had, along with meeting with the other Soviet dissidents.

The letter follows:

To: CPSU CC Secretary K.U. Chernenko.
From: I.P. Mil'grom, mother of the prisoner A.B. Shcharanskiy.

My son, Anatoliy Shcharanskiy, was sentenced to 13 years deprivation of freedom by the RSFSR Supreme Court on July 14, 1978. On March 15, 1984 he completes seven years of imprisonment. During all these years my son has been systematically subjected to a rarsh regime of confinement. In 1981 he spent most of his time in camp in the Pkt (in isolation?) and the punishment cell. On October 26, 1981 he was again sentenced to a prison term of three years. In 1982, in the Chistopol' Prison, he was completely cut off from ties with relatives. In protest against the lawlessness of the prison administration, my son went on a hunger strike which lasted 110 days, from September 26, 1982 to January 14, 1983. As a result my son's health was broken and he was left without the physical strength to complete the full term of imprisonment. When I met with him on January 5, 1984, I realized that his life was in danger. I appealed to chairman of the USSR Supreme Soviet Yu. V. Andropov. I asked for my son's early release because of the state of his health, and that he be allowed to leave the Soviet Union. Now, when my son has served more than half of a severe penalty and he is ill, I appeal to you, and draw your attention to the tragedy of my family and to my present situation. I am a mother, an old woman of 76 years, a pensioner. Forty years of my life were spent in the Donbass, working in heavy industry—metallurgy and coal. My late husband, B. M. Shcharanskiy, was a communist and worked in the Donbass as a journalist of the province newspaper, as a correspondent for republic newspapers and journals, and as a correspondent for central Moscow newspapers. In the first days of the great patriotic war he left voluntarily for the front as a war correspondent, although he was not subject to military service, and he later served as political worker of a mortar regiment. He was awarded orders

and medals. He remained in the ranks of the Soviet Army until victory was complete. He could not endure his son's tragedy. In 1978 he suffered a heart attack. He died suddenly on January 20, 1980, Anatoliy's birthday.

Respected Konstantin Ustinovich? Show humanity, free my son before his term is up. Such compassion will save a man's life. And you will help me, and old mother, to live the few years remaining to me in peace.

I. MIL'GROM.

MARCH 10, 1984.

Respected Konstantin Ustinovich:

I wrote to you on March 10, 1984. There has been no answer. From past experience, I understand that members of the party CC apparatus automatically forwarded my appeal to you to other departments. Such is the fate of all my letters to the higher organs of power. I would like you, respected Konstantin Ustinovich, to be aware of my petition and to make a personal decision respecting it. And therefore I am making this attempt and I hope that my goal will be achieved this time.

I am attaching the test of the letter sent to you on March 10, which reached the CPSU CC on March 12.

I appeal to you now both as chairman of the USSR Supreme Soviet Presidium and as the head of a participant-state of the Helsinki conferences, the author of works devoted to questions of human rights. And I repeat my request: Be compassionate, free my son Anatoliy Shcharanskiy before his term is up, since his health does not permit further confinement. Help me to live, even if only a little, with the knowledge that my son is free. He has borne a heavy punishment for more than seven years and I, his old mother, bear this punishment along with him.

Show humanity, satisfy my petition for my son's early release.

I. MIL'GROM.

APRIL 1984.

Ms. OAKAR. Mr. Speaker, I want to congratulate my colleague [Mr. KEMP] for his remarks as well.

Mr. KEMP. Mr. Speaker, I want to thank the gentlewoman for her comments and for reminding us that this issue goes on.

Mr. Speaker, I am cochairman of the Congressional Coalition for Soviet Jewry, which has the participation of many members of both parties. My wife has been involved with Mrs. Henry Jackson in Congressional Spouses for Soviet Jewry. The human rights struggle is one I know the gentlewoman from Ohio has been very actively involved in, along with so many other men and women on both sides of the aisle, in both Houses.

This will be a day in which we have the opportunity personally to greet and say shalom, shalom to truly one of the great freedom fighters on the face of this Earth, two of them actually, not only Natan Shcharansky, but his comrade in arms, Avital, and give them the wonderful welcome that lovers of peace and freedom throughout the world give each other, shalom, shalom.

Mr. MICHEL. Mr. Speaker, today we are considering a resolution, sponsored by the distinguished majority leader, my friend, Mr. WRIGHT, to allow the rotunda to be used for a ceremony to honor Anatoly Shcharansky. I am proud to be a cosponsor of this resolution.

Mr. Shcharansky was a leader in the Soviet Jewish emigration movement and a founding member of the Moscow Helsinki monitoring group.

As the world knows, the Communist rulers of the Soviet Union do not tolerate freedom of expression. Anatoly Shcharansky was sentenced to a 13-year imprisonment for the alleged crime of requesting that his human rights and those of others be observed.

We will have a ceremony in the rotunda honoring this brave man who, as we know, is now free. I just want to add my voice to those of our colleagues in saying how happy I am that we have this opportunity to publicly pay tribute to this brave man.

In honoring Anatoly Shcharansky, we honor not only one man, but all those who still suffer in the Soviet Union. They are victims of a tyranny that, as events in recent days have disclosed, is so obsessed with domination and secrecy and control that human freedom—and human lives—are sacrificed to state power.

Anatoly Shcharansky's courage has shown that one human being can make even this tyranny tremble.

Mr. KEMP. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 329

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. FINDINGS.

The Congress finds that—

(1) Natan (Anatoly) Shcharansky was a leader in the Soviet Jewish emigration movement and a founding member of the Moscow Helsinki monitoring group who was arrested on March 15, 1977, and sentenced to thirteen years imprisonment for his human rights activities;

(2) Shcharansky's wife, Avital, campaigned tirelessly for the release of her husband and other Soviet Jewish prisoners, and these efforts were supported by two successive administrations, the Congress, and the American people;

(3) on February 11, 1986, those efforts were successful and Natan (Anatoly) Shcharansky was released from Soviet prison and allowed to emigrate to Israel;

(4) despite the fact that at least 400,000 other Soviet Jews seek to emigrate to Israel, the Soviet Government has severely restricted Jewish emigration in violation of its international commitments; and

(5) the support of the Congress for the right of Soviet Jews to emigrate is long established and remains strong.

SEC. 2. CONGRESSIONAL WELCOME; USE OF CAPITOL ROTUNDA.

(a) CONGRESSIONAL WELCOME.—The Congress welcomes Natan (Anatoly) Shcharansky to the United States and to the Nation's capital.

(b) USE OF CAPITOL ROTUNDA.—The rotunda of the Capitol is authorized to be used on May 13, 1986, for a ceremony of welcome for Natan (Anatoly) Shcharansky. Physical preparations for the ceremony shall be carried out in accordance with such conditions as the Architect of the Capitol may prescribe.

SEC. 3. CALL FOR CONTINUED EFFORTS TO OBTAIN FREEDOM FOR ALL SOVIET JEWS.

It is the sense of the Congress that the President should continue to call upon the Soviet Union—

(1) to release immediately all those Soviet Jews who have been imprisoned for their efforts to emigrate;

(2) to allow those Soviet Jews who wish to emigrate in order to join their families abroad, or be repatriated to their historic homeland of Israel, to do so; and

(3) to permit the exercise of religious and cultural rights by Soviet Jews.

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

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

RESIGNATION AS MEMBER OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS AND AS MEMBER OF COMMITTEE ON VETERANS' AFFAIRS

The SPEAKER pro tempore laid before the House the following resignation as a member of the Committee on Interior and Insular Affairs and as a member of the Committee on Veterans' Affairs:

HOUSE OF REPRESENTATIVES,
Washington, DC, May 1, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House, H-204, The Capitol, Washington, DC.

DEAR SPEAKER: I hereby tender my resignation from the Interior and Insular Affairs Committee and from the Veterans' Affairs Committee.

Most sincerely,

ALAN B. MOLLOHAN.

The SPEAKER pro tempore. Without objection, the resignations are accepted.

There was no objection.

AUTHORIZING PRINTING OF ADDITIONAL COPIES OF COMMITTEE PRINT ENTITLED "U.N. CONFERENCE TO REVIEW AND APPRAISE THE U.N. DECADE FOR WOMEN: REPORT OF CONGRESSIONAL STAFF ADVISORS TO THE NAIROBI CONFERENCE"

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Commit-

tee on House Administration be discharged from further consideration of the concurrent resolution (H. Con. Res. 288) authorizing printing of additional copies of the committee print entitled "U.N. Conference to Review and Appraise the U.N. Decade for Women: Report of Congressional Staff Advisors to the Nairobi Conference" and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

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

Mr. GINGRICH. Mr. Speaker, reserving the right to object, and I do not intend to object, under my reservation, I yield to the gentleman from Washington [Mr. FOLEY] to explain the concurrent resolution.

Mr. FOLEY. Mr. Speaker, this resolution authorizes the printing of 1,000 additional copies of the committee print entitled "U.N. Conference To Review and Appraise the U.N. Decade for Women: Report of Congressional Staff Advisors to the Nairobi Conference" for the use of the Committee on Foreign Affairs.

The Government Printing Office estimates that the cost of this printing will be $3,456 for the 1,000 copies.

Due to the great demand for this document the supply of the Committee on Foreign Affairs has been exhausted. The report is the only official report generally available that assesses the preparations and performance of the U.S. delegation and the Nairobi Conference itself.

Mr. GINGRICH. Mr. Speaker, further reserving the right to object, this is clearly a report which is very popular and a number of people find it very educational. We on the minority side support this.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 288

Resolved by the House of Representatives (the Senate concurring), That there shall be printed, for the use of the Committee on Foreign Affairs of the House of Representatives, 1,000 additional copies of the committee print entitled "U.N. Conference to Review and Appraise the U.N. Decade for Women: Report of Congressional Staff Advisors to the Nairobi Conference".

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF ADDITIONAL COPIES OF A MESSAGE FROM THE PRESIDENT, TRANSMITTING CERTAIN RESCISSIONS AND DEFERRALS

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the concurrent resolution (H. Con. Res. 301) authorizing printing of additional copies of a message from the President, transmitting certain rescissions, deferrals, and revised deferrals of budget authority, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

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

Mr. GINGRICH. Mr. Speaker, reserving the right to object, under my reservation, I yield to the gentleman from Washington to explain the concurrent resolution.

Mr. FOLEY. Mr. Speaker, this concurrent resolution authorizes the printing of 500 additional copies of the publication of a message from the President, transmitting certain rescissions, deferrals, and revised deferrals of budget authority.

The Government Printing Office estimates that the cost of this printing will be $4,245, for the 500 copies.

This is a routine request for additional documents for distribution from the document room to meet the great demand they have for this publication. The document provides important information to committees, Members of Congress, and their staff.

Mr. GINGRICH. Mr. Speaker, in the year of the budget, we certainly on the minority side have no objection to this.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 301

Resolved by the House of Representatives (the Senate concurring), That there shall be printed, for the use of the House document room, 500 additional copies of a message from the President, transmitting certain rescissions, deferrals, and revised deferrals of budget authority, House Document 99-161, Ninety-ninth Congress, dated February 5, 1986.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES

Mr. GEPHARDT. Mr. Speaker, as chairman of the Democratic Caucus and by direction of the caucus, I offer a privileged resolution (H. Res. 443) designating membership on certain standing committees of the House, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 443

Resolved, That the following named Members be, and they are hereby, elected to the following standing committees of the House of Representatives:

Committee on Appropriations: Alan B. Mollohan, West Virginia;

Committee on Veterans' Affairs: Frank McCloskey, Indiana.

Mr. GEPHARDT (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

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

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 4409, PANAMA CANAL COMMISSION AUTHORIZATION ACT, FISCAL YEAR 1987

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 436 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 436

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. 4409) to authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes, 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 sections 302(f) and 311 of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177) and with the provisions of clause 2(1)(3)(B) of rule XI 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 Merchant Marine and Fisheries, the bill shall be considered for amendment under the five-minute rule, and each section shall be considered as having been read. 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.

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

Mr. DERRICK. Mr. Speaker, I yield the customary 30 minutes, for the purpose of debate only, to the gentleman from Mississippi [Mr. LOTT], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 436 is an open rule providing for the consideration of H.R. 4409, the Panama Canal Commission Authorization Act for fiscal year 1987. The rule provides for 1 hour of general debate on H.R. 4409, equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries.

Mr. Speaker, this rule waives certain sections of the budget act against consideration of the bill. These waivers are necessitated due to the unique impact which the Balanced Budget and Emergency Deficit Control Act of 1985, the so-called Gramm-Rudman-Hollings Act, has had on funds appropriated for operation of the Panama Canal. I would like to take a moment, therefore, to explain why these waivers are necessary.

Presently, the United States is responsible for operation of the Panama Canal, and pursuant to the 1977 Panama Canal Treaty, ownership and control of the canal will transfer to the Republic of Panama by the end of 1999. Under the terms of legislation approved to implement the terms of the treaty, the canal is to operate at no cost to the U.S. taxpayer—tolls collected at the canal are deposited into a distinct and separate trust fund, and funds for operation of the canal are appropriated from the same trust fund.

The law further provides that when revenues collected in the form of tolls exceed the cost of operating the canal, these excess payments are paid to the Republic of Panama. Such excess payments are made in the year following which they accrue in the trust fund.

Mr. Speaker, the March 1 sequestration order issued pursuant to the Gramm-Rudman-Hollings Act reduced the fiscal year 1986 appropriations for the Panama Canal by some $18.3 million. Since the canal was operating at a level where tolls were covering operating costs, and since we have effectively reduced the operating costs by cutting the fiscal year 1986 appropriation, an excess of $18.3 million presently sits in the trust fund and must be paid to the Republic of Panama as excess profits under the provisions of current law.

Mr. Speaker, I don't believe there is a Member in this Chamber who believes the Gramm-Rudman-Hollings Act should be allowed to operate to provide a windfall to the Republic of Panama while not acheiving a dollar in deficit reduction for the United States. Ironically, however, that is precisely the situation which will result under the terms of the treaty we have with the Republic of Panama.

To remedy this situation, the Merchant Marine and Fisheries Committee included provisions in H.R. 4409 which disallow reductions of appropriations under the Gramm-Rudman-Hollings Act whenever such reduction would result in a payment to Panama as excess profits under the treaty provisions I have discussed. These provisions apply to the current fiscal year, fiscal year 1986, and future fiscal years.

Mr. Speaker, while the provisions of H.R. 4409 solve the problem of paying the $18.3 million to Panama as an excess payment, the restoration of these previously sequestered funds has the legal effect of providing new budget authority for fiscal year 1986 and therefore raises additional problems with provisions of the Budget Act. Specifically, the rule waives two sections of the Budget Act, section 311(a) and section 302(f), against consideration of H.R. 4409.

Section 311(a) of the Budget Act prohibits consideration of any measure which would cause the budget authority or outlay ceilings established by the concurrent resolution on the budget for a fiscal year to be breached. Mr. Speaker, according to the most recent Parliamentarian's status report, we are presently over the outlay ceiling established in the fiscal year 1986 budget. Therefore, because the restoration of the $18.3 million in sequestered funds will result in additional outlays in fiscal year 1986, a waiver of section 311(a) is necessary if the House is to consider this legislation.

A similar situation requires a waiver of section 302(f) of the Budget Act as well. Section 302(f) of the Budget act prohibits consideration of measures that would exceed the subcommittee allocations of new discretionary budget authority made pursuant to section 302(b) of the Budget Act. Since the Merchant Marine and Fisheries Committee has already exceeded its 302(b) allocation for fiscal year 1986, the restoration of these sequestered funds therefore violates section 302(f).

In reference to these Budget Act waivers, Mr. Speaker, I would like to draw our colleagues' attention to the fact that if the action proposed by the Merchant Marine and Fisheries Committee is not taken, and if these waivers are not provided, the United States will be obligated to pay $18.3 million to Panama next year as an excess payment. Therefore, if no action is taken, the $18.3 million in budget authority and outlays will be incurred in fiscal year 1987. Under the terms of the proposal before the House today, we simply incur these costs in fiscal year 1986 as opposed to fiscal year 1987, and more importantly, direct that the funds be used for canal operations rather than providing a windfall to the Republic of Panama.

Mr. Speaker, the rule waives the provisions of clause 5(a) of rule XXI against the bill, which is also necessitated by the impact of the Gramm-Rudman-Hollings Act on Panama Canal funding. Clause 5(a) of rule XXI prohibits appropriations in any bill or joint resolution reported by any committee not having jurisdiction to report appropriations. Moreover, the elimination of the sequester order against the $18.3 million which had originally been appropriated in the continuing resolution has the impact of appropriating the funds once again. And since this bill was not reported by the Appropriations Committee, this point of order lies against these provisions.

Finally, Mr. Speaker, the rule waives clause 2(l)(3)(B) of rule XI against consideration of the bill. This clause of rule XI requires that a committee report for any measure which makes available new budget authority must contain a statement required by section 308(a) of the Budget Act. The statement required by section 308(a) details how the new budget authority in the bill compares with the new budget authority provided in the most recent budget resolution, and a projection of outlays over a subsequent 5-year period. Mr. Speaker, the interpretation that the $18.3 million which will be restored by the bill is in fact new budget authority was not provided until after this bill was reported from committee. Consequently, the committee report does not address this issue and therefore does not contain the statement required by clause 2(l)(3)(B) of rule XI.

Mr. Speaker, the proponents of this legislation will provide further elaboration of the impacts of the Gramm-Rudman-Hollings Act on this bill, and will discuss the other provisions of the bill as well. I would note that the bill authorizes approximately $430 million for operation of the Panama Canal in fiscal year 1987, the same amount requested by the administration, and an amount expected to be covered by the toll receipts collected at the canal.

Mr. Speaker, I would again like to stress that this is an open rule. Members of the House will have a full opportunity to debate and amend H.R. 4409. The waivers provided in the rule are necessitated by action the Merchant Marine and Fisheries Committee has taken to address the unique impact the Gramm-Rudman-Hollings

Act has had on funding for operation of the canal. The waivers are supported bipartisanly by the membership of the Committee on Merchant Marine and Fisheries, and by a majority of the Committee on the Budget.

Mr. Speaker, I urge adoption of the rule.

□ 1135

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

Mr. Speaker, House Resolution 436 provides for the consideration of H.R. 4409, a bill to authorize appropriation from the Panama Canal Commission Fund for the operation and maintenance of the Panama Canal and other activities pertinent to the canal.

The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries. This will be followed by an open-rule amendment process under the 5-minute rule.

The rule provides three waivers against the consideration of the bill—two for failure to comply with the provisions of sections 302(f) and 311 of the Congressional Budget Act of 1974; and one with the provisions of clause 2(l)(3)(B) of rule XI.

Section 302(f) of the Budget Act prohibits consideration of a bill which exceeds a committee's section 302(b) allocation of budget authority under the most recent budget resolution. Section 311(a) is waived because we are already over the 1986 budget ceiling by $13 billion in outlays. It also waives clause 2(l)(3)(B) of rule XI which requires committees to compare new budget authority provided in a bill with the new budget authority set forth in the current budget resolution. The Merchant Marine Committee failed to include this comparison in its report.

I am always concerned about the Rules Committee waiving requirements under the Budget Act in the rules of the House. I think in this case they are basically technical, and they are certainly understandable and defensible. I asked some questions about the waivers in the Rules Committee.

This is the second rule recently that I know of where this clause 2(l)(3)(B) of rule XI is waived. If this is something we do not want, let us get it out, let us eliminate the rule; but if it is required, I think the Rules Committee needs to say to the committees, "Do not come in on a regular systematic basis, expecting us to waive this rule if it is required."

So I would like to ask the gentleman who handled the rule for the majority if he might have any comment on how this is beginning to happen, and should we not require it?

Mr. DERRICK. Mr. Speaker, I agree with the gentleman, but I do think this is a unique situation and might be an exception to the rule. But I generally agree with the gentleman's remarks. As a member of the majority on the Rules Committee, I will try to carry that out in the future.

Mr. LOTT. I thank the gentleman for that commitment.

Mr. Chairman, the Budget Act waivers are necessary because the bill restores $18.3 million in funds sequestered under Gramm-Rudman—funds which would otherwise be paid to the Government of Panama as profits under the terms of the treaty. While these expenditures will be offset by revenues in 1987, the waivers are technically necessary now since the restortation causes increased spending in fiscal 1986. The Budget Committee chairman has indicated that a majority of the committee members support the Budget Act waivers.

The rule also waives 5(a) of rule XXI which prohibits appropriations in a legislative bill.

Mr. Speaker, neither the procedure nor the substance of this measure was controversial in the Committee on Merchant Marine and Fisheries or in the Rules Committee.

Mr. Speaker, H.R. 4409 provides authorization for appropriations of $437.3 million from the Panama Canal Commission Fund for operation and capital expenses for the Panama Canal Commission in fiscal year 1987. In addition, the bill authorizes such sums as may be necessary for increases in employee benefits. It provides for direct payment of $10 million to the general U.S. Treasury from those portions collected to pay interest on the U.S. investment in the canal rather than allowing those funds to be deposited in that Canal Commission Fund. Also, Mr. Speaker, section 6, which incorporates the languages of a similar measure, exempts the Panama Canal Commission from the enforcement of the Balanced Budget and Emergency Deficit Control Act. This provision is necessary because under the treaty unexpended revenues go to the Republic of Panama. If canal expenditures are cut by Gramm-Rudman while the revenue from tolls remains the same, the Government of Panama might receive substantial unspent revenues.

Mr. Speaker, since the enactment of the Panama Canal Act of 1979, the operation of the canal has been under the jurisdiction of the Panama Canal Commission. As we know there are still Members here in Congress who have some negative feelings and reservations about the treaty, and I happen to be one of them. But we also know that the Commission has operated smoothly and efficiently at no cost to the U.S. taxpayers, thus benefiting the foreign commerce and the national security of the United States and that the canal itself is vital for our Nation's citizens.

Mr. Speaker, I urge adoption of this rule.

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

Mr. DERRICK. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the resolution.

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

Mr. LOTT. 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 338, nays 56, not voting 39, as follows:

[Roll No. 108]

YEAS—338

Ackerman	Coughlin	Gradison
Akaka	Courter	Gray (IL)
Alexander	Coyne	Gray (PA)
Anderson	Crockett	Green
Annunzio	Daniel	Gregg
Anthony	Darden	Guarini
Applegate	Daschle	Gunderson
Armey	Davis	Hall (OH)
Aspin	Dellums	Hall, Ralph
Atkins	Derrick	Hamilton
AuCoin	DeWine	Hammerschmidt
Barnard	Dickinson	Hansen
Barnes	Dicks	Hawkins
Barton	Dingell	Hefner
Bates	DioGuardi	Heftel
Bedell	Dixon	Henry
Beilenson	Donnelly	Hertel
Bennett	Dorgan (ND)	Hiler
Bentley	Dowdy	Hillis
Bereuter	Downey	Holt
Berman	Duncan	Hopkins
Bevill	Durbin	Horton
Biaggi	Dwyer	Howard
Bliley	Dymally	Hoyer
Boehlert	Dyson	Hubbard
Boland	Early	Huckaby
Boner (TN)	Eckart (OH)	Hughes
Bonker	Eckert (NY)	Hutto
Borski	Edgar	Hyde
Boucher	Edwards (CA)	Jacobs
Boxer	Emerson	Jeffords
Breaux	English	Jenkins
Brown (CA)	Erdreich	Johnson
Broyhill	Evans (IL)	Jones (NC)
Bruce	Fascell	Jones (OK)
Bryant	Fawell	Kanjorski
Burton (CA)	Fazio	Kaptur
Bustamante	Feighan	Kastenmeier
Byron	Fields	Kemp
Callahan	Fish	Kennelly
Campbell	Flippo	Kildee
Carney	Florio	Kleczka
Carper	Foley	Kolbe
Carr	Ford (MI)	Kolter
Chandler	Ford (TN)	Kostmayer
Chapman	Frank	LaFalce
Chappell	Frost	Lagomarsino
Clay	Fuqua	Lantos
Clinger	Gallo	Leach (IA)
Coats	Gaydos	Leath (TX)
Coble	Gejdenson	Lehman (CA)
Coelho	Gephardt	Lehman (FL)
Coleman (MO)	Gibbons	Leland
Coleman (TX)	Gilman	Lent
Collins	Gingrich	Levin (MI)
Combest	Glickman	Levine (CA)
Conte	Gonzalez	Lewis (CA)
Cooper	Goodling	Lewis (FL)

Lightfoot	Oakar	Snowe
Lipinski	Oberstar	Snyder
Livingston	Obey	Solarz
Long	Olin	Spratt
Lott	Owens	St Germain
Lowery (CA)	Packard	Staggers
Lowry (WA)	Panetta	Stallings
Luken	Parris	Stangeland
Lundine	Pashayan	Stark
Lungren	Pease	Stokes
MacKay	Penny	Studds
Madigan	Perkins	Sundquist
Manton	Price	Sweeney
Markey	Pursell	Swift
Martin (IL)	Rangel	Swindall
Martin (NY)	Ray	Synar
Martinez	Regula	Tallon
Matsui	Reid	Tauke
Mavroules	Richardson	Tauzin
Mazzoli	Ridge	Taylor
McCandless	Rinaldo	Thomas (CA)
McCloskey	Ritter	Thomas (GA)
McCollum	Roe	Torres
McCurdy	Roemer	Torricelli
McEwen	Rogers	Towns
McGrath	Rostenkowski	Traficant
McHugh	Roukema	Traxler
McKernan	Rowland (GA)	Udall
McKinney	Roybal	Valentine
McMillan	Russo	Vander Jagt
Mica	Sabo	Vento
Michel	Saxton	Visclosky
Mikulski	Scheuer	Volkmer
Miller (CA)	Schneider	Walgren
Miller (WA)	Schroeder	Watkins
Mineta	Schuette	Waxman
Mitchell	Schulze	Weiss
Moakley	Schumer	Wheat
Molinari	Seiberling	Whitehurst
Mollohan	Sharp	Whitley
Montgomery	Shaw	Whitten
Moody	Shelby	Wilson
Moore	Shuster	Wirth
Moorhead	Sikorski	Wise
Morrison (CT)	Siljander	Wolf
Morrison (WA)	Sisisky	Wolpe
Mrazek	Skeen	Wright
Murphy	Skelton	Wyden
Murtha	Slattery	Wylie
Natcher	Smith (FL)	Yates
Neal	Smith (IA)	Yatron
Nelson	Smith (NE)	Young (AK)
Nielson	Smith (NJ)	Young (FL)
Nowak	Smith, Robert (OR)	Young (MO)
O'Brien		Zschau

NAYS—56

Archer	Hunter	Schaefer
Badham	Ireland	Sensenbrenner
Bartlett	Kasich	Shumway
Bilirakis	Kindness	Slaughter
Boulter	Kramer	Smith, Denny (OR)
Brown (CO)	Latta	Smith, Robert (NH)
Burton (IN)	Marlenee	Spence
Chappie	McCain	Strang
Cheney	Meyers	Stratton
Cobey	Miller (OH)	Stump
Craig	Monson	Vucanovich
Crane	Oxley	Walker
Dannemeyer	Petri	Weber
Daub	Porter	Whittaker
DeLay	Quillen	Williams
Dornan (CA)	Rahall	Wortley
Dreier	Roberts	
Frenzel	Roth	
Gekas	Rowland (CT)	
Hendon	Rudd	

NOT VOTING—39

Andrews	Fowler	McDade
Bateman	Franklin	Myers
Boggs	Garcia	Nichols
Bonior (MI)	Gordon	Ortiz
Bosco	Grotberg	Pepper
Brooks	Hartnett	Pickle
Broomfield	Hatcher	Robinson
Conyers	Hayes	Rodino
de la Garza	Jones (TN)	Rose
Edwards (OK)	Lloyd	Savage
Evans (IA)	Loeffler	Solomon
Fiedler	Lujan	Stenholm
Foglietta	Mack	Weaver

□ 1200

Mr. HENRY and Mr. REID 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.

PERSONAL EXPLANATION

Mr. GORDON. Mr. Speaker, I was detained while en route to the House floor, and failed to vote on rollcall 108, the adoption of the rule providing for consideration of H.R. 4409, the Panama Canal authorization bill. Had I been present, I would have voted "aye."

PANAMA CANAL COMMISSION AUTHORIZATION ACT, FISCAL YEAR 1987

The SPEAKER pro tempore. Pursuant to House Resolution 436 and rule XXIII, 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. 4409.

□ 1208

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. 4409) to authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes, with Ms. KAPTUR in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Washington [Mr. LOWRY] will be recognized for 30 minutes and the gentleman from Texas [Mr. FIELDS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Washington [Mr. LOWRY].

Mr. LOWRY of Washington. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, on March 13, 1986, I introduced H.R. 4409, which authorizes appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal.

The Subcommittee on Panama Canal/Outer Continental Shelf marked up H.R. 4409 on March 19; and, on April 9, the full Merchant Marine and Fisheries Committee reported the bill to the House. There was no opposition to the bill in either the subcommittee or the full committee, and it was reported as introduced, except for a few technical amendments.

H.R. 4409 authorizes the appropriation of $437,250,000 to the Panama Canal Commission for the operation and maintenance of the Panama Canal. Out of this sum, $27,480,000 is authorized for capital outlays. The authorization amount in H.R. 4409 is equivalent to the amount of tolls and fees to be collected from the users of the canal, at no cost to the U.S. taxpayer.

Section 5 of the legislation amends section 1303 of the Merchant Marine Act of 1936 by allowing six additional Panamanians each year to receive instruction at the U.S. Merchant Marine Academy, to be paid for by the Republic of Panama. The Secretary of Transportation, the Honorable Elizabeth Dole, has requested this provision in order to add to the training of Panamanians who will operate the canal in the year 2000.

Finally, section 6 of the bill amends the Panama Canal Act of 1979 by disallowing a reduction of appropriations under Public Law 99-177, the Gramm-Rudman Act, when such a reduction would result in a payment to Panama under paragraph 4(c), article 13, of the treaty.

In 1986, for instance, the implementation of the Gramm-Rudman-Hollings Act would result in a payment to Panama of $18.3 million. By cutting the PCC appropriation 4.3 percent in 1986, there remains an unappropriated balance of $18.3 million in the PCC Fund. Under article XIII, paragraph 4(c) of the treaty, this $18.3 million in surplus revenues would go to Panama. If we allow this to happen, we would seriously impair the proper operation and maintenance of the canal, and we would achieve absolutely nothing in terms of reducing the budget deficit.

Madam Chairman, I would also like to thank the ranking minority member of the subcommittee, the Honorable JACK FIELDS, for his contributions to this bill. I would urge my colleagues to support this legislation.

(Please note that there are two printing errors in the report on H.R. 4409 (Rept. 99-536). On page 6 of the report, strike all of line 13 except the last word. On page 7 of the report, change the CBO chart to read (−$13.1) million under "Payment to Panama," in lieu of +$13.1 million. The estimated authorization level and outlays in the 1987 payment to Panama is minus $13.1 million; in other words, there is a savings of $13.1 million based on CBO's estimates of revenues and expenditures in 1987.)

Mr. FIELDS. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I am pleased to rise in support of H.R. 4409, a bill introduced by our distinguished colleague and chairman of the Panama Canal/OCS Subcommittee, Congressman MIKE LOWRY.

This bill, which authorizes appropriations for the Panama Canal Commission for the upcoming fiscal year, is an excellent proposal which deserves our support.

Madam Chairman, the Panama Canal Commission, which was created by Congress in 1979, is a unique and self-sustaining agency.

The money authorized by this legislation does not involve any U.S. taxpayer money but, in fact, is entirely comprised of revenues collected by the Commission through tolls and other fees levied on ships transiting the canal.

This money is deposited in the Panama Canal Commission Fund within the U.S. Treasury and the purpose of this bill is to authorize the Commission to spend the $437 million it anticipates receiving in fiscal year 1987.

Madam Chairman, the Panama Canal Commission and its outstanding leadership have done a superb job of operating and maintaining the canal for the past 7 years.

Passage of this authorization bill will permit the Panama Canal Commission to continue to operate the canal efficiently and smoothly, thus benefiting not only the world shipping community but also the national security of the United States.

Over 70 percent of all oceangoing transits through the canal either originate or come from one of our ports. Clearly, it is in our Nation's best interest to ensure the free and unobstructed access to our vessels, both commercial and military, to this vital waterway.

Madam Chairman, while there are a number of key provisions which have been ably and articulated discussed, I would like to briefly highlight the importance of section 6 of H.R. 4409.

This section, which incorporates the language of my bill, H.R. 4246, exempts the Panama Canal Commission from the enforcement provisions of the Balanced Budget and Emergency Deficit Control Act of 1985.

Specifically, the language stipulates that the operating budget of the PCC, which involves no taxpayer funds, would not be automatically cut by Public Law 99-177 if such a reduction resulted in a payment to the Republic of Panama under paragraph 4(c) of article XIII of the Panama Canal Treaty of 1977.

Under this treaty provision, the Republic of Panama is entitled to up to $10 million per year in unexpended PCC revenues. In addition, this requirement has an accumulative effect which means that Panama could receive up to $64 million in so-called profit payments as of the end of fiscal year 1987.

Madam Chairman, while I have no desire to adversely affect our longstanding and good relationship with Panama, I am convinced that the Gramm-Rudman-Hollings law was never intended to be used as a mechanism to divert or transfer funds from any Federal agency, including the Panama Canal Commission, to the treasury of a foreign government.

There is simply no way to effectively apply Gramm-Rudman-Hollings to the operations of the PCC. By insisting on its application, the Congress will cripple this agency and its ability to maintain the canal without benefiting either our taxpayers or our goal of Federal deficit reduction.

In fact, the only beneficiary from this action would be the Republic of Panama which would receive millions of dollars of unanticipated and unintended PCC revenues between now and the end of fiscal year 1987 and each year thereafter until December 31, 1999.

Madam Chairman, the Gramm-Rudman-Hollings exemption is critically important to the Panama Canal Commission. By enacting H.R. 4409, we will ensure the continued vitality of the canal without violating either the letter or the spirit of the Panama Canal Treaty of 1977.

Madam Chairman, in closing, I would note that this legislation, which has been endorsed by the Reagan administration, deserves the full support of the House of Representatives.

Mr. CONTE. Madam Chairman, I rise in support of this measure, but want to focus my remarks on the section of this bill which exempts the Panama Canal Commission from the—well—I can't say it. I can't mention their names over here, you know. Let's just call it G-R-H.

This bill exempts the Panama Canal Commission from the sequestration provision of G-R-H. One of the more ridiculous, illogical provisions of G-R-H—and there are a lot of them, believe me—is that when the sequestration order whacks money from the Panama Canal Commission, the savings go to the Government of Panama. Not to the United States Treasury, mind you, but the Government of Panama.

There's no logic in that. Fortunately, the House has come to its senses, and will correct this nonsense. It's too bad that the House won't come to its senses and get rid of G-R-H entirely.

I stood on this floor in December and told you what that bill would do. I begged—begged—the Members of this body to stand up and recognize G-R-H for the political gamemanship that it was and is. I happen to be one of the 12 guys that brought suit against G-R-H in the court. The special three-judge court ruled with us; hopefully, the Supreme Court will rule with us. I went over for those arguments last Wednesday. And I will continue to fight that law.

So, I commend the committee for correcting the most illogical part of G-R-H. I just wish the Members of the House had the courage to get rid of the whole thing.

Mr. LENT. Madam Chairman, I rise in support of passage of H.R. 4409, the Panama Canal Commission Authorization Act for Fiscal Year 1987.

I would like to especially commend Congressman LOWRY of Washington, the chairman of the Subcommittee on Panama Canal and Outer Continental Shelf, and ranking member JACK FIELDS of Texas, for their leadership and initiative in developing legislation which meets the needs of the Panama Canal Commission and includes a much needed waiver of the Gramm-Rudman Act when any reduction called for by that act would result in a payment of profits to Panama. I urge my colleagues to support this legislation.

Mr. LOWRY of Washington. Madam Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. FIELDS. Madam Chairman, we have no further requests for time, and I yield back the balance of our time.

The CHAIRMAN. Pursuant to the rule, each section is considered as having been read for amendment under the 5-minute rule.

The Clerk will designate section 1.

Mr. LOWRY of Washington. Madam Chairman, I ask unanimous consent that the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The text of H.R. 4409 is as follows:

H.R.4409

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Panama Canal Commission Authorization Act, Fiscal Year 1987".

SEC. 2. OPERATING EXPENSES.

There is authorized to be appropriated from the Panama Canal Commission Fund to the Panama Canal Commission (hereafter in this Act referred to as the "Commission") for the fiscal year beginning October 1, 1986, not more than $437,250,000, for necessary expenses of the Commission incurred under the Panama Canal Act of 1979 (Public Law 96-70; 22 U.S.C. 3601 et seq.), including expenses for—

(1) the hire of passenger motor vehicles and aircraft;

(2) the purchase of passenger motor vehicles as may be necessary for fiscal year 1987, the number and price of which may not exceed the amount provided in appropriation Acts; except that large heavy duty passenger sedans used to transport employees of the Commission across the Isthmus of Panama may be purchased for the fiscal year 1987 without regard to price limitations set forth in applicable regulations of any department or agency of the United States;

(3) official receptions and representation expenses, except that not more than $43,000 may be made available for such expenses, of which (A) not more than $10,000 may be made available for such expenses of the Supervisory Board of the Commission, (B) not more than $5,000 may be made available for such expenses of the Secretary of the Commission, and (C) not more than $28,000 may

be made available for such expenses of the Administrator of the Commission;

(4) the procurement of expert and consultant services as provided in section 3109 of title 5, United States Code;

(5) a residence for the Administrator of the Commission;

(6) uniforms, or allowances therefor, as authorized by section 5901 and 5902 of title 5, United States Code;

(7) disbursements by the Administrator of the Commission for employee recreation and community projects; and

(8) the operation of guide services.

SEC. 3. CAPITAL OUTLAY.

Of any funds appropriated pursuant to section 2 of this Act, not more than $27,480,000 (which is authorized to remain available until expended) may be made available for the acquisition, construction, replacement, and improvement of facilities, structures, and equipment required by the Commission.

SEC. 4. AUTHORIZATION OF ADDITIONAL APPROPRIATIONS.

In addition to the amount authorized to be appropriated by section 2 of this Act, there are authorized to be appropriated to the Commission for the fiscal year 1987 such amounts as may be necessary for—

(1) increases in salary, pay, retirement, and other employee benefits provided by law;

(2) covering payments to Panama under paragraph 4(a) of article XIII of the Panama Canal Treaty of 1977, as provided by section 1341(a) of the Panama Canal Act of 1979 (22 U.S.C. 3751(a)); and

(3) increased costs for fuel.

SEC. 5. AUTHORIZATION OF SIX ADDITIONAL CITIZENS OF THE REPUBLIC OF PANAMA TO RECEIVE INSTRUCTION AT THE UNITED STATES MERCHANT MARINE ACADEMY.

Section 1303 of the Merchant Marine Act, 1936, (46 App. U.S.C. 1295b), is amended by—

(1) inserting after paragraph (b)(6) the following new paragraph:

"(7)(A) In addition to paragraph (3), (4), (5), and (6) of this subsection, until September 30, 1995, the Secretary may annually permit, upon approval of the Secretary of State, up to six additional individuals from the Republic of Panama to receive instruction at the Academy.

"(B) The Secretary shall insure that the Republic of Panama shall reimburse the Secretary for the cost of that instruction (including the same allowances as received by cadets at the Academy appointed from the United States) as determined by the Secretary.

"(C) Any individual receiving instruction at the Academy under this paragraph is subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation as cadets at the Academy appointed from the United States."; and

(2) in the following paragraph (7), by—

(A) striking "(7)", and inserting "(8)", and

(B) striking "(4), (5) or (6),", and inserting "(4), (5), (6), or (7),".

SEC. 6. EXEMPTION OF PANAMA CANAL COMMISSION APPROPRIATIONS FROM THE BALANCED BUDGET AND EMERGENCY DEFICT CONTROL ACT OF 1985 (PUBLIC LAW 99-177).

Section 1341 of the Panama Canal Act of 1979 (22 U.S.C. 3751) is amended by adding at the end thereof the following new subsection:

"(g) Notwithstanding any other provision of law, no reduction under any order issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 shall apply to the Commission if the implementation of such an order would result in payment to the Republic of Panama under paragraph 4(c) of article XIII of the Panama Canal Treaty of 1977 and this section.".

SEC. 7. EFFECTIVE DATE OF EXEMPTION FROM AUTOMATIC BUDGET CUTS.

The amendment made by section 6 shall take effect with respect to fiscal year 1986 and subsequent fiscal year.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On pages 4 and 5, strike all of section 5 of the bill and insert the following new section 5, as follows:

SEC. 5. AUTHORIZATION OF SIX ADDITIONAL CITIZENS OF THE REPUBLIC OF PANAMA TO RECEIVE INSTRUCTION AT THE UNITED STATES MERCHANT MARINE ACADEMY.

Strike section 1303(b)(7) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295(b)(7)) and substitute the following:

"(7)(A) The Secretary may annually permit, until September 30, 1995, upon approval of the Secretary of State, up to six additional individuals from the Republic of Panama to receive instruction at the Academy, in addition to those individual appointed under paragraphs (3), (4), (5), and (6) of this subsection.

"(B) The Secretary shall insure that the Republic of Panama reimburse the Secretary for the cost of that instruction (including the same allowances as received by cadets at the Academy appointed from the United States) as determined by the Secretary.

"(C) An individual receiving instruction at the Academy under this paragraph shall be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation as cadets at the Academy appointed from the United States.

"(8) An individual appointed as a cadet under paragraph (3), or receiving instruction under paragraph (4), (5), (6), or (7) of this subsection is not entitled to hold a license authorizing service on a merchant marine vessel of the Uinted States solely by reason of graduation from the Academy.".

Mr. LOWRY of Washington (during the reading). Madam Chairman, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. LOWRY of Washington. Madam Chairman, this is merely a technical amendment. There is no opposition to it, and I urge its adoption.

Mr. FIELDS. Madam Chairman, will the gentleman yield?

Mr. LOWRY of Washington. I am happy to yield to my friend, the gentleman from Texas.

Mr. FIELDS. I thank the gentleman for yielding.

Madam Chairman, the minority has reviewed this, and we find no problems with this amendment.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Are there other amendments to the bill?

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. GRAY of Illinois) having assumed the chair, Ms. KAPTUR, 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. 4409) to authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes, pursuant to the House Resolution 436, she reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

Mr. WALKER. 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 327, nays 59, not voting 47, as follows:

[Roll No. 109]

YEAS—327

Ackerman	Borski	Coyne
Akaka	Boucher	Crockett
Anderson	Boxer	Daniel
Annunzio	Breaux	Darden
Anthony	Brown (CA)	Daschle
Archer	Bruce	Daub
Aspin	Bryant	Dellums
Atkins	Burton (CA)	Derrick
AuCoin	Byron	DeWine
Barnard	Callahan	Dickinson
Barnes	Carney	Dicks
Bartlett	Carper	Dingell
Barton	Carr	DioGuardi
Bates	Chapman	Dixon
Bedell	Chappell	Donnelly
Bellenson	Cheney	Dorgan (ND)
Bennett	Clay	Downey
Bentley	Clinger	Durbin
Bereuter	Coats	Dwyer
Berman	Coelho	Dymally
Bevill	Coleman (MO)	Dyson
Biaggi	Coleman (TX)	Early
Boehlert	Collins	Eckart (OH)
Boggs	Combest	Eckert (NY)
Boland	Conte	Edgar
Boner (TN)	Cooper	Edwards (CA)
Bonior (MI)	Coughlin	Emerson
Bonker	Courter	English

Erdreich
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Fuqua
Gallo
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Hansen
Hawkins
Hefner
Heftel
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lipinski
Livingston
Long
Lott
Lowery (CA)
Lowry (WA)
Luken
Lundine
Lungren
MacKay
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McGrath
McHugh
McKernan
McKinney
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Natcher
Neal
Nelson
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Packard
Panetta
Parris
Pashayan
Pease
Penny
Perkins
Petri
Porter
Price
Pursell
Rangel
Ray
Reid
Richardson
Ridge
Rinaldo
Roberts
Rodino
Roe
Roemer
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Rudd
Russo
Sabo
Saxton
Scheuer
Schneider
Schroeder
Schulze
Schumer
Seiberling
Sharp
Shaw
Shelby
Shumway
Sikorski
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert (OR)
Snowe
Snyder
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Strang
Studds
Sweeney
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitehurst
Whittaker
Whitten
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NAYS—59

Applegate
Armey
Badham
Bilirakis
Boulter
Brown (CO)
Broyhill
Burton (IN)
Campbell
Chappie
Cobey
Coble
Craig
Crane
Dannemeyer
DeLay
Dornan (CA)
Dreier
Duncan
Evans (IA)
Gekas
Gilman
Gingrich
Hall, Ralph
Hendon
Hunter
Kramer
Lagomarsino
Lightfoot
Mack
Marlenee
Martin (IL)
McCain
McCandless
McEwen
McMillan
Miller (OH)
Owens
Oxley
Quillen
Rahall
Regula
Roth
Schaefer
Schuette
Sensenbrenner
Shuster
Siljander
Smith, Denny (OR)
Smith, Robert (NH)
Spence
Stratton
Stump
Sundquist
Swindall
Vucanovich
Walker
Weber
Williams

NOT VOTING—47

Alexander
Andrews
Bateman
Bliley
Bosco
Brooks
Broomfield
Bustamante
Chandler
Conyers
Davis
de la Garza
Dowdy
Edwards (OK)
Fiedler
Foglietta
Fowler
Franklin
Garcia
Gregg
Grotberg
Hartnett
Hatcher
Hayes
Jones (TN)
Lewis (CA)
Lloyd
Loeffler
Lujan
McDade
Murphy
Myers
Nichols
O'Brien
Ortiz
Pepper
Pickle
Ritter
Robinson
Rogers
Rose
Roybal
Savage
Solomon
Stangeland
Weaver
Whitley

□ 1235

Messrs. McMILLAN, BROWN of Colorado, and BOULTER changed their votes from "yea" to "nay."

Mr. THOMAS of California changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LOWRY of Washington. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4409, the bill just passed.

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

There was no objection.

PERSONAL EXPLANATION

Mr. O'BRIEN. Mr. Speaker, I inadvertently missed the last vote on the passage of H.R. 4409, the Panama Canal Commission Authorization Act, fiscal year 1987. Had I been present, I would have voted "aye."

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3599

Mr. BOUCHER. Mr. Speaker, I ask unanimous consent that I be removed as a cosponsor of H.R. 3599.

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

There was no objection.

REMOVAL OF NAMES OF MEMBERS AS COSPONSORS OF H.R. 3521

Mr. BOUCHER. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mr. AUCOIN] and the gentleman from California [Mr. LAGOMARSINO] be removed as cosponsors of H.R. 3521.

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

There was no objection.

LEGISLATIVE PROGRAM

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

Mr. LOTT. Mr. Speaker, I would like to yield to the distinguished majority whip so we can know if there is additional business scheduled today or the balance of the week, and also to learn the projected schedule for next week.

I yield to the gentleman from Washington [Mr. FOLEY].

Mr. FOLEY. Mr. Speaker, I thank the distinguished Republican whip for yielding, and with one exception this concludes the legislative business for the day. There is a unanimous-consent resolution that may be offered to express concern regarding the Soviet nuclear accident. That will be a unanimous-consent request and will probably be presented prior to special orders.

Next week, the House will meet at noon on Monday to consider the Consent Calendar; four bills under suspension of the rules: H.R. 4378, the Advisory Board for Selection of Commemorative Works in the National Capital Region of the National Park System; S. 720, establishing a permanent boundary for Acadia National Park; H.R. 3214, judgment distribution for the Cow Creek Band of Umpqua Indians; and H.R. 4021, the vocational rehabilitation amendments.

Votes ordered on suspensions debated on Monday will be postponed until Wednesday, May 7.

On Tuesday, the House will meet at noon and consider the Private Calendar. There are no bills presently scheduled for suspension; and then the House will consider H.R. 4208, the Coast Guard authorizations; open rule, 1 hour of debate. It is possible that votes will occur on this matter on Tuesday.

Mr. LOTT. If the gentleman will stop at that point. I believe we would have to take up both the rule and then the authorization bill itself on the Coast Guard authorizations.

Mr. FOLEY. The gentleman is correct.

Mr. LOTT. So there is a possibility that there could be a vote on the rule and there could be a vote on amendment or other amendments, and there could be a vote on final passage.

Mr. FOLEY. The gentleman is correct.

Mr. LOTT. So there could be at least a couple of votes on the Coast Guard

authorization on Tuesday; is that correct?

Mr. FOLEY. I think that would have to be considered as very possible.

Mr. LOTT. I thank the gentleman.

Mr. FOLEY. On Wednesday and the balance of the week, the House will meet at noon on Wednesday and at 11 a.m. on the balance of the week.

On Wednesday we will consider recorded votes ordered on any suspensions debated on Monday, May 5, and then House Joint Resolution 589, to prohibit sales of certain missiles to Saudi Arabia; and H.R. 4515, the Supplemental Appropriations Act for Fiscal Year 1986, subject to a rule being granted.

Conference reports, of course, may be brought up at any time and further program may be announced later.

Mr. LOTT. I thank the gentleman for that information.

On the supplemental appropriations, H.R. 4515, that is scheduled for Wednesday and the balance of the week, subject to a rule being granted, do we have any information about changes in that so-called urgent supplemental appropriations? What the rule may be at this point?

□ 1245

Mr. FOLEY. Well, I think there may be some modifications in the rule that will be requested. The gentleman knows there were some difficulties in the adoption of the rule on the last occasion this legislation reached the floor of the House.

While I cannot at this time spell out the exact suggestions that will be made to the Rules Committee, I would think it appropriate to say that there will be some changes in the rule.

Mr. LOTT. Since the rule has been defeated twice now, I would like to urge that careful consideration be given to how that rule is constructed and we offer our assistance in crafting a rule that meets the approval of the majority of the whole House.

Mr. FOLEY. The distinguished gentleman from Mississippi, the Republican whip, is, in addition to his leadership responsibilities, one of the most important and informed and able members of the Committee on Rules.

I am sure that he will be able to provide assistance to the Rules Committee from his considerable experience and capacity.

Mr. LOTT. I thank the gentleman for those remarks. One further question, though: I understand that perhaps there is a budget that the chairman of the Committee on the Budget has in his custody. Perhaps the gentleman from Texas [Mr. WRIGHT] has it. But it was seen earlier today on the floor of the other body, the majority leader in the other body held up the budget saying, "Here is the House Budget Committee budget." I wonder if maybe the whole House would have the opportunity next week to see the budget.

Mr. FOLEY. To my knowledge there is no budget proposal which has been approved by even the majority caucus of the Budget Committee and certainly none that represents the report of the Budget Committee. Consequently, anyone in the other body in making that suggestion, I think, does so without either the authorization of the Budget Committee or either caucus or conference thereof.

Mr. LOTT. Well, looking at our calendar, you know, April 15 was supposed to be our deadline on the Budget Act. Here we are now at May 1. Do we have any idea of when the House budget might come up, or are we totally bound by waiting to see what the other body does? After all, that could take days, weeks, who knows?

Mr. FOLEY. The gentleman knows the other body has under consideration budget proposals at this moment, and they may be meeting tomorrow to continue work on that budget.

The Speaker has announced that it is his intention and that of the majority leader to bring to the floor or at least to report from the Budget Committee, subject to their approval obviously, a budget within 72 hours of the time that a budget resolution is adopted by the other body.

Mr. LOTT. But what I was wondering—I have never known the House to wait on the "lower" body in this way to decide when we might act, and I am wondering what if they do not act?

Mr. FOLEY. I think the fact is that the other body has been proceeding as expeditiously as their rules permit, considering that I believe there were 50 hours ordered of debate on that matter and it only would expire today. So I still have confidence that the other body may be able to produce a budget resolution within a very short time.

I think before we assume that that is not the case, we ought to apply perhaps an extension of the comity rule between the two Houses, and consider that they may be more likely to achieve their legislative goal than less likely.

Mr. LOTT. Well, I have always been proud of the fact that this House, this body of the Congress acted on its own and did not take directions or have our schedule controlled by the other body.

Mr. FOLEY. We do not.

Mr. LOTT. And I do not understand why we do not move on our own. Maybe we could provide some guidance or some leadership in these deliberations that are occurring on the other side of the Capitol.

Mr. FOLEY. Well, if the situation changes dramatically, and it appears that the other body is simply unable to conclude its work, then of course the matter would be reviewed. But for the present time the statements of the Speaker and the leader concerning the House action stand, that we will hope to report a bill within 72 hours following Senate action.

Mr. LOTT. One final question going back to the schedule with regard to Tuesday's schedule and future Tuesdays. We do have a number of States that will be having primaries in May and in June. I noted that the suspensions, if votes were requested, would be carried over until Wednesday. But we do possibly have some votes that come up on Tuesday. I presume the leadership is going to try to have business on Tuesdays but will try to cooperate where there are primaries to keep the schedule light or try to reduce the number of recorded votes, although we can expect to be in session and taking up legislative business. Is that a fair statement?

Mr. FOLEY. I will tell the gentleman that that is a fair statement and that every week's program presents a different circumstance with respect to possible primary days. But it is the intention of the leadership to try to avoid votes as much as possible on those days to provide for those Members of States with primaries to be at home.

Mr. LOTT. I think we should do that. I would like to urge or perhaps even caution that we sort of have a consistent rule, otherwise we would get into trouble if we have one set of rules on one occasion and a different set of rules on another occasion.

Mr. FOLEY. The point is well taken, and our objective is to be as consistent as possible. And I would hope also that the Members might also as much as possible try to avoid unnecessary rollcall votes on those days of the primaries.

Mr. LOTT. We would like to cooperate with you in that effort.

ADJOURNMENT TO MONDAY, MAY 5, 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.

HOUR OF MEETING ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday next, it adjourn to meet at noon on Wednesday next.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that business 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?

There was no objection.

RELATING TO THE DOCUMENTATION OF THE VESSEL "MARILYN" TO BE EMPLOYED IN THE COASTWISE TRADE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 739) relating to the documentation of the vessel *Marilyn* to be employed in the coastwise trade, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

That subtitle II of title 46, United States Code, is amended as follows:

(1) In section 2101(14)(C), strike "Material" and substitute "Materials".

(2) Section 2101(21) is amended as follows:

(A) In subclause (A)(ii), strike "crewmember." and substitute "crewmember or other individual engaged in the business of the vessel who has not contributed consideration for carriage on board the vessel.".

(B) Strike subclause (B)(v)-(vii) and substitute the following:

"(v) a guest on board a vessel being operated only for pleasure who has not contributed consideration for carriage on board; or

"(vi) an individual on board a towing vessel of at least 50 gross tons who has not contributed consideration for carriage on board.".

(C) At the end, add the following new subclause:

"(F) on a sailing school vessel, means an individual carried on the vessel except—

"(i) the owner or representatives of the owner;

"(ii) the master or a crewmember engaged in the business of the vessel who has not contributed consideration for carriage and who is paid for services;

"(iii) an employee of the owner of the vessel engaged in the business of the owner, except when the vessel is operating under a demise charter;

"(iv) an employee of the demise charter of the vessel engaged in the business of the demise charterer;

"(v) a guest on board the vessel who has not contributed consideration for carriage on board; or

"(vi) a sailing school instructor or sailing school student.".

(D) Strike "or a sailing school vessel," in clause (B).

(3) In section 3302(i)(5), strike "charterer" and substitute "charter".

(4) At the end of section 3302, add the following new subsection:

"(k) Only the boiler, engine, and other operating machinery of a steam vessel that is a recreational vessel of not more than 65 feet overall in length are subject to inspection under section 3301(9) of this title.".

(5)(A) Section 3304 is amended as follows:

(i) In the section catchline, strike "Carrying" and substitute "Transporting".

(ii) In subsection (a), strike "carrying cargo that carries" and "vessel." and substitute "Transporting cargo that transports" and "vessel if the vessel is otherwise subject to inspection under this chapter.", respectively.

(iii) In subsection (b), strike "Before an individual in addition to the crew is carried" and substitute "Except when subsection (e) of this section applies, before an individual in addition to the crew is transported".

(iv) In subsection (c), strike "The privilege" and substitute "A privilege".

(v) Add at the end the following new subsection:

"(e) The Secretary may by regulation allow individuals in addition to the crew to be transported in an emergency or under section 2304 of this title.".

(B) In item 3304 in the analysis of chapter 33, strike "Carrying" and substitute "Transporting".

(6) In section 3318(f), before clause (1), strike "then" wherever it appears and substitute "than".

(7)(A) Section 3503 is amended as follows:

(i) Insert "(a)" at the beginning of the section.

(ii) Strike the last sentence and substitute "Before November 1, 1993, this section does not apply to a vessel in operation before January 1, 1968, and operating only on the inland rivers.".

(iii) Add at the end the following:

"(b)(1) When a vessel is exempted from the fire-retardant standards of this section—

"(A) the owner or managing operator of the vessel shall notify prospective passengers that the vessel does not comply with applicable fire safety standards due primarily to the wooden construction of passenger berthing areas;

"(B) the owner or managing operator of the vessel may not disclaim liability to a passenger for death, injury, or any other loss caused by fire due to the negligence of the owner or managing operator; and

"(C) the penalties provided in section 3504(c) of this title apply to a violation of this subsection.

"(2) The Secretary shall prescribe regulations under this subsection on the manner in which prospective passengers are to be notified.".

(B) Until the regulations required by subclause (A) of this clause become effective, the owner or managing operator shall notify prospective passengers in all promotional literature and on each ticket that the vessel does not comply with those standards due primarily to the wooden construction of passenger berthing areas.

(8) In section 3714(a)(4), strike "charter" and substitute "charterer".

(9) Section 4308 is amended by striking "operator" wherever it appears and substituting "individual in charge".

(10) In section 7111, strike "Part" and substitute "part".

(11) In section 7312(e), strike "able seaman-limited" and substitute "able seamen-limited".

(12) Section 8104(k) is amended by striking "watchers" and substituting "watches".

(13) In section 8502(a)(4)(A), strike "Part" and substitute "part".

(14) Chapter 89 is amended as follows:

(A) In item 8903 in the chapter analysis, strike "Uninspected';' and substitute "Self-propelled, uninspected".

(B) In the catchline of section 8903, strike "Uninspected" and substitute "Self-propelled, uninspected".

(C) In the text of section 8903, strike "An" and substitute "A self-propelled,".

(15) In section 10709(a)(1), before clause (A)—

(A) strike "then $1,500 in value, and" and substitute "than $1,500 in value, the court,"; and

(B) strike "wages, the court" and substitute "wages,".

(16) Section 12133(a) is amended by adding at the end the following sentence: "Each day of continuing violation is a separate violation.".

(17) In section 13102(a)(4), strike "coordinate carrying the State" and substitute "coordinate carrying out the State".

(18) Section 13104(b) is amended by inserting after "Secretary" the words "for State recreational boating safety programs".

(19) Chapter 111 is amended as follows:

(A) At the end of the chapter analysis, add the following new items:

"11112. Master's lien for wages.".

(B) At the end of the chapter, add the following new section:

"§ 11112. Master's lien for wages

"The master of a documented vessel has the same lien against the vessel for the master's wages and the same priority as any other seaman serving on the vessel.".

SEC. 2. (a) The Coast Guard may enter into a lease in excess of 1 fiscal year to acquire a site on the State pier in New Bedford, Massachusetts, for construction of maintenance assistance team and vessel support facilities on that pier.

(b) A lease under this section is effective only to the extent that amounts are provided for in appropriations laws.

(c) Notwithstanding section 322 of the Act of June 30, 1932 (40 U.S.C. 278a), and beginning in fiscal year 1986, the Coast Guard may spend appropriated amounts for the construction of fixed facilities and improvements on that portion of the State pier leased from Massachusetts for the use of a maintenance assistance team and Coast Guard vessels.

SEC. 3. The body of water known as Lawyer's Ditch located at block 5,000 in the city of Newark, county of Essex, New Jersey, is declared to be a nonnavigable waterway of the United States within the meaning of the General Bridge Act of 1946 (33 U.S.C. 525 et seq.).

SEC. 4. The Coast Guard may enter into any agreement or letter of intent with a municipal utility within the Seventeenth Coast Guard District to provide electricity to a Coast Guard facility without complying with the provisions of section 4 of Public Law 98-557.

SEC. 5. Bayou Lafourche, in the State of Louisiana, between Canal Boulevard, city of Thibodaux, parish of Lafourche and the Southern Pacific Railroad bridge crossing the bayou, city of Thibodaux, parish of Lafourche, is hereby declared to be a nonnavigable waterway of the United States within the meaning of the General Bridge Act of 1946 (33 U.S.C. 525 et seq.).

SEC. 6. Notwithstanding sections 12105, 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), as applicable on the date of enactment of this

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Act, the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for the following vessels: *Marilyn*, Maryland registration number MD 3533 AA; *Royal Star*, Michigan registration number MC 9707 J; *Alaskan Shores*, United States official number 603879; *Shearwater*, United States official number 603827; *Gypsy Rose*, California registration number CF 4291 HF; *Eliminator*, United States official number 507572; *Puka Kai*, United States official number 677462; *Lobster House*, Panama registration number 494-PEXT; *Jane E.*, Bahamian registration number 315924; and *Diane M.*, Bahamian official number 315925, except that such vessels *Jane E.* and *Diane M.* may be operated under such documentation only in the waters of the Atlantic Ocean and the Gulf of Mexico.

SEC. 7. Section 2(a) of the Act entitled "An Act to facilitate increased enforcement by the Coast Guard of laws relating to the importation of controlled substances, and for other purposes", approved September 15, 1980 (21 U.S.C. 955b(a)), is amended by inserting immediately before the period the following: ", except that an event otherwise qualifying as an arrangement under such section does not lose that qualification by the fact that consent to, or the terms of, such arrangement are communicated by radio, telephone, or other similar means, or by how specific such arrangement is as to the vessel to which such arrangement applies".

SEC. 8. The Coast Guard may enter into a cost-sharing arrangement with the city of Cape May, New Jersey, under which the city of Cape May will provide necessary roadway improvement on and along Pennsylvania Avenue between Pittsburg and Buffalo Avenues, as abutted by housing owned by the Coast Guard. For purposes of entering into such an arrangement, the Coast Guard may expend from previously-appropriated funds an amount not to exceed $20,000 on a nonrecurring basis.

SEC. 9. Section 2103 of title 46, United States Code, is amended by striking all after "subtitle" the third time it appears and substituting ". The Secretary may prescribe regulations to carry out the provisions of this subtitle.".

SEC. 10. Section 4370(a) of the Revised Statutes of the United States (46 U.S.C. App. 316(a)) is amended—

(1) by striking all from "a certificate of registry," through "the Act of June 7, 1918, as amended (U.S.C., 1934 edition, Supp. IV, title 46, sec. 288)," and substituting "a certificate of documentation issued under sections 12106 or 12107 of title 46, United States Code,"; and

(2) by striking "a vessel of foreign registry, or a vessel in distress", and substituting "a vessel in distress".

SEC. 11. Section 3 of the Shipping Act of 1984 (46 U.S.C. App. 1702) is amended—

(1) in paragraph 6, (A) by striking the period at the end of subparagraph (B) and substituting a comma, and (B) by adding at the end thereof the following: "except that the term does not include a common carrier engaged in ocean transportation by ferry boat, ocean tramp, or chemical parcel-tanker. As used in this paragraph, 'chemical parcel-tanker' means a vessel whose cargo-carrying capability consists of individual cargo tanks for bulk chemicals that are a permanent part of the vessel, that have segregation capability with piping systems to permit simultaneous carriage of several bulk chemical cargoes with minimum risk of cross-contamination, and that has a valid certificate of fitness under the International Maritime Organization Code for the Construction and Equipment of Ships Carrying Dangerous Chemicals in Bulk."; and

(2) in paragraph (18), by striking all from the semicolon and substituting a period.

SEC. 12. Notwithstanding the provisions of the Act entitled "An Act to authorize the Secretary of Commerce to sell two obsolete vessels to Coast Line Company and for other purposes", approved June 3, 1980 (Public Law 96-260; 94 Stat. 435), the Secretary of Transportation shall permit the vessels *Pictor*, United States official number 243529, *Procyon*, United States official number 244022, and *Zelima*, United States official number 248207, to be scrapped in the foreign market if—

(1) the purchaser of such vessels and the country in which such vessels are to be scrapped are acceptable to the Secretary of Transportation; and

(2) the seller of any such vessel agrees in writing to reimburse the United States a reasonable amount, acceptable to the Secretary of Transportation, of not less than one-half of the profits realized from such sale.

SEC. 13. Notwithstanding any other provision of law or any agreement with the United States Government, the vessels *Paul Bunyan*, United States official number 602272, and *John Henry*, United States official number 599294, may be sold to a foreign purchaser or purchasers if—

(1) the person desiring to sell the vessel submits to the Secretary of Transportation and the Secretary of the Navy a written offer under which the Secretary of Transportation may elect to acquire either or both vessels for the National Defense Reserve Fleet or the Secretary of the Navy may elect to acquire either or both vessels for the Ready Reserve Fleet, under the same terms and conditions as those offered by the foreign purchaser or purchasers; and

(2) neither Secretary elects to acquire the vessel within 60 days after the date on which a written offer is submitted to the Secretaries under paragraph (1) of this subsection.

Amend the title so as to read: "An Act to make miscellaneous changes in laws affecting the United States Coast Guard, and for other purposes.".

Mr. JONES of North Carolina (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

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

There was no objection.

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

Mr. FIELDS. Mr. Speaker, reserving the right to object, and I do not plan to object, I would merely ask that the gentleman briefly explain the nature of this bill.

Mr. JONES of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. FIELDS. I yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. I thank the gentleman for yielding.

Mr. Speaker, H.R. 739 is a bill returned from the Senate containing provisions that were included in H.R. 2466, previously adopted by the Senate on December 19, 1985, and the House on January 29, 1986. That measure was vetoed by the President and the veto message identified seven sections of H.R. 2466 compelling the disapproval. The other body has returned to us H.R. 739, previously transmitted to the other body on December 4, 1985, and substituted in that measure all the provisions of previously enacted H.R. 2466 with the exception of those items enumerated in the President's message of disapproval. Incidentally the provisions of H.R. 739, as passed by the House, were included in H.R. 2466 and continue in the present version of H.R. 739 as amended.

Mr. Speaker, nothing has been added to this bill that has not already been approved by the House. I ask support for the action by the other body.

Mr. FIELDS. Mr. Speaker, I thank our distinguished chairman for his explanation.

Mr. Speaker, I too rise in support of H.R. 739, a bill that permits the documentation of certain vessels for use in the coastwise trade and that makes a series of miscellaneous changes in the law affecting the Coast Guard or the merchant marine. These provisions have been passed before by the House and included in a bill (H.R. 2466) which was subsequently vetoed by the President. This bill today contains all of those provisions from that bill that were considered not objectionable by the President in his veto message. Generally, the bill includes provisions dealing with:

The operation or disposition of various merchant vessels;

Exemptions for certain bridge permits;

Technical, conforming, and miscellaneous changes to the shipping laws in title 46, United States Code;

Enhancement of the Coast Guard's drug law enforcement authority; and

Certain authorizations for day-to-day Coast Guard administrative and management matters.

All of these provisions represent changes that will be of great benefit to the Coast Guard and the maritime industry in the United States.

Mr. Speaker, under my reservation of objection I yield to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Speaker, I rise in support of H.R. 739 for its administrative improvements and in particular for an amendment contained in the bill which I introduced earlier this year to clarify a critical provision of law regarding Coast Guard drug enforcement procedure. In April of this year, I, along with the chairman of the Subcommittee on Crime, introduced H.R. 2132, legislation to clarify the

intent of 21 U.S.C. 955 as regards the definition of an "arrangement" and return jurisdiction to the United States to intercede foreign drug ships on the high seas.

I wish to commend my friend from New Jersey, the Crime Subcommittee chairman for promptly convening hearings on the bill and providing us the opportunity to learn more about problems facing the Coast Guard in the drug enforcement area. I also wish to commend the Coast Guard staff for providing excellent technical assistance to us on this issue and on this bill.

Mr. Speaker, this legislation was drafted in response to frustrations experienced by our U.S. attorneys in their efforts to convict foreign drug ships. A loophole was created in our jurisdictional statutes by criminal defense lawyers which worked to preclude our prosecutors from obtaining jurisdiction to convict drug smugglers. U.S. law was intended to reach foreign drug runners in international waters and this amendment simply clarifies the intent of the law as it is written. I wish to thank the U.S. attorney's office for their help in defining this problem and I especially thank the U.S. attorneys office in Miami, FL, for providing background information and direction.

Last, I thank my friend from Florida, the fine gentleman from the other body, for his efforts in attaching our bill as an amendment to H.R. 739 and once again helping this country close the gap between the drug smugglers' edge and our law enforcement efforts. Our courts have been active in this area, Mr. Speaker, and I am pleased that we have this opportunity through legislation, to clarify this particular issue. This may be only a first step toward clarifying procedure in this area, Mr. Speaker, but it is progress in the vast battle against the drug war being waged against my State and this country.

Mr. FIELDS. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

A motion to reconsider was laid on the table.

AUTHORIZING THE SPEAKER TO APPOINT MEMBERS OF COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SERVE AS CONFEREES ALSO ON SECTION 127 OF TITLE I OF H.R. 2005, SOCIAL SECURITY MINOR AND TECHNICAL CHANGES ACT OF 1985

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to appoint the members of the Merchant Marine and Fisheries Committee who are participating in the conference with the Senate on title I of H.R. 2005 to serve as conferees for section 127 of title I, and modifications committed to conference.

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

Mr. FIELDS. Mr. Speaker, reserving the right to object, I will just say, Mr. Speaker, that the minority has reviewed this request and is in full accordance with our chairman.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The SPEAKER pro tempore. The Speaker will make that designation.

The Clerk will notify the Senate of the change in conferees.

ENSURING THAT OUR CITIZENS WHO HAVE BEEN IN THE SOVIET UNION DURING THE NUCLEAR ACCIDENT RECEIVE MEDICAL SCREENING AS SOON AS POSSIBLE AFTER LEAVING THE SOVIET UNION

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

Mr. FISH. Mr. Speaker, I am concerned that the nuclear accident at the reactor at Chernobyl raises health hazards for American citizens who were in the Soviet Union at that time and subsequently. I think that this situation is magnified by the lack of information that has been forthcoming from the Soviet Union as to the extent of the accident, and therefore it is imperative that the United States take responsibility for its citizens who have been in the Soviet Union during this particular time.

My colleague from New York, Congressman GILMAN, as we are speaking, is on his way to Kennedy Airport where students from Rockland County, NY, in his district, are arriving directly from the Soviet Union, and the facilities at Brookhaven Laboratories on Long Island have been made available to have a medical screening of the students upon their arrival at Kennedy Airport.

In my case, the students from the Arlington High School in Dutchess County, NY, will have a layover of considerable time in Amsterdam. Under the present arrangements, it is not possible for the military to give any kind of a prescreening, medical prescreening without authority from our State Department.

Today I am delivering letters to the Secretary of State and the Deputy Secretary of State, John Whitehead, asking them on an urgent basis to make medical staff either attached to our missions or to our military facilities available for American citizens departing at this time from the Soviet Union who are not proceeding directly back to this country. I do think that is the least we can do, to ensure that our citizens who have been in the Soviet Union recently have a thorough screening for possible harmful effects as soon as possible after leaving that country.

HOUSE OF REPRESENTATIVES,
Washington, DC, May 1, 1986.

Hon. JOHN C. WHITEHEAD,
Deputy Secretary of State, Department of State, Washington, DC.

DEAR MR. SECRETARY: I am writing to you today about a matter of the utmost urgency. The nuclear accident at the reactor at Chernobyl has potentially placed visitors to the Soviet Union in a very dangerous situation. Particularly with the lack of information available at this time regarding the extent, nature and intensity of radioactive leakage, it becomes imperative that we take responsibility for ensuring that our citizens who have been in the Soviet Union during the incident receive a thorough screening for possible harmful effects as soon as possible after leaving the Soviet Union.

I therefore request that you look into the feasibility of arranging for such screening of returning U.S. citizens at layover points in Western Europe. Many citizens are not returning to the United States immediately, and regardless of their travel plans it is encumbent upon us to ascertain their health status just as quickly as possible. Perhaps U.S. Embassy medical personnel could be utilized, or an arrangement made to utilize U.S. military or NATO facilities.

I cannot stress more emphatically my conviction that we do all we can for our citizens, especially since the Soviets seem not to be acting in a wholly responsible manner. This is an extraordinary situation, and requires extraordinary measures to deal adequately with it.

Thank you very much for your immediate attention to this matter. I look forward to hearing from you.

With warmest regards.

Sincerely,

HAMILTON FISH, Jr.,
Member of Congress.

H.R. 3989, ALLOWING SCRAMBLING OF TELEVISION PROGRAMMING BY SATELLITE UNDER CERTAIN CONDITIONS

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

Mr. CLINGER. Mr. Speaker, I would ask my colleagues to take a few minutes this morning to focus on a relatively new problem facing some 2 million Americans—our constituents.

Residents or rural areas, where reception of regular television broadcast signals is poor at best and impossible at worst, have turned to the backyard satellite dish as their only means of receiving television programming. Re-

cently, a number of stations who transmit their signals via satellite have begun to encrypt or scramble those signals, abruptly terminating the satellite dish owner's access to the signal.

The problem with this situation centers around the lack of a reasonable and workable marketing system. The question is not if the dish owner is willing to pay for access, but, rather, is a separate decoder, currently priced at approximately $400 per unit, needed to unscramble each signal? Is there a sufficient number of decoders in stock to meet the forced demand? What is a "reasonable" fee for viewing rights?

These questions are addressed in legislation introduced by our colleague from Texas [Mr. SWEENEY]. This measure, H.R. 3989, would allow scrambling to occur provided that these questions are addressed.

In conclusion, Mr. Speaker, this is a very real problem for satellite dish owners and one that needs to be considered by this Chamber.

□ 1300

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would like to announce that there may be further legislative business. We are going to proceed now with special orders, but there may be a resolution brought up at a later time.

ACCESS TO HEALTH CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, today, I am introducing legislation that will provide help to millions of Americans who cannot afford the health care they need. It would also give relief to hospitals that continue to provide indigent care despite the threat such nonreimbursed care creates for their financial viability.

I am joined in sponsoring this bill by Congressman GRADISON and in the Senate by Senators KENNEDY, DURENBERGER, and HEINZ.

The bill takes two approaches to guarantee care to those who cannot pay for it. First, it takes several steps to make insurance coverage more widespread. Then it requires the States to have a plan to compensate hospitals for care provided to people who still cannot afford to pay for it.

Broader insurance coverage is encouraged in five ways:

First, if an employee is discharged or loses coverage because of a reduction in hours, health insurance must be continued for four months or a period equal to the period of employment, whichever is less. The employer contribution must remain the same.

Second, if one spouse in a two-earner family loses his job, the remaining earner automatically receives an open enrollment period for health insurance in his employer-provided plan.

Third, owners of unincorporated businesses would be allowed to deduct their health insurance premiums as a business expense if a majority of the employees for which they provided health insurance were not family members. The deduction per premium would be limited to the lowest premium paid.

Fourth, States would be encouraged to create insurance risk pools that would make comprehensive health insurance available to all, irresponsible of medical condition, at a reasonable price. Any losses would be assessed equitably among all participating health benefit providers.

Fifth, a series of demonstrations would be created on ways to reduce the costs of health insurance for small businesses and self-employed individuals.

Taken togehter these changes could significantly increase the percentage of our population that has health insurance and thus, access to care when needed.

In the past few years, the hospital business has become more competitive. Hospitals, who used to shift costs in order to finance free care for the poor, now find that this isn't possible. The hidden subsidies are being forced out of the system.

The bill I am introducing today would require States to either provide insurance to all residents or come up with a plan to pay hospitals for charity care. As things now stand, the hospitals who care the most suffer the most. Hospitals continue to have a social responsibility to provide care to all who need it. But we have a responsibility to be sure that they are paid for it.

It is my hope that we will be able to make significant progress on these important issues during the remainder of the year.

OLDER AMERICANS MONTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. ROYBAL] is recognized for 60 minutes.

Mr. ROYBAL. Mr. Speaker, as chairman of the Select Committee on Aging, I would like to take this opportunity to thank the Members of this Chamber who have been vigilant in their support of the Older Americans Act and the elderly citizens of our great Nation.

Just last year we had the great honor of marking the 20th anniversary of the passage of the Older Americans Act. This landmark legislation continues to be the primary source of social service delivery to millions of older Americans. Over the last 21 years, the programs and services which have been established through this act have enhanced the quality of life for seniors. These programs have provided the basic supportive and nutritional services needed by many older persons to help them remain active and live independently with dignity.

Since the passage of the Older Americans Act, over 600 area agencies on aging have been established throughout the country to help coordinate services to our Nation's senior citizens. It is estimated that 9 million elderly currently benefit from services such as in-home an adult day care, and congregate and home-delivered meals.

These successful programs have proven, time and time again, to be effective in preventing premature institutionalization. However, it is my firm belief that there still is much work to be done. During this time of budget restraint, I must emphasize that Older Americans Act programs have already sustained their share of budget cuts. Older Americans programs need to be expanded and not be subjected to further budget cuts.

On the occasion of the month of May being designated as "Older Americans Month," this Congress should once again renew its long standing and deep commitment to the older Americans program and to the senior citizens its serves so well.

Again, as chairman of the Aging Committee, I wish to thank those in this body who through the years have supported the Older Americans Act, its goals and objectives. I think that the Congress should be immensely proud of their efforts and the success of this landmark legislation.

Mr. ROE. Mr. Speaker, we join in this special order today to recognize the enormous contribution that this Nation's senior citizens have made to the well-being, progress and defense of our great country by celebrating the month of May 1986 as "Older Americans Month." Unfortunately, Mr. Speaker, judging from what I have been hearing from my constituents, the senior citizens back home are in no mood to celebrate. To the contrary, Mr. Speaker, they are deeply concerned about the barrage of budget cuts affecting vital programs that this administration first launched 5 years ago and which continues today.

At a time when our Nation's senior citizens should be living their so-called golden years in dignity and with the thanks of a grateful Nation for all they have given and continue to give, they are, instead, faced with the prospect of rising medical costs that can wipe out a life's savings in an instant; of cuts in important local services because of Gramm-Rudman and a proposed administration deferral of funding under the Community Development Block Grant, and of rescissions in federally assisted housing.

Just recently the Department of Health and Human Services projected that by next year Medicare patients will have to pay $572 for their first day in a hospital, up from $492 this year, and up from $400 in 1985, HHS further projected that by 1991, the out-of-pocket cost for a Medicare beneficiary's first day in a hospital is expected to be an incredible $732. Mr. Speaker, I believe it is unconscionable that our senior citizens, at a time in their lives when they are most vulnerable to serious illness, must be faced with the prospect of not being able to afford adequate health care.

It is true that we have addressed some of the problems of the elderly. For instance, the Nation has finally come to recognize the tragedy of Alzheimer's disease and the way it devastates both victim and family, and we are now seeking to establish national centers to deal with this terrible affliction. We are also seeking ways of reforming the Medicare system to keep it solvent and assure quality health care for all seniors. And we are seek-

ing ways to make sure that the elderly do not have to face the prospect of being financially drained in the process of battling life-threatening illness.

Mr. Speaker, I believe it is only fitting that we dedicate, at the very least, a month of hope and resurgence such as May as a time to recognize our Nation's senior citizens. At the same time, however, I believe such recognition will be of little value unless it serves to remind us that this special group of Americans has contributed greatly to our growth and heritage, and that we should work vigorously to assure that, as we seek to grapple with unprecedented budget deficits, we do not take away from them the opportunity for a life with dignity they most certainly deserve.

Mr. BEVILL. Mr. Speaker, I rise today to commemorate the month of May as "Older Americans Month" and to take this opportunity to express some of my thoughts about a very important segment of our society.

We rejoice in the fact that greater numbers of Americans are living longer because of better nutrition and better medical care. Our senior citizens enrich our society with their wisdom and their sense of tradition. Although many are retired, many continue to contribute by keeping active in civic work and politics. We all like to think that when we reach these golden years that we will enjoy a life of comfort that we work so hard for.

Sadly, the price of reaching old age is the risk of living with impaired health and of having to exhaust one's financial resources to obtain needed quality health care. Far too many of our elderly spend the end of their lives in poor health and without dignity because they impoverish themselves while trying to pay for their health care.

The population of elderly 75 years of age and older is growing faster than any other age group. That means the problem of paying for health care is not going away. It's going to become more critical as this segment of the population increases.

We, in Congress, ought to recognize our responsibility toward our senior citizens. We must address the problem of soaring health care costs and the problems caused by cuts in Medicare. If we don't do something now, this serious problem is only going to get worse.

The House Select Committee on Aging estimates that by 1991, the elderly's health care payments will cost them $2,633 a year. They are already averaging an estimated $1,850 per person this year. For people on fixed incomes, these costs are astronomical.

Our senior citizens need protection from the ravaging costs of chronic illnesses. They deserve our respect and our care. Let's not forget that it is our older generation which has nourished the next generation. They invested their lives in the future. Let's not forget theirs.

Mr. MARTINEZ. Mr. Speaker, America will again salute our senior citizens during May, which the President has declared "Older Americans Month." The number of Americans aged 65 or over his reached approximately 29 million, or 12 percent of the population. Those figures are projected to rise to 35 million, or 13 percent, by the year 2000, and to 65 million, or 21 percent, by the year 2030. Older Americans face many problems, but we must also recognize that they are a great resource—men and women filled with experience, talent, and the determination to use their experience and talent for the good of their families and communities.

Very often, when we think of senior citizens, we think of loneliness, illness, vulnerability to crime, and poverty. Certainly such problems do plague too many of America's elderly, and I believe one of our greatest responsibilities as Members of Congress is to continue to support and fund programs that are aimed at minimizing such problems. For this reason, I have fought along with many of you to protect cost-of-living adjustments for Social Security beneficiaries and other retirees. I am also supporting H.R. 3120, the Elderly Crime Prevention and Victim Assistance Act. No American should have to live in fear of becoming a victim of crime, but our senior citizens need and deserve the special attention and protection that H.R. 3120 will provide.

Yet, while I do not wish to gloss over the problems that many older Americans face, I do wish to emphasize their contributions to America. Millions of older Americans lead active and productive lives. Many continue to work in paying jobs even though retirement may be financially feasible. Many senior citizens work in the volunteer sector that attracts the talents and energies of Americans of all ages.

I'm confident that each of us is acquainted with a number of senior citizens who lead very full and active lives. One such senior citizen whom I am especially proud to call my constituent is Ralph Webster. Ralph has been a part-time staff assistant in my district office for nearly 4 years, specializing in casework affecting senior citizens. With great knowledge of Social Security, Medicare, and related programs—and with great wit and patience—he helps many of my constituents deal with an often confusing Federal bureaucracy to get the benefits to which they are entitled. Ralph Webster, like so many Americans, has used retirement from his career as an opportunity to put his energies and skills to use in new ways.

The problems and the potential of America's senior citizens are, of course, two faces of the same reality. A wise government and a caring society cannot completely eliminate the problems that senior citizens confront. But a wise government and a caring society can do a great deal to minimize these problems and to help senior citizens maximize their potential. During Older Americans Month, we should renew our dedication to this dual goal.

Mr. TAUKE. I am pleased to join my colleagues in celebrating Older Americans Month this May. During the past year we have continued to support and defend programs and projects which benefit the elderly. Today we reinforce our commitment to senior Americans whose health and well-being are vital to us all.

Last year we commemorated the 50th anniversary of Social Security with the theme "Partnership with Tomorrow," characterizing the system as a bridge between the old and the young; between the public and private sector in providing retirement income through many sources; and finally as a tribute to the financial soundness of the system and our hope this success will continue into the next century. We reaffirmed our commitment to beneficiaries of Social Security by refusing to allow the cost-of-living adjustment they depend upon to be denied or their benefits to be frozen.

In the fall, we were outraged and dismayed by the disinvestment of the Social Security trust funds when we were unable to resolve the Federal debt ceiling crisis. Once again, we stood squarely behind the Social Security system and demanded the repayment of all securities and interest lost by the trust funds. I, along with many of my colleagues, joined in an effort to prohibit the Treasury from delaying the investment of payroll taxes without congressional consent.

To further our support for the Social Security system and its beneficiaries, we moved closer to establishing an independent Social Security Agency. The primary purpose of this bill is to remove the agency from political and budgetary considerations. We will serve senior citizens well by removing the largest entitlement program in the world from the political arena.

Income security continues to demand our attention from governmental assistance programs to encouraging private sector involvement in providing retirement income through pension plans, and guaranteeing the stability and viability of Federal retirement income programs.

In Iowa, Governor Branstad honors our seniors by conducting the Governor's Conference on Aging each May. I am pleased that three of my constituents have been selected as Outstanding Older Iowans.

Theodore Schuchmann, a native of Strawberry Point, IO, is an active 83-year old who was a Boy Scout leader for 45 years, serves as president of the local senior citizen housing complex, and is a 44 year member of the Lions Club. He has been a long-time advocate for conservation and has donated his time to building nature trails in northeastern Iowa.

Leo Croce of Maquoketa, IO, has also been active in serving his community. Not only was he a driving force for the development of senior housing in Maquoketa, but he has also been involved in ACTION since its inception, Maquoketa Community Services, distributing clothing and food, and Legal Services.

Ira Larson, after serving Cedar Rapids, IO, through education and senior citizen activities, retired as the assistant superintendent of Kirkwood Community College. Demonstrating his commitment to youth and education, Mr. Larson has been involved with the Iowa State Epilepsy Association, the vocational education task force, and was appointed by the Governor to serve on the Iowa Developmental Disability Commission. He volunteers for the Heritage Area 10 Agency on Aging as a member of its Advisory Council, Planning Committee, and also on a newly created ad hoc committee to integrate the services of the elderly in the Kirkwood Community College educational experience.

Theodore Schuchmann, Leo Croce, and Ira Larson have demonstrated their commitment to their respective communities and fellow seniors citizens throughout their lives and are most deserving of the Governor's honorary award.

With these men in mind, I reaffirm my commitment to senior Americans and will continue to work toward ending age discrimination and mandatory retirement in the workplace, providing protection against rising health care costs, encouraging employers to utilize the talent and exeprience of older workers, and ensuring the stability of the Social Security, civil service retirement, railroad retirement, and the military retirement systems. During May and throughout the year, we must not only reinforce our commitment to the integrity of programs which benefit the elderly, but we must recognize and support the tremendous contributions the older members of our families have made to our lives, communities and Nation.

Mr. MANTON. Mr. Speaker, I am pleased to participate in today's special order to celebrate the month of May as "Older Americans Month" and to take a moment to discuss the contributions of older Americans and some of their special concerns. I would like to commend my colleagues for organizing today's special order in recognition of some very special people.

Mr. Speaker, America's seniors are the fastest growing segment of our Nation's population. In fact, my congressional district, the Ninth Congressional District of New York, has the 12th highest number of senior citizens of the 435 congressional districts in the United States. Therefore, during my first 16 months in the Congress, I have given the needs and concerns of senior citizens a top priority on my legislative agenda.

America's senior citizens are a diverse group of people who have contributed to, and continue to contribute to, our Nation's strength and prosperity. However, our senior citizens are beset by a variety of problems which often turn one's retirement years into years of fear and anxiety. Today's special order provides an opportunity to emphasize some of the key areas of concern.

While senior citizens are confronted with rising health care costs that are eating up more and more of their limited incomes, the Reagan administration continues to propose increasing out-of-pocket expenses for Medicare beneficiaries. Furthermore, most senior citizens are at great financial risk in the event of a long-term, catastrophic illness.

The lack of safe, adequate housing is another serious problem for the elderly. Although 40 percent of all federally assisted housing units are occupied by the elderly, an increasing number of elderly Americans cannot find affordable housing. Furthermore, the latest statistics show that in 1980, roughly 80 percent of the housing units units occupied by the elderly were built before 1939. Almost 500,000 elderly housing units lacked some or all plumbing facilities.

Furthermore, our seniors continue to be crime victims. Not only are seniors victimized by strangers, but recently there has been a sharp rise in the instances of elder abuse by family members. These serious problems must be addressed by the Congress and our Nation.

Mr. Speaker, I believe we can best celebrate Older Americans Month by developing a budget which truly helps and protects older Americans who have contributed so much to our Nation. I would like to take this time to reaffirm my commitment and my promise to work dilegently in the Congress on behalf of our Nation's senior citizens. I will continue my efforts to develop a health care agenda that controls health care costs while maintaining the quality of health care. I will also continue my fight against this administration's attempts to reduce or eliminate Federal funds for senior citizen housing.

In closing, I urge colleagues join my efforts and truly make the month of May "Older Americans Month." This is an important initiative to honor a vital segment of our society.

Mr. RINALDO. Mr. Speaker, this month marks the 23d year the President of the United States has declared May as Older Americans Month to recognize and pay tribute to our Nation's senior citizens. This special month provides the opportunity to thank this country's elderly for the significant contributions they made and continue to make to our society.

Our country's older Americans endured the tremendous hardships of the Depression and heroically defended our country in World War II. The seniors of this country are in large part responsible for the preservation of the unprecedented personal freedom that we Americans share today and deeply cherish. Additionally, all American citizens today are indebted to our Nation's elderly for the economic privilege the vast majority in this country enjoy.

Our world would be less rich were it not for the efforts of those who created some of their finest work when long past what many would consider their prime. Not only are our senior citizenry responsible for the continued freedom and liberty in the United States, but they continue to make invaluable contributions to society.

The fact that many Americans make outstanding achievements after the age of 70 should not come as a surprise when one considers just a few of our past citizens' accomplishments. Benjamin Franklin was 84 when he wrote his powerful appeal to Congress to abolish slavery. Noah Webster wrote his famed dictionary at age 70. John Quincy Adams, who had already served as Secretary of State under President Monroe, and as President, was elected to Congress in 1830 when he was 64 years old, and served in the House of Representatives for 17 years until his death in 1848 at age 81. At age 61, Oliver Wendell Holmes, Jr., one of the greatest jurists and constitutionalists in American history, served on the U.S. Supreme Court from 1902 until 1932, and as Chief Justice from the age of 89 until he retired at 91 years of age.

Older Americans Month also provides occasion to reflect upon the challenges that lie ahead for society in meeting the needs of this country's every-growing aging populace. Today, there are 29 million people aged 65 or over. By the year 2030, that number will reach 65 million. Our country must be prepared to respond to this vast change.

Today, the older population comprises many different groups, some who are fortunate to enjoy wealth and others who are not. Although the economic well-being of the elderly has vastly improved in comparison to past generations, 5.6 million older Americans continue to live in or near the poverty level. In particular, the very old and elderly minority groups suffer from high rates of poverty. In addition, many suffer chronic illnesses requiring costly medical care. It is imperative that Congress act to refine the Medicare system so that affordable, appropriate, and accessable healthcare is guaranteed to all.

Those past the age of 65 must continue to play an active role in society. Thankfully, many of our elderly lead productive and happy lives during their golden years. At home, as grandparents, they transmit moral values to the future adults of our Nation. In the workplace, 3 million workers past the age of 65 are employed today. Nationwide, 30 percent of Americans over the age of 55 participate in volunteer work. The most common reasons given for volunteering are personal satisfaction, helping people, and a sense of obligation or duty. Congress must match this sense of commitment with an adequate funding level, particularly in the programs funded by ACTION.

The life experiences older workers carry are invaluable in the workplace. In a recent study conducted by the American Association of Retired Persons, older workers were particularly valued for their experiences, knowledge, work habits, and attitudes. Thus it is imperative that employers refrain from discriminatory personnel practices in hiring, assigning, and terminating employees.

Unfortunately, however, the elderly often are discriminated against in employment opportunities and are required to retire at certain ages despite the fact that they wish to continue to work. These patterns of discrimination are discouraging because research has demonstrated that productivity does not decline with a worker's age. In fact, in most jobs, older employees work at least as well as younger employees. Older workers not only meet the productivity expectations of their employers but, contrary to popular belief, are not likely to miss many days of work for health reasons. Interestingly, these workers account for only 9.7 percent of workplace injuries despite the fact they make up 13.6 percent of the work force.

The contributions the senior citizens of this country have already made to this Nation should make us aware of the infinite potential that is yet untapped. This month is an appropriate time to recognize that access to employment, recreation, education, and all of life's pursuits should be ageless.

THE TRAGEDY IN THE UKRAINE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, in a few moments we expect to bring a resolution to the floor that is a resolution dealing with the situation the Soviet Union at the present time. As most Americans are now aware, the situation in the Ukraine has been devastating. There may be hundreds, and perhaps thousands, of lives lost. Certainly there are that many in danger. Experts are now telling us that, over a period of years, even thousands more people may lose their lives.

One particularly appalling part of the situation in the Soviet Union is the fact that the Soviet Union has not only lied to the world, but has lied to its own people about the extent of the damage. They have consistently maintained that they have the situation under control and that there is no danger to the people within their country.

Mr. Speaker, I know of no experts in the West who are willing to confirm the Soviet version of the events in that part of the world. In fact, the experts in the West are saying flatly that there is no way that there can be the kind of damage that they are seeing at their reactor without there having been absolutely massive release of radiation.

So we are in a position where the Soviet Union is endangering the lives of their own citizens and, at the same time, have endangered the health perhaps of people in other areas of the world.

The problem that we have is the fact that the Soviet Union is not forthcoming with information, so we have no idea of the levels of radiation that are being released into the atmosphere.

We do know at the present time that very high levels of radiation have been seen in some areas of Western Europe. For example, in Sweden we saw levels of radiation 10 times the normal level with spikes up to 100 times the normal level.

This is of great concern that the Soviet Union now is refusing to tell the world what is going on and helping us to figure out ways to solve the problem.

The resolution that we will have before us will have a number of aspects to it. First of all, it is a humanitarian resolution that will seek to say that we want to help if we can, that we think there needs to be help provided to the people in the Ukraine, that families seeking to get in touch with people in the Ukraine should be permitted to do so, that information should be released.

Then also the part of the resolution that I helped author and, in fact, had 150 cosponsors sign onto earlier in the week, it says that we deplore the fact that the Soviet Union has refused to tell the world about what is going on there.

I would hope that we could get very quick approval of this resolution. It is well for this House to go on record as saying that we must do all we can in a humanitarian way, but also that we deplore the fact that the Soviet Union is showing itself to be a nation of great inhumaneness at a time that they are suffering massive tragedy.

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

Mr. WALKER. I am glad to yield to the gentleman from California.

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding. I want to thank the gentleman for taking this time during special orders to bring this problem up and to talk about it.

Particularly I was impressed, after having seen the gentleman's resolution and having seen where the gentleman was going with it, to hear American experts and scientists on television essentially saying the same thing, that they thought that the real tragedy, the real crime, was that the Soviet Union was refusing to tell their own people about the enormity of the tragedy and the immediate threat that it posed, that it manifested, to their families, to their loved ones and to other people in the area. This same scientist said that very likely they should be evacuating Kiev right now, but the Soviet Union, for political reasons, is refusing to tell its own people about this terrible danger. He went on and said that because of that, in years in the future we are going to have people who are 28 to 35 to 45 years old dying of cancer in the next 10, 20, or 30 years. Because of the fact that the Soviet Union did not warn them in time, you are going to have these young people dying of cancer and other diseases that have been brought on by this disaster. It absolutely is a disaster.

I was reflecting on what the gentleman did in sending this resolution around for signatures, and really when you reflect on it, perhaps the free countries of the world which can stand up and say things to Soviet leaders which Soviet citizens cannot say to them is probably the only force which can perhaps persuade the Soviet Union's present leadership to reverse this policy that they have of downplaying the danger and refusing to tell their people about life-threatening dangers that exist right now. If we do that, we will have done a great service to the people of the Soviet Union.

Mr. WALKER. The gentleman makes a very interesting point, and one that I had not thought of in exactly the terms the gentleman put it. But I think it is extremely important to emphasize that point, and that is that the rest of the world can sometimes say things to Soviet leaders that the people of the Soviet Union cannot say to Soviet leaders. So while some of the exercises we go through around here, I have even criticized them in the past as being exercises that are basically so much paper, that the Soviets are not going to respond anyhow, but the fact is the Soviets do have to listen to those things. They do have to penetrate the wall that the Soviet people cannot penetrate.

In this instance, because of the work of the gentlewoman from Ohio [Ms. OAKAR] and the gentlewoman's part of the resolution, and what we did with my part of the resolution, I do think that we have some chance here of perhaps at least telling the Soviet Union what we as a nation think of the way they are presently treating their own people and treating the world.

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

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. WALKER. Mr. Speaker, I ask unanimous consent that I may extend my time for another 10 minutes.

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

There was no objection.

□ 1310

Mr. WALKER. Mr. Speaker, I will be glad to yield to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. Mr. Speaker, I want to share the thoughts just expressed by the gentleman from Pennsylvania.

I suppose people might think this is an unusual coincidence of viewpoints, but the gentleman is stating the issue very, very accurately, in my opinion. Assuming that the best information we have is generally an accurate picture of this situation, here you have the appalling possibility of a government, that is, bureaucracy, that is so concerned with protecting its own self, its own selfish interests, that they are ignoring the terrible danger that millions, possibly millions, of Soviet citizens are being subjected to, not only from the immediate radiation that they are exposed to, but to the danger of their food supply and their water supply and particularly the terrible danger that infants and young children are being exposed to. It is inconceivable that a government that represents itself to the world as one whose primary interest is protecting the masses of the people would allow itself to be in that kind of posture. When the truth comes out, as it inevitably will, when the cancer cases start to mount and the infant deaths and the terrible defective birth syndromes become apparent, then there will be a terrible backlash, I would think, even in a country as tightly controlled as the Soviet Union. I think the gentleman does a service to try to get them to level with their own people.

Mr. WALKER. I thank the gentleman for his remarks.

Mr. Speaker, as the gentleman, I am sure, knows, one of the most appalling parts of what we are now seeing is the fact that within a few miles of the reactor, where we know that the radiation levels have to be absolutely massive at the present time, there are people still out working in fields and literally having a rain of death falling on them and are apparently unaware that they are in any kind of danger.

For a nation to behave that way toward its own people, let alone that fact that it has behaved extremely irresponsibly toward the rest of the world, is a very, very sad chapter in human history.

Mr. SEIBERLING. If the gentleman will yield further, the gentleman is absolutely right.

By way of an interesting contrast, back in 1954, the United States held some tests out in the South Pacific, nuclear tests, and due to meteorological failure to predict a wind change, a lot of the fallout from those tests fell on the inhabitants of four of the atolls in the Micronesian chain that we were then trustees for under the United Nations trusteeship.

The Navy was rather slow in coming around and telling these people the full extent of the danger that they were subjected to, but they very quickly found out because this white sort of dust rained down on them, and very quickly they developed terrible sores and sickness and, soon, thyroid cancer, and that sort of thing.

The minute that the American people and the U.S. Government found out about that, we instituted a program to go in and provide emergency health care for those people, and those people have been our particular wards ever since. In the Micronesian Compact, which the Congress enacted, the ratifying resolution which we enacted in the last Congress, which was signed into law by the President in January of this year, we insisted upon making special provisions to continue the health care and the physical care, as well as food and housing, for those people. They were not many in number, but I personally, as chairman of the subcommittee that dealt with that, felt that that was a moral obligation that we must live up to. I think the United States can be proud and the Congress can be proud that we did. I hope we can do something to help make sure that these millions of people, possibly, in the Soviet Union are helped and, if necessary, to provide emergency funding, along with other nations, to try to make that possible if the Soviets will accept it.

Mr. WALKER. I thank the gentleman for his comments.

Mr. Speaker, the gentleman may know that I happen to live next door to Three Mile Island, my district is right next door to Three Mile Island. I think we can contrast the response to this Nation at the time of Three Mile Island and what is going on in the Soviet Union. There was an absolutely massive infusion not only of people to tell the rest of the world about what was going on at Three Mile Island, but also people to help. There were evacuations. In fact, in the midst of trying to handle the accident, the President of the United States himself came to Three Mile Island to try to provide some encouragement to the people of our area about what was happening there, and I have always thought highly of President Carter's actions at that time because it was not something he had to do.

Contrast that with the Soviet Union, where the leadership seems to be trying to wash its hands of the whole matter and at least say to the rest of the world that "we don't think there is a problem there," and I think the contrast between the two societies is so stark in this particular instance that it cannot help but have some hearing, it seems to me, on the future perception of those two nations by peoples throughout the world.

Mr. SEIBERLING. If the gentleman will yield further, I think that is another very apt analogy.

Mr. Speaker, in a way, the reaction of that bureaucracy is a kind of a childlike reaction. I can remember when I was a boy, with two companions we decided to burn a little area of a field in back of some of the houses in the neighborhood, because we wanted to pitch a tent there. The fire got into some high grass and, all of a sudden, it got away from us and we could not stop it. So we thought, "Well, we better just get out of here," and so we went up to a nearby playground and started nonchalantly swinging on the swings. Pretty soon some of our friends at the playground were saying, "Say, look at all of that smoke back there. Where is that coming from?" We said, "What smoke? We don't see any smoke" We wanted to pretend that it was not even there. Well, no great harm, as it turned out, was done.

But this is the reaction. This is the thing I thought of when I started reading about this. The unpleasant fact, though, that we have to face is that human nature being what it is, every bureaucracy's first instinct, when it finds that some terrible catastrophy has occurred and it might be held responsible, is to first of all cover it up and, second, lie to the public. And that is true of bureaucracies whether they are in this county or in some other country. But the thing that saves us in the United States and in other democratic countries is, first of all, we have freedom of the press and, second, we have democratic institutions were people like ourselves are free to take the floor, and we are protected by law in so doing, and speaking the truth as we see it. And that makes all the difference in the world.

Mr. WALKER. Mr. Speaker, I would certainly agree with the gentleman. That is one reason why my resolution originally and the resolution that has been put together by the gentlewoman from Ohio [Ms. OAKAR] and myself calls upon the Soviet Union to allow the free press to go in and cover the situation so that the world can be assured of reliable information. That is the great difference. The reason why the American people understood what happened at Three Mile Island was because we were literally deluged by the free press. We had hundreds of them out there, some of whom did not write particularly good stories. Some of the stories that came out of Three Mile Island were absolutely awful stories that did not reflect the situation. But the fact is, much of what was written there was accurate and was helpful and did in fact provide the people with information they needed, particularly the local press corps, in helping the local people there understand what was going on and help them make decisions as to whether or not they wanted to leave or to stay, and so on. That was very, very important. The Soviet Union lacks all of that, and I cannot imagine a worse possible way of handling the situation than what the Soviet Government is doing at the present time.

Mr. SEIBERLING. If the gentleman will yield further, I think that any American who has visited the Soviet Union cannot help but develop a very high regard for the people of the Soviet Union; and many of the people of the Soviet Union who have visited this country have a similar reaction. So I think that we are fulfilling an obligation to our fellow human beings over there. I commend the gentleman for his efforts.

Mr. WALKER. I thank the gentleman.

Mr. Speaker, I would be glad to yield to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, before the distinguished chairman, the gentleman from Florida [Mr. FASCELL], brings up the resolution, I want to in advance thank the gentleman from Pennsylvania [Mr. WALKER] for his cooperation.

Mr. WALKER. I appreciate the gentlewoman's remarks.

EXPRESSING SENSE OF THE HOUSE OF REPRESENTATIVES CONCERNING THE NUCLEAR ACCIDENT AT THE CHERNOBYL NUCLEAR FACILITY IN UKRAINE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged from further consideration of the resolution (H. Res. 440) expressing the sense of the House of Representatives concerning the nuclear accident at the Chernobyl nuclear facility in Ukraine, and ask for its immediate consideration.

The Clerk read the title of the resolution.

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

Mr. GILMAN. Mr. Speaker, reserving the right to object, and I will not object, I will yield to the gentleman from Florida [Mr. FASCELL], the distinguished chairman of the Committee on Foreign Affairs, to explain the resolution.

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of House Resolution 440, together with the amendments which are at the desk, a resolution expressing the sense of the House concerning the nuclear accident at the Chernobyl nuclear facility in the Soviet Ukraine, which was introduced on April 30, 1986, by the gentlewoman from Ohio [Ms. OAKAR] and the gentleman from Pennsylvania [Mr. WALKER]. Let me express my appreciation to them for the tremendous work that they did on this resolution, in getting all of the cosponsors. The Committee on Foreign Affairs was delighted to have the opportunity to consider the resolution. I must say that it was adopted, together with the amendments, by a very strong bipartisan support in that committee. I trust my colleagues will unanimously adopt this resolution, as amended.

Mr. GILMAN. Mr. Speaker, further reserving the right to object, I commend the gentlewoman from Ohio [Ms. OAKAR], the gentleman from Pennsylvania [Mr. WALKER], and the gentlewoman from Ohio [Ms. KAPTUR] for bringing this matter before us in a timely manner, and I commend the distinguished chairman of the Committee on Foreign Affairs for moving the measure expeditiously through the committee. It certainly appears that, despite Soviet denials, a major disaster has occurred at the Chernobyl reactor in the Ukraine. The people of our Nation certainly extend their sympathy to the Ukrainian people with regard to the loss of life and the damage to health and property which has occurred.

The resolution expresses our sympathies and our hopes that the Soviet and the Ukranian Governments will allow aid offered by our Government and private citizens to be supplied to the Kiev area.

The resolution also expresses a sense of the House that the Ukrainian and the Soviet Governments facilitate direct channels of communication to allow relatives to receive word about the fate of their family members, whether residents there or just tourists.

Several groups of New York students, for example, were in Kiev and other parts of the Soviet Union this week, and their parents, understandably, were very much concerned and unable to reach them. Nor were these students receiving any accurate information from the Intourist guides about what was happening around them. As a matter of fact, in a few hours I will be greeting one of those groups, which will be returning this afternoon from the Soviet Union.

The committee amendments to the resolution which were offered by the chairman also express a sense of the House in sympathy with the concerns of European nations—and support for those nations—with respect to potential long-term adverse health effects of the incident. It calls upon the Soviet Union to allow inspection of the nuclear site by the International Atomic Energy Agency.

And, finally, Mr. Speaker, the resolution deplores the Soviet Union's failure to provide the world with notification or information about the nuclear accident and calls upon the Government to permit the international press to cover the situation freely.

Mr. Speaker, I urge my colleagues to support the resolution.

□ 1325

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. GILMAN. I yield to the gentlewoman from Ohio.

Ms. OAKAR. I thank my distinguished colleague from the State of New York.

Mr. Speaker, I want to first of all commend Chairman FASCELL and the ranking minority member, who worked so hard to expeditiously bring this to the floor. I want to also thank my coworker on this, the gentleman from Pennsylvania [Mr. WALKER] for his cooperation, and all the other people responsible, including the very able staff of the Committee on Foreign Affairs.

One of the reasons I wanted to see this come to the floor is that I think there is a very imminent thing taking place, and that is that this terrible accident at this nuclear facility is an international problem, and it has profound human dimensions. Various reports, as was stated, indicate significant loss of life and many injuries. The technical, medical, and environmental problems caused by the reactor meltdown are likely to linger on for many, many years.

This is not a time for politics and mutual recrimination. The American people are in sympathy with the people of the Ukraine and want to offer their assistance if we can. This is a time, I think, to break down the barrier of communications so that we can soberly address this enormous catastrophe. Based on the monitoring of air samples in Europe and on our intelligence reports, it is clear that the accident at Chernobyl is the worst catastrophe in the history of nuclear power. Regrettably, Soviet authorities did not inform the neighboring countries, which this resolution addresses, or even their own citizens, of this accident.

I think this is a great lesson about the Soviet Union and their effort to admit that they have no problems. They have really done, I think, by not acknowledging this incident in a very forthright way, a great disservice, not only to the international community, but to their own people, who really should know about this. I think that is one of the tragedies.

As a result of this attitude, accurate information is still not available, and there are many divergent reports about the extent of casualties and damage.

One reason that I really was so delighted that the Committee on Foreign Affairs, led by its distinguished chairman, the gentleman from Florida [Mr. FASCELL], dealt with this resolution so quickly, was that many Americans and other people throughout the world trace their origins to the Kiev area of the Ukraine, and they still have relatives there, and understandably they are most concerned and anxious about the fate of their family members.

In my office in Greater Cleveland, where we have a substantial number of very distinguished Ukrainian Americans and Polish Americans in the Greater Cleveland area, they have attempted to call their relatives, and cannot get through. They have never had this kind of a problem. They have always had difficulty communicating, but it has never been this terrible. They are very, very very concerned.

We have people who have grandparents there, who have brothers and sisters there, who have other children there, and so on.

We are not trying to make this a political resolution. We are trying to say that we are in sympathy with the people of the Ukraine, especially the families of the accident victims, and we call upon the Ukrainian S.S.R. and the Soviet Union to open the channels of communication to allow private citizens to contact their relatives. It also calls for access of the international press to cover the story, so that complete and accurate information about the accident can be obtained.

In addition, the resolution reaffirms the American people's offer—our Government's offer—to provide technical and humanitarian assistance to help Ukrainian authorities cope with the massive problems at Chernobyl, and it also calls for international assistance in efforts to address the immediate problems and international cooperation and strategies to cope with these long-term problems.

We have had some experience in this area. The district of my colleague from Pennsylvania [Mr. WALKER], I believe, borders the area of the Three Mile Island catastrophe, and I must

say that as much as we find these nuclear problems so reprehensible, the fact is that it was because of an open spirit and an openness in communication that these problems in our country were able to be addressed.

We really believe very strongly that this resolution should be passed. Again, I think honestly—I hope I am not naive about this—that if the Soviets know that under the leadership of Mr. FASCELL and people like Mr. GILMAN and others, we have passed unanimously a resolution saying, "Open up your doors and let our people contact their relatives, and let us help you get those people to some measure of safety," and I think if we pass this, this will be a great signal that they should do that. We deplore their actions, the lack of communication, but the spirit of what my part in the resolution says is to reaffirm our offer for assistance. We want them to just open up the doors of communication. I think we will save a lot of lives of their own people if we can open up the doors of communication in this area.

On behalf of my constituents in Greater Cleveland, and, I am sure, Ukrainian Americans and Polish Americans and others who have relatives in this area, I want to really thank Mr. FASCELL and Mr. GILMAN and certainly Mr. WALKER and others for their fine work on this resolution.

Mr. GILMAN. Mr. Speaker, further reserving the right to object, I applaud the gentlewoman's remarks and her leadership in this effort, along with that of the gentleman from Pennsylvania [Mr. WALKER], and I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, I took a few minutes prior to the gentleman's bringing the resolution to the floor to discuss what I thought the importance of the resolution was, but I do want to take this occasion to thank the gentleman and the chairman of the committee for their prompt action on this bill, and to thank the gentlewoman from Ohio [Ms. OAKAR], who offered a portion of the resolution along with myself, and so on, for what was done here.

It is important that it was done soon. I think to have done a resolution like this weeks from now probably would have little impact. The impact we want to have is on the Soviet Union at the present time, and I think the Soviet Union needs to know that the Western World does deplore their conduct in this affair thus far, but also extends a humanitarian hand to them saying that "We want to be of help there. Please allow us to help."

This resolution combines those two things; I think it does so successfully, and I, too, would hope that the House will approve it unanimously.

Mr. GILMAN. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. I thank the gentleman for yielding.

Mr. Speaker, I would like to commend the two authors, the gentlewoman from Ohio [Ms. OAKAR], and the gentleman from Pennsylvania [Mr. WALKER], as well as the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL].

I just happened to be over here when I heard this preliminary discussion. As one of the Members who has taken a special interest in relations with the Soviet Union and arms-control matters, it seems to me that if I were the leadership of the Soviet Union, I would look upon this resolution and the offer to help, as well as our request for information, as a tremendous opportunity to open a new door for a new relationship in a different channel than what we have had in the past.

This is not only a people-to-people offer of help, it is a request on our part to obtain information which is of great concern to us, since we operate nuclear reactors. The Department of Energy operates five nuclear reactors for the nuclear weapons-grade material that have no containment. One of them, at least, is a graphite reactor. So it is of extreme interest to us, and we have a legitimate interest in finding out exactly what happened at this reactor in the Soviet Union so that we can apply it to our own situation and learn from it, and we could in return perhaps help the Soviets in avoiding this kind of repetition of this kind of accident.

I do feel that this is a constructive effort, not a critical one, that we are engaged in here, and I hope that the Soviet leadership will view it as such, because that is certainly the spirit that I gather from the two authors, as well as the chairman of the committee. I want to commend them again.

Mr. GILMAN. I thank the gentleman for his remarks.

Mr. Speaker, further reserving the right to object, I am pleased to yield further to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I want to just say that I thought that the amendments that were offered in committee were really an improvement on the original resolution, such as the fact that it included other areas in Europe which are probably going to be affected by this as well, and that it called upon the Government of the Soviet Union to permit the International Atomic Energy Agency to conduct this investigation. They were really a good improvement, and I want to just offer my congratulations on those amendments.

Mr. GILMAN. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 440

Whereas on or about April 26, 1986, a catastrophic accident occurred at the nuclear powerplant at Chernobyl, sixty miles north of Kiev in Ukraine;

Whereas Soviet authorities made no effort to inform neighboring countries of the accident, preventing them from offering warning and a measure of protection for their citizens;

Whereas this accident has resulted in significant loss of life;

Whereas large numbers of people have sustained serious injuries;

Whereas Americans with relatives in the Kiev area are anxious over the fate of their family members; and

Whereas this accident could result in long-standing technical, medical, and environmental problems: Now, therefore, be it

Resolved, That the House of Representatives—

(1) conveys the sympathy of the American people to the people of Ukraine, especially to the families of victims;

(2) calls upon the Government of the Ukrainian Soviet Socialist Republic and the Government of the Soviet Union to facilitate direct channels of communication to allow relatives to receive word about the fate of family members;

(3) supports the offer of the United States Government to provide technical and medical assistance to help authorities in Ukraine cope with the tragedy;

(4) calls upon the Government of the Ukrainian Soviet Socialist Republic and the Governmnet of the Soviet Union to allow the American people to provide material and moral assistance to the accident victims and their families by facilitating the prompt delivery of packages;

(5) calls upon the Government of the Ukrainian Soviet Socialist Republic and the Government of the Soviet Union to facilitate the furnishing of technical and humanitarian assistance by appropriate international organizations in order to address the immediate problems and develop cooperative strategies for the future consideration of this problem that has international ramifications; and

(6) deplores the Soviet Union's failure to provide the world with notification of and information about the nuclear accident at Chernobyl, and calls upon the Government of the Ukrainian Soviet Socialist Republic and the Government of the Soviet Union to permit the international press to cover the situation freely so that the world may be assured of complete and accurate information.

The SPEAKER pro tempore. The gentleman from Florida [Mr. FASCELL] is recognized.

AMENDMENTS OFFERED BY MR. FASCELL

Mr. FASCELL. Mr. Speaker, I offer amendments to the resolution, and I ask unanimous consent that they be considered en bloc.

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

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. FASCELL: In paragraph (4) of the resolution, insert "humanitarian" before "packages".

After paragraph (4) of the resolution, insert the following new paragraph (5) and redesignate subsequent paragraphs accordingly:

(5) expresses its concern and support for those nations in Europe that have experienced nuclear radiation from the Chernobyl accident;

Strike out "and" at the end of paragraph (6) (as so redesignated by the preceding paragraph of this amendment); strike out the period at the end of paragraph (7) (as so redesignated by the preceding paragraph of this amendment) and insert in lieu thereof a semicolon; and at the end of the resolution, insert the following:

(8) calls upon the Government of the Soviet Union to permit the International Atomic Energy Agency to conduct an investigation of the cause of the nuclear accident at Chernobyl and to share the results of the investigation with other nations in order to assess the safety and reliability of nuclear reactor design and operation; and

(9) calls upon the President to take prompt steps to establish at the International Atomic Energy Agency a mechanism for an automatic, immediate response by agency technical personnel, including on-site visits and monitoring, to any nuclear accident posing a significant threat to public health and safety.

Mr. FASCELL (during the reading). Mr. Speaker, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the question from Florida?

There was no objection.

The SPEAKER pro tempore. The question is on the amendments offered by the gentleman from Florida [Mr. FASCELL].

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the resolution, as amended.

The resolution, as amended, was agreed to.

AMENDMENTS TO THE PREAMBLE OFFERED BY MR. FASCELL

Mr. FASCELL. Mr. Speaker, I offer amendments to the preamble.

The Clerk read as follows:

Amendments to the preamble offered by Mr. FASCELL: In the second paragraph of the preamble, after "neighboring countries" insert "of Europe and other countries affected by the accident".

After the second paragraph of the preamble, insert the following new paragraph:

Whereas neighboring European nations have reported high levels of nuclear radiation as a result of the Soviet nuclear accident at Chernobyl, which may have potential adverse long-term effects;

The SPEAKER pro tempore. The question is on the amendments to the preamble offered by the gentleman from Florida [Mr. FASCELL].

The amendments to the preamble were agreed to.

A motion to reconsider was laid on the table.

□ 1335

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on the resolution just agreed to.

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

There are no objection.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from California [Mr. ROYBAL].

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

There was no objection.

CARLISLE COUNTY, KY, CELEBRATES CENTENNIAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. HUBBARD] is recognized for 5 minutes.

Mr. HUBBARD. Mr. Speaker, this Saturday, May 3, marks the 100th anniversary of Carlisle County, KY. This county is located in far western Kentucky adjacent to the Mississippi River and in the First Congressional Distict which I'm privileged to represent.

The county was named after John Griffin Carlisle, who was Lieutenant Governor of Kentucky from 1871-75. This man is well remembered in this Chamber for having been a U.S. Representative from 1877-90 and for having served as Speaker of the House during the 48th, 49th, and 50th Congresses. He later served as Secretary of the Treasury from 1893-97. This man was indeed an outstanding Kentuckian, and it gives me great pride today to honor in this House the county which bears his name.

The entire month of May 1986 has been designated as "Carlisle County Centennial Celebration Month." The General Assembly of Kentucky, the State government agencies, citizens of Carlisle County, and others throughout the Commonwealth are expected to join in the centennial celebration on Saturday, May 3.

Indeed, it is an honor to represent this county which has always been one of my favorite areas in Kentucky. I am personnally fond of Carlisle County and its citizens for many reasons. My mother, Addie Beth Shelton Hubbard, was born in 1914 at Milburn, a Carlisle County community. I am proud to congratulate Carlisle County and the members of the local and county governments who have worked so diligently to make this celebration one that will be remembered by all.

Congratulations to Carlisle County Judge Warren L. Owens, Carlisle County's Centennial Committee Chairman Larry Kelley, the committee members, and all the people of Bardwell, Arlington, Cunningham, Milburn, Burkley, Kirbyton, and other areas of Carlisle County.

I would also like to congratulate a resident of Carlisle County, Mrs. Fannie Watson, who also celebrates her 100th birthday this year.

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. WALKER, for 5 minutes, today.

(The following Members (at the request of Mr. DONNELLY) to revise and extend their remarks and include extraneous material:)

Mr. FRANK, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ROYBAL, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GORDON, following the vote on House Resolution 436 today.

Mr. O'BRIEN, following the vote on final passage of H.R. 4409.

(The following Members (at the request of Mr. WALKER) and to include extraneous matter:)

Mr. LEWIS of California.

Mr. GUNDERSON.

Mr. COBLE.

Mr. CRANE.

Mr. KINDNESS.

Mr. LOTT.

Mr. HYDE.

Mr. MCCOLLUM.

(The following Members (at the request of Mr. DONNELLY) and to include extraneous matter:)

Mr. DURBIN.

Mr. VOLKMER.

Mr. OWENS.

Mr. EDGAR.

Mr. HERTEL of Michigan.

Mr. RODINO in two instances.

Mr. RANGEL.

Mr. BONKER.

Mr. MONTGOMERY.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following day present to the President, for his approval, bills and joint resolution of the House of the following titles:

On April 30, 1986:

H.R. 1116. An act to implement certain recommendations made pursuant to Public Law 98-360;

H.R. 4602. An act to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to insure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes; and

H.J Res. 220. Joint resolution to reaffirm Congress' recognition of the vital role by members of the National Guard and Reserve in the national defense, and for other purposes.

ADJOURNMENT

Mr. HUBBARD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 40 minutes p.m.), under its previous order, the House adjourned until Monday, May 5, 1986, 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:

3402. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to provide for the regulated industry to bear the cost of administering the Packers and Stockyards Act; to the Committee on Agriculture.

3403. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover costs of carrying out the export inspection and certification programs for apples, pears, grapes, and plums; to the Committee on Agriculture.

3404. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover costs of providing services to farmer cooperatives and groups of producers; to the Committee on Agriculture.

3405. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover the costs of carrying out the federal market news program; to the Committee on Agriculture.

3406. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Plant Variety Protection Act to provide for the deposit of fees collected to the appropriation account that incurs the cost of carrying out the act; to the Committee on Agriculture.

3407. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to provide for the assessment and collection of fees to cover the cost of the administration and enforcement of the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act; to the Committee on Agriculture.

3408. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover costs of carrying out Federal marketing agreements and orders; to the Committee on Agriculture.

3409. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to authorize the Secretary of Agriculture to recover costs of carrying out certain animal and plant health inspection programs, and for other purposes; to the Committee on Agriculture.

3410. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover costs of establishing standards and specifications for agricultural products; to the Committee on Agriculture.

3411. A letter from the Director, Administrative Office of the U.S. Courts, transmitting the seventh annual report on applications for delays of notice and customer challenges under provisions of The Right to Financial Privacy Act of 1978, pursuant to 12 U.S.C. 3421; to the Committee on Banking, Finance and Urban Affairs.

3412. A letter from the vice president, Chesapeake and Potomac Telephone Company, transmitting a statement of receipts and expenditures and a comparative general balance sheet for calendar year 1985, pursuant to 33 stat. 375 and 43 D.C.C. 313; to the Committee on the District of Columbia.

3413. A letter from the Chairman, National Commission on Libraries and Information Science, transmitting a report on the Commission's activities during fiscal year 1985, pursuant to Public Law 91-345, section 5(a)(7); to the Committee on Education and Labor.

3414. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed Letter of Offer to Korea for defense articles and services estimated to cost $155 million (transmittal No. 86-31), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3415. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a report on the number of applications for orders authorizing the interception of wire or oral communications, and the number of such orders and extensions granted or denied during the calendar year 1985, pursuant to 18 U.S.C. 2519(3); to the Committee on the Judiciary.

3416. A letter from the Secretary of the Interior, transmitting the eighth annual report on the Tule elk herds in California, pursuant to 16 U.S.C. 673f; to the Committee on Merchant Marine and Fisheries.

3417. A letter from the Administrator, Veterans' Administration, transmitting a report on the sharing of medical resources programs for fiscal year 1985, pursuant to 38 U.S.C. 5057; to the Committee on Veterans' Affairs.

3418. A letter from the Administrator, Agency for International Development, transmitting a report on the origin, contents, destination and disposition of all humanitarian goods and supplies to other countries, pursuant to Public Law 98-525, section 1540(e) (98 Stat. 2638); jointly, to the Committees on Armed Services and Foreign Affairs.

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. FORD of Tennessee:

H.R. 4727. A bill to amend part A of title IV of the Social Security Act to make it mandatory for States (under the AFDC Program) to provide aid with respect to dependent children in two-parent families; to the Committee on Ways and Means.

By Mr. HAWKINS (for himself, Mr. JEFFORDS, Mr. FORD of Michigan, Mr. GAYDOS, Mr. CLAY, Mr. BIAGGI, Mr. MURPHY, Mr. KILDEE, Mr. WILLIAMS, Mr. MARTINEZ, Mr. OWENS, Mr. HAYES, Mr. PERKINS, Mr. BRUCE, Mr. SOLARZ, Mr. DYMALLY, Mr. ECKART of Ohio, and Mr. ATKINS):

H.R. 4728. A bill to establish programs of education and training designed to improve the competitiveness of American workers in international trade, and for other purposes; to the Committee on Education and Labor.

By Mr. BONKER:

H.R. 4729. A bill to prohibit the imposition of excessive Customs fees for foreign trade zone services and the implementation of the currently proposed Customs Service annual fee structure for such services; to the Committee on Ways and Means.

By Mr. DAVIS:

H.R. 4730. A bill to enhance boating safety by requiring the display on gasoline pumps of the type of alcohol, the percentage of each type of alcohol and the percentage of cosolvents, if any, contained in the gasoline; to the Committee on Energy and Commerce.

By Mr. DAVIS:

H.R. 4731. A bill to amend chapter 131 of title 46, United States Code, relating to the Federal recreational boating safety program, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DELAY:

H.R. 4732. A bill relating to the tariff treatment of imported steel armor wire and exempting from bilateral arrangements subject to the Steel Import Stabilization Act steel products imported into the United States as armor wire for processing into electromechanical cables; to the Committee on Ways and Means.

By Mr. FISH:

H.R. 4733. A bill to temporarily reduce the duty on certain blood analyzers until December 31, 1988; to the Committee on Ways and Means.

By Mr. GLICKMAN (for himself and Mr. BROWN of Colorado):

H.R. 4734. A bill to amend the Clayton Act to restore the jurisdiction of the Attorney General of the United States and of the Federal Trade Commission to enforce the provisions of the Clayton Act relating to the merger of air carriers; to the Committee on the Judiciary.

By Mr. LANTOS (for himself and Mr. FRENZEL):

H.R. 4735. A bill to amend the Internal Revenue Code of 1954 to deny the benefits of section 911 of such Code to individuals who are in a foreign country in violation of an Executive order; to the Committee on Ways and Means.

By Mr. McCOLLUM (for himself, Mr. KASTENMEIER, Mr. FISH, Mr. MOORHEAD, Mr. HYDE, Mr. KINDNESS, Mr. SWINDALL, Mr. COBLE, Mr. BOUCHER, Mr. SHAW, Mr. GEKAS, Mr. LUNGREN, and Mr. BROWN of Colorado):

H.R. 4736. A bill to amend title 18, United States Code, to authorize the Attorney General to accept donations on behalf of the Bureau of Prisons, and to amend the Walsh-Healy Act to remove the limitation regarding convict labor with respect to certain con-

tracts entered into with the Federal Government; jointly, to the Committees on the Judiciary, and Education and Labor.

By Mr. MAVROULES:

H.R. 4737. A bill to reduce the threat of international terrorism through international cooperation, and for other purposes; jointly, to the Committees on Foreign Affairs, and Banking, Finance and Urban Affairs.

By Ms. OAKAR (for herself, Mr. FORD of Michigan, Mr. ACKERMAN, Mr. AKAKA, Mr. BARNES, Mrs. BOXER, Mrs. BURTON of California, Mr. DYMALLY, Mr. EVANS of Illinois, Mr. EDGAR, Mr. FAUNTROY, Mr. FAZIO, Mr. HOYER, Mr. MATSUI, and Ms. MIKULSKI):

H.R. 4738. A bill to provide for the testing of alternative systems of compensation for Federal employees; to modify the pay comparability system for Federal employees; to modify the manner in which the authority to increase minimum rates of pay for certain Federal employees may be exercised; and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PANETTA (for himself, Mrs. BOXER, Mr. UDALL, Mr. EDWARDS of California, Mr. FRANK, Mr. BEVILL, Mr. MRAZEK, Mr. TOWNS, Mr. ACKERMAN, Mr. MARTINEZ, Mr. WIRTH, Mr. STUDDS, Ms. KAPTUR, Mr. YATES, Mr. MITCHELL, Mr. WORTLEY, Mr. BIAGGI, Mrs. BURTON of California, Mr. SAVAGE, Mr. CROCKETT, Mr. GLICKMAN, and Mr. MOODY):

H.R. 4739. A bill to amend title XVIII of the Social Security Act to provide for coverage of adult day care under the Medicare Program; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. PEASE:

H.R. 4740. A bill to specify information which is to be included in manifests submitted for vessels and vehicles arriving in the United States from a contiguous country; to the Committee on Ways and Means.

By Mr. SEIBERLING (for himself, Mr. MILLER of California, Mr. WEAVER, Mr. MARKEY, Mr. VENTO, Mr. KILDEE, Mr. GEJDENSON, and Mr. MOODY):

H.R. 4741. A bill to establish competitive oil and gas leasing and modify leasing procedures for onshore Federal lands; to the Committee on Interior and Insular Affairs.

By Mr. STARK (for himself, and Mr. GRADISON):

H.R. 4742. A bill to amend the Internal Revenue Code of 1954 to assure access to health insurance, and for other purposes; to the Committee on Ways and Means.

By Mr. THOMAS of California:

H.R. 4743. A bill to amend the Export Administration Act of 1979 to remove the restriction on the exportation of domestically produced crude oil; to the Committee on Foreign Affairs.

By Mr. THOMAS of California:

H.R. 4744. A bill relating to the tariff treatment of meat products processed abroad from cattle of United States origin; to the Committee on Ways and Means.

By Mr. BENNETT:

H.J. Res. 619. Joint resolution to designate the week of October 5, 1986, through October 11, 1986, as "National Drug Abuse Education and Prevention Week"; to the Committee on Post Office and Civil Service.

By Mr. HERTEL of Michigan:

H.J. Res. 620. Joint resolution designating the week beginning January 4, 1987, as "National Bowling Week"; to the Committee on Post Office and Civil Service.

By Mr. WRIGHT (for himself, Mr. MICHEL, and Mr. YATES):

H. Con. Res. 329. Concurrent resolution welcoming Natan (Anatoly) Shcharansky to the United States; jointly, to the Committees on House Administration, and Foreign Affairs.

By Mr. GEPHARDT:

H. Res. 443. Resolution designating membership on certain standing committees of the House; considered and agreed to.

By Mr. LOTT:

H. Res. 444. Resolution providing a special House rule for the remainder of the second session of the ninety-ninth Congress prohibiting the inclusion of extraneous matters in reconciliation bills and amendments in connection with the most recently agreed to concurrent resolution on the budget for fiscal year 1987; to the Committee on Rules.

By Mr. MARKEY (for himself, Mr. MCDADE, Mr. KEMP, Mrs. BOXER, Mr. OBERSTAR, Mr. RINALDO, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. DOWNEY of New York, Mr. WALKER, Mr. STRANG, Mr. BEILENSON, Mr. GEPHARDT, Mr. LOWRY of Washington, Mr. TAUZIN, Mr. ROYBAL, Mr. DEWINE, Mr. OXLEY, Mr. WEISS, Mrs. ROUKEMA, Mr. STUDDS, Mr. HERTEL of Michigan, Mr. CRAIG, Mrs. SCHROEDER, Mr. DURBIN, Mr. WOLPE, Mr. BRYANT, Mr. MAVROULES, Mr. ECKART of Ohio, Mr. FEIGHAN, Mr. DERRICK, Mr. DELLUMS, Mr. GREGG, Mr. SLATTERY, Mr. GINGRICH, Mr. LUKEN, Mr. ROBERTS, Mr. CRANE, Mr. PASHAYAN, Mr. MCCLOSKEY, Mr. CHAPMAN, Mr. RUSSO, Mr. MILLER of California, Mr. FAZIO, Mr. BOLAND, Mr. LEVIN of Michigan, Mr. SIKORSKI, Mr. ANTHONY, Mr. SMITH of Florida, Mr. DOWDY of Mississippi, Mr. REID, Mr. BERMAN, Mr. COBLE, Mr. GORDON, Mr. SWIFT, Mr. COLEMAN of Texas, Mr. ARCHER, Mr. BATES, Mr. FAUNTROY, and Mr. WEAVER):

H. Res. 445. Resolution to establish an international emergency response team to deal with accidents in nuclear power facilities and to provide for international inspection to assure their safe operation; to the Committee on Foreign Affairs.

By Ms. OAKAR (for herself, Mr. ST GERMAIN, Mr. WYLIE, Mr. WRIGHT, and Mr. GONZALEZ):

H. Res. 446. Resolution to express the sense of the House of Representatives that proposals to assess or increase fees on the credit activities of Federal housing and education agencies should be rejected; jointly, to the Committees on Banking, Finance and Urban Affairs, Education and Labor, and Veterans' Affairs.

By Mr. YATRON:

H. Res. 447. Resolution concerning relations with Romania; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

352. By the SPEAKER: Memorial of the House of Representatives of the State of Oklahoma, relative to the actions taken against Libya; to the Committee on Foreign Affairs.

353. Also, memorial of the Legislature of the State of Missouri, relative to the reestablishment of official governmental relations with the Republic of China; to the Committee on Foreign Affairs.

354. Also, memorial of the House of Delegates of the Second Olbiil Era Kelulau, Republic of Palau, relative to the funding of the specific grant from the Department of the Interior for operation of the Micronesian Occupational College in the Republic of Palau; to the Committee on Interior and Insular Affairs.

355. Also, memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to H.R. 864, relating to improving veterans' benefits for former prisoners of war; to the Committee on Veterans' Affairs.

356. Also, memorial of the House of Delegates, Second Olbiil Era Kelulau, Republic of Palau, relative to a copy of a resolution concerning the Compact of Free Association between the U.S. and the Republic of Palau; jointly, to the Committee on Interior and Insular Affairs, Foreign Affairs, and Government Operations.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 512: Mr. DOWNEY of New York and Mr. KOSTMAYER.

H.R. 864: Mr. LOEFFLER.

H.R. 883: Mr. PANETTA.

H.R. 1398: Mr. MRAZEK.

H.R. 1453: Mr. RICHARDSON.

H.R. 1454: Mr. RICHARDSON.

H.R. 1770: Mr. GEJDENSON and Mr. WHITEHURST.

H.R. 2583: Mr. MONSON.

H.R. 2952: Mr. BUSTAMANTE, Mr. SMITH of New Hampshire, Mr. WHITEHURST, and Mr. CROCKETT.

H.R. 3006: Mr. DEWINE.

H.R. 3598: Mr. SMITH of New Hampshire.

H.R. 3662: Mr. QUILLEN and Mr. BORSKI.

H.R. 3663: Mr. FROST, Mr. SKELTON, Mr. SHUMWAY, Mr. BADHAM, Mr. LIPINSKI, Mr. CONYERS, Mr. ROE, Mr. GORDON, Mr. FUQUA, Mr. MCGRATH, and Mr. SAVAGE.

H.R. 3799: Mr. ECKART of Ohio and Mr. HUGHES.

H.R. 3950: Mr. MINETA and Mr. LIPINSKI.

H.R. 4186: Mr. SABO, Mr. WHITEHURST, Mr. STUDDS, Mr. BOLAND, Mr. HALL of Ohio, Mr. GEJDENSON, Mr. SCHAEFER, and Mr. VANDER JAGT.

H.R. 4194: Mr. BATEMAN, Ms. MIKULSKI, Mr. RIDGE, Mr. VALENTINE, and Mr. SABO.

H.R. 4330: Ms. KAPTUR, Mr. MITCHELL, Mr. ROE, Mr. CONYERS, Mr. SAVAGE, Mr. DE LUGO, Mr. FAUNTROY, Mr. MURPHY, Mr. TOWNS, Mr. ST GERMAIN, Mr. CROCKETT, Mr. LEHMAN of Florida, Mr. TRAXLER, Mr. PRICE, Mr. SMITH of Florida, Mr. KILDEE, Mr. MARTINEZ, Mr. WHITEHURST, Mr. RANGEL, Mr. WEAVER, Mr. WIRTH and Mr. BIAGGI.

H.R. 4412: Mr. RANGEL, Mr. VENTO, and Mr. ROBINSON.

H.R. 4450: Mr. GEJDENSON, Mr. WOLF, Mr. SHUMWAY, Mr. PACKARD, Mr. BARNES, Mr. SILJANDER, Mr. PURSELL, Mr. HOWARD, Mr. WILLIAMS, and Mr. LEWIS of California.

H.R. 4477: Mr. MONTGOMERY.

H.R. 4556: Mr. CHAPMAN, Mr. FAZIO, Mr. KOLBE, Mr. QUILLEN, and Mr. ROWLAND of Georgia.

H.R. 4591: Mr. WATKINS and Mr. LEATH of Texas.

H.R. 4620: Mrs. BURTON of California, Mr. DE LUGO, Mr. DICKS, Mr. SCHEUER, Mr. PRICE, Mr. BORSKI, Mr. EVANS of Illinois, Mr. MAR-

TINEZ, Mr. SMITH of Florida, Mr. HORTON, Mr. STUDDS, Mr. WIRTH, Ms. KAPTUR, Mrs. BOXER, Mr. VENTO, Mr. MITCHELL, Mr. BIAGGI, Mr. FOGLIETTA, Mr. HENDON, Mr. SAVAGE, Mr. CROCKETT, Mr. MORRISON of Connecticut, Mr. YATRON, Mr. LEHMAN of California, and Mr. EDWARDS of California.

H.R. 4660: Mr. SHAW, Mr. DAUB, Mr. CHAPMAN, Mr. EVANS of Iowa, Mr. WHITEHURST, Mr. HUGHES, Mr. ROBERT F. SMITH, and Mr. SMITH of Florida.

H.R. 4669: Mr. STENHOLM.

H.J. Res. 330: Mr. SAVAGE, Mr. SMITH of Florida, Mr. DARDEN, Mr. O'BRIEN, Mr. LEVIN of Michigan, Mrs. HOLT, Mr. LAGOMARSINO, Mr. WORTLEY, Mr. MRAZEK, Mr. ROGERS, Mr. TOWNS, Mr. DE LUGO, Mr. BARNES, Mr. VENTO, Mr. HORTON, Mr. WYLIE, Mr. PURSELL, Mr. SHUMWAY, Mr. KASICH, Mrs. BENTLEY, Mr. MARTINEZ, and Mr. CROCKETT.

H.J. Res. 492: Mr. CHENEY, Mr. FRANKLIN, Mr. CARNEY, Mr. CARPER, Mr. TORRES, Mr. ECKERT of New York, Mr. DYSON, Mr. MCCAIN, Mr. HUNTER, Mr. COUGHLIN, and Mr. BONER of Tennessee.

H.J. Res. 498: Mr. FRENZEL and Mr. SAXTON.

H.J. Res. 504: Mr. AKAKA, Mr. HUNTER, Mr. HUTTO, Mr. IRELAND, Mr. PURSELL, Mr. RANGEL, Mr. ROBINSON, Mr. VOLKMER, and Mr. WYLIE.

H.J. Res. 547: Ms. KAPTUR, Mr. RINALDO, Mr. ROWLAND of Georgia, Mr. FUSTER, Mr. BATEMAN, Mr. GRAY of Illinois, Mrs. HOLT, Mr. SABO, Mr. DIXON, Mr. DAVIS, Mr. SAVAGE, Mr. SAXTON, Mr. YOUNG of Florida, Mrs. COLLINS, Mr. DE LA GARZA, Mr. SUNIA, Mr. BEVILL, Mr. GEKAS, Mr. VENTO, Mr. MCEWEN, Mr. KILDEE, Mr. OWENS, Mr. VISCLOSKY, Mr. MOODY, Ms. MIKULSKI, Mr. HUTTO, Mr. ANDREWS, Mr. BATES, Mr. BENNETT, Mr. BONIOR of Michigan, Mr. BOUCHER, Mr. BROWN of California, Mr. CHANDLER, Mr. COYNE, Mr. DONNELLY, Mr. EARLY, Mr. ERDREICH, Mr. EVANS of Illinois, Mr. FLORIO, Mr. GAYDOS, Mr. FOGLIETTA, Mr. HAMILTON, Mr. JACOBS, Mr. KOLTER, Mr. LEVINE of California, Mr. MAVROULES, Mr. MINETA, Mr. MOAKLEY, Mr. MOLLOHAN, Ms. OAKAR, Mr. OBERSTAR, Mr. RUSSO, Mr. WALGREN, Mr. WHEAT, Mr. YATRON, Mr. HOYER, Mr. COLEMAN of Texas, Mr. MORRISON of Connecticut, Mr. BRUCE, Mr. DURBIN, Mr. LOWRY of Washington, Mr. RODINO, Mr. SMITH of Florida, Mr. BEDELL, Mr. LANTOS, Mr. PERKINS, Mr. TAUZIN, Mr. BIAGGI, Mrs. BURTON of California, Mr. DINGELL, Mr. GARCIA, Mr. HATCHER, Mr. WOLPE, Mr. BOSCO, Mr. GEJDENSON, Mr. LELAND, Mr. TOWNS, Mr. WEISS, and Mr. MCCLOSKEY.

H.J. Res. 567: Mr. PURSELL.

H.J. Res. 594: Mr. LEVINE of California, Mr. KINDNESS, Mr. NEAL, Mr. FASCELL, Mr. VENTO, Mr. RICHARDSON, Mr. MAZZOLI, Mr. AKAKA, Mr. BIAGGI, Mr. DE LUGO, Mr. MCKERNAN, Mr. CARR, and Mr. SHAW.

H. Con. Res. 225: Mr. WOLPE, Mr. BADHAM, Mr. STUMP, Mr. SHAW, Mr. CONYERS, Mr. GORDON, and Mrs. LLOYD.

H. Res. 439: Mr. MARKEY and Ms. FIEDLER.

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. 3521: Mr. AUCOIN and Mr. LAGOMARSINO.

H.R. 3599: Mr. BOUCHER.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

330. By the Speaker: Petition of the council, Borough of Lavallette, Ocean County, NJ, relative to legislation to license recreational salt water sports fishermen; to the Committee on Merchant Marine and Fisheries.

331. Also, petition of the city council, Berea, OH, relative to the continued exemption of interest on municipal bonds from taxation; to the Committee on Ways and Means.

332. Also, petition of the city council, Irving TX, relative to H.R. 3838, in its current form; to the Committee on Ways and Means.

333. Also, petition of the common council, Gary, IN, relative to certain portions of H.R. 3838; to the Committee on Ways and Means.

334. Also, petition of the Board of Education, School District No. 200, of Cook County, IL, relative to portions of H.R. 3838 pertaining to tax-exempt financing for school districts; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 4672

By Mr. GARCIA:

(To the amendment in the nature of a substitute to H.R. 1.)

—At the end of the amendment, add the following new title:

TITLE VI—ENTERPRISE ZONE DEVELOPMENT

SEC. 601. DESIGNATION OF ENTERPRISE ZONES.

(a) DESIGNATION OF ZONES.—

(1) DEFINITIONS.—For purposes of this section, the term "enterprise zone" means any area that—

(A) is nominated by 1 or more local governments and the State or States in which it is located for designation as an enterprise zone (hereafter in this section referred to as a "nominated area"); and

(B) the Secretary of Housing and Urban Development designates as an enterprise zone, after consultation with—

(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget; and the Administrator of the Small Business Administration; and

(ii) in the case of an area on an Indian reservation, the Secretary of the Interior.

(2) NUMBER OF DESIGNATIONS—

(A) IN GENERAL.—The Secretary of Housing and Urban Development may designate not more than 100 nominated areas as enterprise zones.

(B) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated under clause (i), at least one-fourth must be areas that—

(i) are within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined under the most recent census data available);

(ii) are outside of a metropolitan statistical area (as designated by the Director of the Office of Management and Budget); or

(iii) that are determined by the Secretary of Housing and Urban Development, after consultation with the Secretary of Commerce, to be rural areas.

(3) AREAS DESIGNATED BASED SOLELY ON DEGREE OF POVERTY, ETC.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary of Housing and Urban Development shall designate those nominated areas with the highest average ranking with respect to the criteria described in subparagraphs (C), (D), (E), and (F) of subsection (c)(3). For purposes of the preceding sentence, an area shall be ranked within each such criterion on the basis of the amount by which the area exceeds such criterion, with the area that exceeds such criterion by the greatest amount given the highest ranking.

(B) EXCEPTION WHERE INADEQUATE COURSE OF ACTION, ETC.—An area shall not be designated under subparagraph (A) if the Secretary of Housing and Urban Development determines that the course of action with respect to such area is inadequate.

(C) SEPARATE APPLICATION TO RURAL AND OTHER AREAS.—Subparagraph (A) shall be applied separately with respect to areas described in paragraph (2)(B) and to other areas.

(4) LIMITATION ON DESIGNATIONS.—

(A) PUBLICATION OF REGULATIONS.—Before designating any areas as an enterprise zone, the Secretary of Housing and Urban Development shall prescribe by regulation no later than 4 months following the enactment of this section, after consultation with the officials described in paragraph (1)(B)—

(i) the procedures for nominating an area under paragraph (1)(A);

(ii) the parameters relating to the size and population characteristics of an enterprise zone; and

(iii) the manner in which nominated areas will be evaluated based on the criteria specified in subsection (d).

(B) Time Limitations.—The Secretary of Housing and Urban Development shall designate nominated areas as enterprise zones only during the 24-month period beginning on the later of—

(i) the first day of the first month following the month in which the effective date of the regulations described in subparagraph (A) occurs; or

(ii) July 1, 1986.

(C) Procedural Rules.—The Secretary of Housing and Urban Development shall not make any designation under paragraph (1) unless—

(i) the local governments and the State in which the nominated area is located have the authority—

(I) to nominate such area for designation as an enterprise zone;

(II) to make the State and local commitments under subsection (d); and

(III) to provide assurances satisfactory to the Secretary of Housing and Urban Development that such commitments will be fulfilled;

(ii) a nomination therefor is submitted in such a manner and in such form, and contains such information, as the Secretary of Housing and Urban Development shall by regulation prescribe;

(iii) the Secretary of Housing and Urban Development determines that any information furnished is reasonably accurate; and

(iv) the State and local governments certify that no portion of the area nominated is already included in an enterprise zone or in an area otherwise nominated to be an enterprise zone.

(5) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—In the case of a nominated area

on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

(b) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

(1) IN GENERAL.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

(A) December 31 of the 24th calendar year following the calendar year in which such date occurs;

(B) the termination date designated by the State and local governments as provided for in their nomination pursuant to subsection (a)(4)(C)(ii); or

(C) the date the Secretary of Housing and Urban Development revokes such designation under paragrapah (2).

(2) REVOCATION OF DESIGNATION.—The Secretary of Housing and Urban Development may after—

(A) consultation with the officials described in subsection (a)(1)(B); and

(B) a hearing on the record involving officials of the State or local government involved;

revoke the designation of an area if the Secretary of Housing and Urban Development determines that the local government or the State in which it is located is not complying substantially with the State and local commitments pursuant to subsection (d).

(c) AREA AND ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—The Secretary of Housing and Urban Development may make a designation of any nominated area under subsection (a)(1) only if it meets the requirements of paragraphs (2) and (3).

(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

(A) the area is within the jurisdiction of the local government;

(B) the boundary of the area is continuous; and

(C) the area—

(i) has a population, as determined by the most recent census data available, of at least—

(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(2)(B)(i)) is located within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) with a population of 50,000 or greater; or

(II) 1,000 in any other case; or

(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

(3) ELIGIBILITY REQUIREMENTS.—For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State and local governments in which it is located certify and the Secretary of Housing and Urban Development, after such review of supporting data as he deems appropriate, accepts such certification, that—

(A) the area is one of pervasive poverty, unemployment, and general distress;

(B) the area is located wholly within the jurisdiction of a local government that is eligible for Federal assistance under section 119 of the Housing and Community Development Act of 1974, as in effect on the date of the enactment of this Act;

(C) the unemployment rate, as determined by the appropriate available data, was at least 1.5 times the national unemployment rate for that period;

(D) the poverty rate (as determined by the most recent census data available) for each populous census tract (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was at least 20 percent for the period to which such data relate;

(E) at least 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974); and

(F) the population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census available).

(d) REQUIRED STATE AND LOCAL COMMITMENTS.—

(1) IN GENERAL.—No nominated area shall be designated as an enterprise zone unless the local government and the State in which it is located agree in writing that, during any period during which the area is an enterprise zone, such governments will follow a specified course of action designated to reduce the various burdens borne by employers or employees in such area. A course of action shall not be treated as meeting the requirements of this paragraph unless the course of action include provisions described in at least 4 of the subparagraphs of paragraph (2).

(2) COURSE OF ACTION.—The course of action under paragraph (1) may be implemented by both such governments and private nongovernmental entities, may be funded from proceeds of any Federal program, and may include, but is not limited to—

(A) a reduction of tax rates or fees applying within the enterprise zone;

(B) an increase in the level of efficiency of local services within the enterprise zone; for example crime prevention (particularly through experimentation with providing such services by nongovernmental entities);

(C) actions to reduce, remove, simplify, or streamline governmental requirements applying within the enterprise zone;

(D) involvement in the program by private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a commitment from such private entities to provide jobs and job training for, and technical, financial, or other assistance to, employers, employees, and residents of the nominated area;

(E) the allowance of a deduction from State or local income taxes for fees paid or accrued for services performed by a nongovernmental entity but that were formerly performed by a governmental entity;

(F) the giving of special preference to contractors owned and operated by members of any minority; and

(G) the gift (or sale at below fair market value) of surplus land in the enterprise zone to neighborhood organizations agreeing to operate a business on the land.

(3) RECOGNITION OF PAST EFFORTS.—In evaluating courses of action agreed to by any State or local government, the Secretary of Housing and Urban Development shall take into account the past efforts of such State or local government in reducing the various burdens borne by employers and employees in the area involved.

(e) DEFINITIONS.—For the purposes of this section:

(1) GOVERNMENTS.—If more than 1 government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

(2) LOCAL GOVERNMENT.—The term "local government" means—

(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State;

(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary of Housing and Urban Development; and

(C) the District of Columbia.

(3) STATE.—The term "State" shall include Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

SEC. 602. EVALUATION AND REPORTING REQUIREMENTS.

Not later than the close of the 4th calendar year after the year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones, and at the close of each 4th calendar year thereafter, the Secretary of Housing and Urban Development shall prepare and submit to the Congress a report on the effects of such designation in accomplishing the purposes of this title.

SEC. 603. INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) TAX REDUCTIONS.—Any reduction of taxes under any required program of State and local commitment under section 601(d) shall be disregarded in determining the eligibility of a State or local government for, or the amount or extent of, any assistance or benefits under any law of the United States.

(b) COORDINATION WITH RELOCATION ASSISTANCE.—The designation of an enterprise zone under section 601 shall not—

(1) constitute approval of a Federal or federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601)); or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

(c) ENTERPRISE ZONES TREATED AS LABOR SURPLUS AREAS.—Any area that is designated as an enterprise zone under section 601 shall be treated for all purposes under Federal law as a labor surplus area.

SEC. 604. DEFINITION OF SMALL ENTITIES IN ENTERPRISE ZONES FOR PURPOSES OF ANALYSIS OF REGULATORY FUNCTIONS.

For purposes of the analysis of regulatory functions under chapter 6 of title 5, United States Code, the following shall also be considered to be a small entity:

(1) any person, corporation, or other entity—

(A) that is engaged in the active conduct of a trade or business within an enterprise zone (within the meaning of section 601); and

(B) for whom at least 50 percent of its employees are qualified employees (within the meaning of section 30A(f) of the Internal Revenue Code of 1954);

(2) any governments that designated and approved an area that has been designated as an enterprise zone (within the meaning of section 601) to the extent any rule pertains to the carrying out of projects, activities, or undertakings within such zone; and

(3) any not-for-profit enterprise carrying out a significant portion of its activities

within an enterprise zone (within the meaning of section 601).

SEC. 605. WAIVER OR MODIFICATION OF CERTAIN AGENCY RULES IN ENTERPRISE ZONES.

(a) IN GENERAL.—Upon the written request of the governments that designated and approved an area that has been designated as an enterprise zone under section 601, an agency is authorized, in order to further the job creation, community development, or economic revitalization objectives of the zone, to waive or modify all or part of any rule that it has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within the zone.

(b) LIMITATION.—Nothing in this section shall authorize an agency to waive or modify any rule adopted to carry out a statute or Executive order that prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, marital status, national origin, age, or handicap.

(c) SUBMISSION OF REQUESTS.—A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If a request is made to an agency other than the Department of Housing and Urban Development, the requesting governments shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

(d) CONSIDERATION OF REQUESTS.—In considering a request, the agency shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area that would be affected by the change. The agency shall approve the request whenever it finds, in its discretion, in the public interest that the proposed change would serve in furthering such job creation, community development or economic revitalization outweighs the public interest that continuation of the rule unchanged would serve in furthering such underlying purposes. The agency shall not approve any request to waive or modify a rule if that waiver or modification would—

(1) directly violate a statutory requirement (including any requirement of the Fair Labor Standards Act of 1938 (52 Stat. 1060; 29 U.S.C. 201 et seq.)); or

(2) be likely to present a significant risk to the public health, including environmental health or safety, such as a rule with respect to occupational safety or health, or environmental pollution.

(e) NOTICE OF DISAPPROVAL.—If a request is disapproved, the agency shall inform the requesting governments in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

(f) PERIOD FOR DETERMINATION.—Agencies shall discharge their responsibilities under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

(g) APPLICABLE PROCEDURES.—A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of title 5, United States Code. To facilitate reaching its decision on any requested waiver or modification, the agency may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The agency shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section.

(h) EFFECT OF SUBSEQUENT AMENDMENT OF RULES.—In the event that an agency proposes to amend a rule for which a waiver or modification under this section is in effect, the agency shall not change the waiver or modification to impose additional requirements unless it determines, consistent with standards contained in subsection (d), that such action is necessary.

(i) EXPIRATION OF WAIVERS AND MODIFICATIONS.—No waiver or modification of a rule under this section shall remain in effect for a longer period than the period for which the enterprise zone designation remains in effect for the area in which the waiver or modification applies.

(j) DEFINITIONS.—For purposes of this section:

(1) AGENCY.—The term "agency" means agencies within jurisdiction of Housing Subcommittee.

(2) RULE.—The term "rule" means (A) any rule as defined in section 551(4) of title 5, United States Code; or (B) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of such title 5.

SEC. 606. COORDINATION OF HOUSING AND URBAN DEVELOPMENT PROGRAMS IN ENTERPRISE ZONES.

Section 3 of the Department of Housing and Urban Development Act is amended by adding at the end thereof the following new subsection:

"(d) The Secretary shall—

"(1) promote the coordination of all programs under his jurisdiction that are carried on within an enterprise zone designated pursuant to section 601 of the Housing Act of 1986;

"(2) expedite, to the greatest extent possible, the consideration of applications for programs referred to in paragraph (1) through the consolidation of forms or otherwise; and

"(3) provide, whenever possible, for the consolidation of periodic reports required under programs referred to in paragraph (1) into 1 summary report submitted at such intervals as may be designated by the Secretary.".

SEC. 607. FOREIGN-TRADE ZONE PREFERENCES.

"(a) PREFERENCE IN ESTABLISHMENT OF FOREIGN-TRADE ZONES IN REVITALIZATION AREAS.—In processing applications for the establishment of foreign-trade zones pursuant to an Act entitled "An Act to provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes", approved June 18, 1934 (48 Stat. 998), the Foreign-Trade Board shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a foreign-trade zone within an enterprise zone designated pursuant to section 601.

"(b) APPLICATION PROCEDURE.—In processing applications for the establishment of ports of entry pursuant to an Act entitled "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and fifteen, and for other purposes", approved August 1, 1914 (38 Stat. 609), the Secretary of the Treasury shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a port of entry that is necessary to permit the establishment of a foreign-trade zone within an enterprise zone designated pursuant to section 601.

(c) APPLICATION EVALUATION.—In evaluating applications for the establishment of foreign-trade zones and ports of entry in connection with enterprise zones designated pursuant to section 601, the Foreign-Trade Zone Board and the Secretary of Treasury shall approve the applications to the maximum extent practicable, consistent with their respective statutory responsibilities.

SENATE—*Thursday, May 1, 1986*

(Legislative day of Monday, April 28, 1986)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Lord of all the Earth, we are profoundly grateful for this National Day of Prayer, set apart by joint resolution of Congress and Presidential proclamation. We are grateful for the many Governors and mayors who declared this to be a State and city day of prayer. Thank You for the thousands of businesses and churches which will observe this day with special services. Thank You for the millions of people who will devote this day or portions of it to prayer for the Nation and the world. Thank You for the many observances taking place on Capitol Hill. Grant God of Grace, that a spirit of humility, repentance, and intercession will infuse us all. That our Republic may be renewed in righteousness, justice, truth, and love.

We pray for the health and security of President and Mrs. Reagan while they are separated in their diverse journeys—Mrs. Reagan in Kuala Lumpur and Bangkok—the President at the economic summit in Tokyo. Guide and bless them in their respective tasks and return them safely home.

With heavy hearts Gracious Father in Heaven, we pray for the millions of people in the Soviet Union and surrounding nations who are threatened by the nuclear reactor disaster. Especially we pray for those who are already casualties and their families. May the rich agricultural soil and waters of the Ukraine be protected as well as the city of Kiev with its 2 million inhabitants. Grant to the Soviet leadership willingness to accept help from other nations. In confidence in Your sovereign love and grace, we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, followed by special orders in favor of the following Senators for not to exceed 5 minutes each: Senator HAWKINS, Senator CRANSTON, Senator LEVIN, Senator PROXMIRE, and Senator BIDEN. Then there will be routine morning business for not to extend beyond the hour of 11 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

Following morning business, the Senate will resume the budget resolution, Senate Concurrent Resolution 120. Votes can be expected throughout the day today, and the Senate could be asked to remain in session late into the evening in order to complete action on the budget resolution. There are approximately 9 hours remaining on the budget.

I am not certain what may be the final disposition. But it is my hope that we can work out some bipartisan compromise that will take some of the pressure off raising taxes, and put more pressure on spending restraint—and, also, preserve a respectable number on the defense side.

Mr. President, I will make a statement on the leader's time. Prior to that, I want to yield 3 mintues of that time to the distinguished Senator from Colorado, Senator ARMSTRONG.

The PRESIDING OFFICER (Mr. HATFIELD). The Senator from Colorado is recognized.

Mr. ARMSTRONG. Mr. President, I thank the majority leader. I am grateful to the leader for yielding to me briefly.

NATIONAL DAY OF PRAYER

Mr. ARMSTRONG. Mr. President, I just want to call the attention of my colleagues to the fact that the President, in accordance with the law and tradition, has designated today, Thursday, May 1, as the National Day of Prayer.

As the President pointed out in his proclamation, which he issued in January, prayer is woven into the fabric of our history from its beginnings. And the same Continental Congress that declared our independence also proclaimed a national day of prayer. From that time forward, it seems to me almost impossible to exaggerate the role that prayer has played in the lives of individual Americans, and in the life of the Nation as a whole.

This year, again, a distinguished committee of laymen throughout the country is encouraging men and women of all faiths to take a few minutes at a time which has been selected for 12 o'clock to join in services and ceremonies in homes, in offices, and, indeed, even in the Nation's Capitol, to offer those prayers for individual and national well-being.

Under the leadership of Dr. Bill Bright and Herb Ellingwood, this committee has designated the theme of this National Day of Prayer to be "Take 5 at 12"; that is, to take at least 5 minutes at 12 o'clock for Americans of all faiths to pray in their own way in their own places, and in the manner of their choosing.

So, Mr. President, having consulted with both the majority leader and the minority leader, it is my unanimous-consent request that the Senate, in accordance with this observance, stand in recess from noon until 12:05 today so that all Members will have this opportunity.

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

Mr. DOLE. Mr. President, I thank my colleague.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. I thank the presiding officer, Senator HATFIELD.

TV IN THE SENATE

Mr. DOLE. Mr. President, today the historic journey to television in the Senate takes another important step. This morning, our technical test period moves on to in-house broadcasting as the signal originating from this Chamber is distributed by cable to every Senate office. This latest advance is in preparation for our June 2 date with history. That is when these proceedings go live to the real world. We will be available on home TV, ready, and sometimes even willing for network television news coverage.

So far, the experiment has moved along on schedule. Our experts tell me that the technical bugs are being worked out and that our picture is a good one. I am not certain about the debates, but at least I am advised that we look good. I am not certain how we sound. Our offices will have an interesting show today. It is called, "The Budget." It might even be X rated. I know one thing. It will be a full-length feature picture, and let us hope it has a happy ending.

I do not know about the rest of my colleagues, but I am not looking forward to a tear-jerker.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Mr. President, I am pleased that our great experiment has worked so well. And I congratulate all of my colleagues, and our technical staff, who have labored so long to see this day arrive. I think we are all prepared.

We have cautioned some of our colleagues not to chew gum, or do things of that kind while they are live on television, and to keep their heads up so that they can be properly focused on by the cameras. So we will make a lot of mistakes—nearly all will be unintentional.

So, in any event, we are getting closer to the day when the American people, for better or for worse, will see us on television. If the experiment goes well, we will have had a time of testing, then we will have a time of reflection, and finally another opportunity to determine whether we shall proceed on a permanent basis.

THE BUDGET RESOLUTION

Mr. DOLE. Mr. President, let me say one thing about the budget. It is my hope we can complete action today. I must say it depends on whether or not we can reach some compromise. I have not had a number of meetings. I had one discussion with the Senator from Florida, and the Senator from New Mexico. I know they are meeting this morning.

It seems to me that we are not really that far apart. I hope there will be some give and take on each side. I would hope that we are not being set up at the House leadership to go for a big tax package so that the leadership on the other side of the Capitol can then say: "Oh, we don't believe in taxes. We believe we will reduce the revenues in the Senate package." That does cause a great deal of concern, particularly on this side of the aisle. There are many who believe that we should have no revenue increase at all above the President's figure of about $6 billion in the first year. The budget in the first year calls for $18 billion in new revenues. We believe that there is an acceptable figure somewhere there, and would like to arrive at that.

□ 1010

We also believe we can find additional savings that will not cause a great deal of hardship, but are legitimate savings. These are savings which should be made, savings that will help us reduce the revenue number and even increase slightly the defense figure in the Senate budget resolution.

It is very important work we are doing. I think it is very important we finish the budget process. But I must say, as the leader of the Republican majority, there is a fairly close division on this side. In addition, I did indicate suggestions to Don Regan late last night, when we transmitted some figures to the President's Chief of Staff so he could confer with the President. He probably already has—and he should be getting back to me sometime in the next 30 or 40 minutes.

We made some suggestions. We suggested a compromise, not the President's number, not the Budget Committee's number, but I believe a reasonable compromise that might be adopted by a majority on each side.

It would seem to me, and I just say this from my viewpoint, I would not want to bring up a budget that did not have strong bipartisan support. A budget resolution, which because it called for higher taxes, received 30 or 40 Democratic votes and a handful of Republican votes. It is my hope that we can work out something, but, if not, there will be a possibility to move to other business later today.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the Democratic leader is recognized.

THE BUDGET RESOLUTION

Mr. BYRD. Mr. President, while the distinguished majority leader is on the floor, may I inquire as to whether or not it is his intention to complete action on the budget today? There are only 9 hours, or some such, remaining out of the statutory 50. It would be, I think, not too difficult for the Senate to complete action today, with so few hours remaining.

Is it the leader's feeling that we ought to complete action, which we will have to do at the end of the 9 hours, or does he plan to leave some of the statutory time remaining and go over until tomorrow?

Mr. DOLE. I will say to the distinguished minority leader, Senator Byrd, that my hope would be that we could finish today. The Senator is right, that we have only 9 hours remaining. It is quite possible that if there is some agreement or something close to an agreement it would not take the full 9 hours.

We are in the process of trying to put together what we believe would be a fair compromise. I have not yet submitted that to either Senator CHILES or Senator DOMENICI. I know Senator CHILES would want to consult with the minority leader and Senator DOMENICI would want to consult with me. I hope to be able to advise the minority leader at no later than, say, 2 o'clock this afternoon. If we can complete action, then I would want to try to get some agreements on some other matters that are pending. If we are able to do that, we would not be in session tomorrow.

Mr. BYRD. I noted the distinguished majority leader indicated he had been in touch with Mr. Regan and has proposed, I believe the majority leader said, a compromise. How soon does the majority leader feel he will be able to inform the minority leader and Mr. CHILES of whatever compromise he has in mind?

Mr. DOLE. I would hope it would be within the hour or within 2 hours when we might be able to do it. It is now 10:15 p.m. in Indonesia. It was 7:30 p.m. last night when I called Mr. Regan, 7:30 a.m. his time. He should be calling me. Again, they do not have a say in the budget resolution, but I think the minority leader would agree that they ought to at least look at it and see if there are some aspects of it they could approve. I should have word, I would hope, in the next 45 minutes.

Mr. BYRD. I thank the distinguished majority leader.

May I assure the distinguished majority leader again that whether or not he can get the White House to do any compromising, whether or not he can get the White House to support a substitute, I am ready to support the distinguished majority leader, Mr. CHILES and Mr. DOMENICI in any effort to try to put together a compromise that will avoid the horrendous alternative. It is sort of like growing old. Nobody wants to grow old, but when they consider the alternative, it may not be so bad after all.

So I do not want the alternative of Gramm-Rudman. I think we ought to make a decision on this and try to avoid Gramm-Rudman.

I would hope that the Senate would vote on the committee proposal, which I think was a fair and moderate product of the committee. Mr. CHILES, Mr. DOMENICI, and others on the committee worked very hard and very skillfully to bring out the budget resolution, which was supported on a bipartisan basis.

I would also hope that if there is a substitute, we can know what the substitute is, we can know what the parameters are, and have time to debate that substitute. If it is brought in at the last minute, at the last hour, then, of course, the Senate would not have adequate time in which to consider it carefully.

I would also hope that we will not walk away from this, that we will not attempt to postpone it.

The distinguished majority leader can be sure that those of us on this side in the leadership will try to help mold a package that can command a majority of votes on both sides of the aisle.

TELEVISING SENATE PROCEEDINGS

Mr. BYRD. Mr. President, today marks an important day in the history of the U.S. Senate and it is a day that

many of us have long awaited. Pursuant to Senate Resolution 28, which I introduced on January 3 of this year and which the Senate adopted on February 27, today marks the official beginning of closed-curcuit telecast of the proceedings of this Chamber.

Beginning on June 1 and extending until July 15, Senate sessions will be broadcast live and available to the public. On July 29, the Senate will vote to make television coverage permanent, to discontinue the telecasts, or to continue television coverage on a trial basis.

Proceedings in this Chamber have been televised only once before when the late Nelson Rockefeller was sworn in as Vice President on December 19, 1974.

It was at that time that the distinguished then majority leader Mr. Mansfield was in the Far East and I as the assistant majority leader and acting majority leader at that moment, offered a resolution to make that telecast possible.

Now we embark upon this new and adventuresome journey, a journey that I hope will result in the permanent telecast of Senate floor procedures.

My testimony to the Senate Rules Committee on September 17 last year stated that, "There is nothing that benefits our country like an informed public. The will of the public is best derived from an educated public."

As we have seen from the telecasts of Senate committee hearings, television and public policy often go hand in hand. Telecasts of the work of the U.S. Senate serve an important educational function for the American people. Woodrow Wilson said that the informing function of the legislative branch is as important, if not more important, than that of legislating.

I am confident that we shall see positive results from television coverage of Senate proceedings. We will encounter areas where difficulties will arise.

As I said to the distinguished majority leader some time ago, "You and I have the responsibility of making television work in this Senate. Mr. President, I am fully committed to it, and I believe that when the time comes for the Senate to cast a vote on whether or not television coverage will be permanent, I have no doubt that that vote will be in the affirmative."

□ 1020

I think we have some work to do in the meantime, obviously, some adjustments that have to be made. But I look forward to the day when the telecasts are available to the public and I hope and believe that the Senate will decide later this summer to make these broadcasts a permanent part of the way we do business in this place.

I have suggested to the distinguished majority leader that our ad hoc groups that have been appointed heretofore with respect to this subject, monitor the proceedings as we go through the trial period and make further recommendations to the leadership on both sides. On my side of the aisle, those Senators are Messrs. FORD, PRYOR, DECONCINI, GORE, and BENTSEN.

I thank the very distinguished Presiding Officer, the chairman of the Appropriations Committee (Mr. HATFIELD).

SENATOR HAWKINS' SPECIAL ORDER

The PRESIDING OFFICER. Under the previous order, the Senator from Florida [Mrs. HAWKINS] is recognized for not to exceed 5 minutes.

Mr. DOLE. Mr. President, I submit the statement of Senator HAWKINS for the RECORD.

The statement follows:

PERU'S AMBITIOUS PLAN TO CONQUER DRUG ABUSE

Mrs. HAWKINS. Mr. President, for many years Peruvians viewed narcotics trafficking in the same light as did many of their South American neighbors. It was a problem for the United States. It had no effect on them. In fact, the growing of coca was something of a bonanza for Peru's farmers. After all, no other crop provides as much income. And the cash generated by buying and selling helps fuel the economies of chronically hard pressed villages. However, two factors usually come into play in such circumstances to cause citizens to wake up to the potential cost of drug abuse. The first is the shock and revulsion at the violence that generally accompanies drug trafficking. And the second is the concern that people begin to show when drug abuse touches close to home, when their sons and daughters, or brothers and sisters, or other family members or neighbors fall victim to the monster of addiction.

One thing that has touched a raw nerve in Peru is addiction among young people, particularly the 13 and 14-year-olds. These teens buy cheap, readily available cocaine from small-time dealers and inhale it in cigarettes. In one of the saddest sights in the civilized world, homeowners start the morning by chasing sleeping child addicts off their doorsteps. The kids spend the day begging for money or picking the pockets of passersby or moviegoers. These street children, basically homeless, seldom get a square meal but live by their wits to support their cocaine habit. Neighborhoods in communities such as the jungle town of Tingo Maria are controlled by drug dealers who lure the kids into addiction in order to expand their market. The drug trade, with its accompanying economic disruption, has brought with it so much inflation that the only commodity many people can afford is coke paste.

Drugs by their very nature when abused are debilitating and there is no limit to the degration that can result. NEWSWEEK Magazine, in its March 31 issue, reports that the issue of survival is so intense in the Andean countries that addicted children are reduced to fighting each other in the human equivalent of cock fights. Their wages are paid in coke paste.

The drug-related problem in Peru is complex. Coca leaves have been cultivated and chewed by Indians for hundreds of years. The cultivation of coca provides an income for farmers, in many instances much more than they could make from traditional crops. Coca derivatives, fashioned from natural occurring anesthetic compounds, have a legitimate medical use. The use of cocaine and coke paste is fairly well engrained in Peruvian life. The price and easy availability have resulted in a steady increase in coca use over the past 20 years. Against this backdrop, narcotics trafficking in Peru has become a major criminal enterprise with smugglers amassing large fortunes that can be spent on protection, bribery and elaborate transportation schemes. The traffickers recruit their own armies to guard crops, to keep workers safe from police during harvesting and production and to provide security during transportation of the finished product along circuitous routes.

Police and armed forces assigned to eradication and control narcotics in Peru are "unequal to the task because of unlimited resources of the drug traffickers and the limited resources of the government, given other more demanding social and economic problems." That was one of the findings of a study conducted for the U.S. Agency for International Development (AID) by Development Associates, an Arlington, Va., research firm. The study noted that while cocaine paste is the drug of choice among Peruvians, there is significant usage of marijuana, alcohol and various inhalants and observed that the cumulative effects of drug abuse are "crime, corruption, threats to national security and loss of productivity of citizens."

The Development Associates study concluded that Peru must commit substantial resources to combat drug abuse through a program of mass education and awareness, enlisting the assistance of service organizations and clubs, schools, community leaders, government officials, newspapers, radio and television stations. This education and awareness program is now underway, thanks in part to funding provided by AID. A serious problem requires a serious approach to a solution. We wish Peru well in this worthy endeavor.

RECOGNITION OF SENATOR CRANSTON

The PRESIDING OFFICER. Under the previous order, the Senator from California [Mr. CRANSTON] is recognized for not to exceed 5 minutes.

THE NUCLEAR DANGER

Mr. CRANSTON. Mr. President, I am pleased that the Senator [Mr. HATFIELD] presiding over the Senate when I make these remarks is a Senator who has been deeply devoted to the cause that I wish to discuss, the cause of seeking to cope with the dangers of nuclear war and all the dangers involved in the revolution in power and energy that occurred when the bombs were dropped at Hiroshima and Nagasaki. The Senator from Oregon has been a great leader on that front for

many, many years and I prize the opportunity to collaborate with him on this vitally important issue.

Mr. President, since the day we dropped the bomb on Hiroshima 41 years ago, I have devoted some part of virtually every day of my life to thinking about, reading about, writing about, speaking about, working on the nuclear danger, and about the urgency of ending the nuclear arms race before it ends us. But the world, I am afraid, has not made much headway in this race against time and catastrophe. We still live on the edge of oblivion, and nothing seems to move us away from that edge.

We read books about the danger of nuclear war. We read newspaper and magazine articles about it, see movies and TV shows, attend lectures and demonstrations. But nothing seems to affect what our leaders or the leaders of the Soviets do.

At home, we conduct endless technical, intellectual debates about nuclear war—is it really as bad as they say? Are they just trying to scare us? Do we not really need more missiles? And antimissile missiles? And maybe after that, anti-antimissile missiles?

Internationally, we and the Soviets play diplomatic games on the front pages of newspapers—and nothing seems to count other than who can score more propaganda points than the other guy. Nobody seems to be taking seriously the most serious issue ever to face mankind.

There are times when I have almost despaired; times when I have thought: the only thing that will finally wake us up is a nuclear disaster itself—and then it may be too late.

But providence may have had a special message for mankind in the accident in the Soviet Union's Chernobyl Nuclear Powerplant.

That disaster may, in the strange way that providence often works, prove to be not a blessing in disguise—that is going too far. But it can prove to be a God-given opportunity in disguise.

If this accident has so shaken the leaders of the Soviet Union—probably the most paranoid and certainly the most secretive society in the world—that they were driven to ask the West for help, then perhaps there is hope after all. Perhaps they are seeing—really seeing for the first time—what the nuclear horror is all about. And that the horror that can happen on a small scale by accident would be infinitely more horrible if it occurred on a large scale and by design.

Perhaps they may come to understand that they must be more forthcoming, that they must work more seriously with us to bring an end to the nuclear arms race. And perhaps our leaders will finally grasp the same message—that we, too, must be more forthcoming, more serious about ending the arms race.

Whatever it is that happened in a town deep in the Soviet Union—at a place called Pripyat that hardly anyone ever hears of—may be a sign, a sign which we ignore at the peril of our survival.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The distinguished minority leader.

Mr. BYRD. Mr. President, I rise to compliment the distinguished Senator from California on the statement that he has just made. I share with him his concerns and his hopes. On this day when we speak about prayer in particular, remembering that Tennyson said that more things are wrought by prayer than this world dreams of, I would pray, and all of us, I think, would join in the prayer for the people in the Soviet Union.

It would seem to me that this unfortunate accident should have a sobering effect on the leaders in the Soviet Union and on our own leaders and leaders everywhere because, as they see this accident and how such accidents can occur—and they can occur in this country or in Sweden or West Germany or elsewhere. As they see how these accidents can occur and do occur, they should contemplate that what they are seeing is just a slight glimmer of what it would be like to have a nuclear exchange. All leaders should redouble their efforts to bring about a workable, effective end to this horrible arms control race.

Additionally, it is inconceivable to me that a government would attempt to hide that which cannot be hidden; namely, that being what we have just seen occur in the Soviet Union. The people to the north, in Sweden, discovered it. They knew something had happened. Yet, the Soviet Union was saying nothing.

Even now, as I understand the news reports, the Soviet Government has not fully stated the truth, and I cannot see hor or why, in a terrible accident of this kind, which endangers the lives of its own citizens, the Soviet Union would choose to be silent and would not accept the offer of assistance from the United States and not only seemingly disregard the welfare and health of its own citizens in the area but likewise disregard the well-being of citizens in neighboring countries. It is inconceivable. It should cause all to ponder, but I believe that in the final analysis the truth will out, and I hope that as time goes on the Soviet Union will accept the assistance of our country and other countries, and again that the leaders of all nations will quietly ponder just what is happening here. The genie is out of the bottle, and we ought to do what we can to put it back into the bottle.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. I thank the distinguished Senator from West Virginia for his eloquent and forceful remarks on the great issue of our time. The Senator is the leader of the minority in this body at the present time. I am the assistant leader. We have a great responsibility to use our leadership as effectively as we can in coping with this threat not just to our Nation but to all mankind. This is not a partisan matter. I refer to the fact that the Presiding Officer of the Senate at the present time is the Senator from Oregon [Mr. HATFIELD]. As a leader in this body, he has been dedicated to this crusade to cope with the nuclear threat. It is not only beyond partisanship but it is beyond nationhood. I was thrilled that the Senate Chaplain this morning prayed for the people of the Soviet Union who are near to or directly involved in the catastrophe there, that he remembered them in his prayers to our Senate. The Senator from West Virginia mentioned prayers in the same context. We have a great responsibility to seek, with the leaders of the Soviet Union and with the leaders of other nations, to stem this greatest threat that has ever been imposed to the survival of humanity upon this planet. I will continue my work to that end, I know the Senator from West Virginia will, the Senator from Oregon, and many, many others.

RECOGNITION OF SENATOR LEVIN

The PRESIDING OFFICER. Under the previous order, the Senator from Michigan [Mr. LEVIN] is recognized for not to exceed 5 minutes.

AFTER THE ATTACK: WINE OR VINEGAR?

Mr. LEVIN. Mr. President, a few days ago, my family gathered around a table for the traditional seder meal of ritual and study, as well as food, which begins the Jewish festival of Passover. We read the story of the Israelites' ancient flight to freedom from slavery in Egypt. At one point, we recount the 10 plagues which the Bible tells us God inflicted upon the Egyptians—including the slaying of their innocent first-born—and which persuaded the Pharoah to loosen the bonds of our people, so that escape became possible. At this point in the seder, a full goblet of wine rests before each participant—one of several cups that our sages have told us to consume over the course of the evening, in celebration of that magnificent transition from slavery to freedom 3,000 years ago.

But we do not drink that full cup. On the contrary, while enumerating the plagues that afflicted our oppres-

sors, each of us flicks 10 drops of wine from our cup, to diminish the joy therein. The message of our sages is clear: While we celebrate our triumph, we must keep in mind the pain inflicted upon others in the process—even if the recipients of the pain are those who afflicted us.

Mr. President, as we performed this ancient Passover ritual, we were struck by the contrast between the attitude it represents and the attitude of some people involved in a contemporary dramatic event, the recent U.S. air strike against Libya. I am one who supported a proportionate military response to the Libyan Government's attack upon our personnel in Berlin.

But such a response by us, while necessary, involved the taking of life, including innocent life. It should have been accompanied by rhetoric from us appropriate to that fact, not by gloating or cockiness. What we got from some of our spokesmen, however, was described well by Haynes Johnson in the Washington Post. In a column headlines "An Attack of Unseemly Rhetoric," he said that, like most Americans, he supported the use of force against terrorism. But he was appalled, he said, by "the official swagger and unseemly tone of glee and chortle permeating Washington" since the attack. Our bombing of Libya was, in a sense, a necessary plague visited upon that country. Hopefully, it will help convince the Libyan Government to let the people of the world go, to achieve a goal of freedom from terror.

He said that if it was "the only alternative to do a necessary, dirty job, fine. But don't boast about it."

Mr. President, it is one thing to do what must be done to accomplish a legitimate national purpose, such as demonstrating that our national security cannot be undermined or American lives taken by a foreign government without a price being exacted by us. It is quite another thing, however, to pound our chests in pride for the deed so loudly that we drown out the cries of pain from those killed and wounded in the process. They, too, are human beings—created, like us, in the image of God, and no less precious to their Creator than we are. Let us do what we must to defend our Nation, but let us do so in a way that demonstrates the best in us, and our awareness that when innocents suffer in the process we are diminished. We need not apologize for what we did, but neither should we gloat. As the inheritors of an ancient and noble system of values, let us moderate the joy we feel in our triumph, lest it sour some day within us.

Mr. President, I ask unanimous consent that the RECORD may include the column of April 23, 1986, by Hayes Johnson.

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

[From the Washington Post, Apr. 23, 1986]

AN ATTACK OF UNSEEMLY RHETORIC

(By Haynes Johnson)

In briefing the news media hours after the U.S. air strike against Libya, the Defense Department spokesman noted that the attacks had been successful in part because they achieved complete surprise. Later, in a more extensive assessment, the same spokesman expansively elevated claims of success into something historic.

"This was a near-flawless professional operation under extremely difficult circumstances," he said. "I don't think there's been anything like it in U.S. military annals."

Granting the natural instinct for exaggeration in the midst of military engagements, that was a ludicrous statement, one that affirmed the wisdom of Sen. Hiram Johnson's oft-quoted remark during World War I. "The first casualty when war comes is truth," the old California Republican progressive observed then. His words are equally applicable now.

Those American claims for historic military achievement came on the same day that Pentagon briefers reported that almost one-third of the land-based U.S. planes were forced to abort their mission and failed to carry out their planned attack and after one of the remaining 13 planes over Libyan targets was shot down, its two crew members killed. The "surgical" attacks did not turn out to be confined to military targets. Civilian facilities, including foreign embassies, were hit. Civilians, including women and children, were wounded. Some were killed.

Even in an era of "smart" bombs and astonishing technological military advances, these are the inevitable consequences of any such operation, especially a night bombing attack carried out at great distances against targets in heavily populated areas. No matter how carefully conceived, daringly led and superbly executed they are, the unforeseen will occur, the innocent will suffer. It does the Americans who risked their lives carrying out their orders a disservice to pretend otherwise.

Not that Americans are alone in bending the truth or making excessive claims. The Soviets claim that five other U.S. planes were shot down in the attack, and the Libyans conduct official propaganda tours to show damage to civilian areas, some of it of suspicious origin. As always, truth is the casualty.

These are only symptoms of a deeper concern growing out of this fateful episode, and something about it has bothered me for a week.

Like most Americans, I support the use of force against terrorism, assuming, of course, that the evidence unmistakably points to the perpetrators, the response can be justified as essential and measured and the long-term rewards of undertaking such a mission clearly outweighs the risks.

But I have been appalled by the official swagger and unseemly tone of glee and chortle permeating Washington since the attack on Libya. I take no pride, either, in my country launching a surprise attack in the middle of the night against a foreign nation with which no formal state of war exists. If that's the only alternative to do a necessary, dirty job, fine. But don't boast about it.

Worse has been the display of jokes and offhand remarks that demean the seriousness of what has been happening and make light of death and destruction that result from the ultimate human tragedy, war.

When the president of the United States calls the leader of another nation "a mad dog" and "flaky" and a "barbarian" and disparages that head of state's courage by responding to shouted questions with such remarks as "he's staying under cover while the shooting is going on," he descends to the level of the person he attacks.

When he engages in banter with members of the media about how he's been "working long hours . . . burning the midday oil" and then quips about how much of a dog that foreign enemy really is, he diminishes his stature as much as that of the ascribed foreign enemy. When anonymous "administration officials" are quoted publicly as saying of that same leader, "He's obviously a coward. He's scared now . . . . He knows we're going after him," their unnecessary rhetoric makes a bad situation worse.

When presidential spokesmen engage in debates about whether adoption papers exist for a child killed in the air attack and said to be the daughter of that foreign leader, such insensitivity to human suffering is unworthy of officials of a great nation.

None of this changes the necessity for action, nor does it justify, excuse or make more palatable the actions of Muammar Qaddafi, who demonstrably has either sponsored or countenanced acts of terrorism that have taken innocent lives. But our leaders should temper their rhetoric and follow an old American adage: Keep cool, and keep your powder dry.

Mr. LEVIN. I thank the Chair, and I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

SENATOR LEVIN CONGRATULATED

Mr. PROXMIRE. Mr. President, I congratulate my good friend from Michigan on a superb statement.

Mr. LEVIN. I thank my friend from Wisconsin.

Mr. PROXMIRE. It is a difficult topic on which to talk. I think what he said is absolutely correct. I am delighted he said it.

□ 1040

STOCKMAN IS RIGHT—HIS TIMING IS WRONG

Mr. PROXMIRE. Mr. President, it is time someone stood up on the floor of the Senate to defend David Stockman. In nearly 30 years in this body, this Senator cannot remember any official, Republican or Democrat, in the executive branch, or in the Congress who has been so overwhelmingly denounced, demeaned and verbally pounded as much as this remarkable man.

Of course, David Stockman is not without sin. After serving in the administration for 4½ years during which he was the unquestioned, dominant star of the administration's fiscal policy, he has now quit and written a devastating indictment of the dismal failure of this policy, about which he is, without question the No. 1 authority. No one can speak with more convincing credentials than this supreme insider, who, year after year, was the one man who knew the Federal budget numbers in and out, backward and forward. Did he deceive the Congress and the public for years about this fiscal policy? He sure did. Why? Because he was not a policymaking official. He was the supreme expert who told the administration policy makers what was the truth on which a responsible fiscal policy must be based.

Did he tell the President and his top economic decisionmakers the truth as he saw it? He did. He did so over and over and over again. But they did not want to follow the grim implications of the truth. The President did not want to hold down his demands for military spending. He did not want to increase taxes. He did not want to accept the truth that the Congress would not further reduce the spending for health, education, job creation, the environment, civil service pensions, and other programs recommended for deeper cuts by the administration. The President did not want to accept the Stockman insistence that even if Congress did make the cuts in such domestic programs, the deficit would continue to be far too high. So, for years, David Stockman hung in there, relying on his astonishingly detailed grasp of the details of the enormous Federal budget, and his impressive ability to make the case for his position. He failed to convince the President. So he quit.

STOCKMAN'S CRIME: THE TRUTH

Then he committed the most grievous of political crimes. He told the truth. In doing so, he exposed the most gigantic fraud in public life in this Senator's long memory. Here is a government, indeed, an entire country, including an incredibly gullible press, that has done little more than whine while the administration and Congress has handed this country the most devastating series of grossly irresponsible and totally unnecessary deficits in the Nation's history.

The Federal Government's annual deficit has climbed up above $200 billion. The national debt has doubled to a scandalous $2 trillion level. Now the man who has the unique insider information and the intelligence to thoroughly understand this abysmal situation speaks out and tells the bitter story. And what happens to him? He is considered a turncoat, a snitch, a double-dealing double-crosser, a backstabber, a modern-day Benedict Arnold. Is he? Not in this Senator's book.

Oh, sure, he speaks the truth under the worst possible circumstances. He does so after living in sin with these grossly irresponsible policies for 4½ years. He turns on his benefactors, the very officials who lifted him from the obscurity of a back seat in the minority party in the House of Representatives to become the most dazzling insider in the President's family. He rats on the most popular President in 50 years. And above all, he kissed off any sympathy for his truth-telling, by selling his story for $2 million and accepting a million-dollar-a-year salary on Wall Street. What has truth got to do with it? How can anyone feel any sympathy for a wise guy who feathers his nest with such lavish goodies?

STOCKMAN'S TIMING HURT HIM

Stockman could have avoided all this. He did not have to suffer such universal and overwhelming condemnation, even though he made himself rich while he turned on the powerful and popular President who befriended him. Why is Stockman in just about everyone's dog house? Because his timing could not have been worse.

So far, the deficit is an intellectual concept. It has not cost Americans anything—not yet. So far, the massive deficits have given us supergood times. Except for a tiny and insignificant minority, trained in classical economics, most Americans do not recognize that Stockman has been disclosing any kind of truth. They ask, "What economic disaster is he talking about?" After 5 years of so-called fiscal disaster by the Federal Government, what are the consequences? Inflation is behaving like a pussycat. Interest rates are falling. The stock market is racing ahead, from one record smashing high to another, with every week that passes. Never have so many American stock market millionaires found themselves suddenly rich. In the last 5 years, the number of new jobs has broken all records. The gross national product exceeds $4 trillion. The U.S. military was never so strong. Oh, sure, we have some economic problems here and there. But overall everything is turning up roses.

Even the deficits are expected by many, in Congress and out, to be ready to fade away with Gramm-Rudman-Hollings. Many Americans feel that the country has not faced such a glorious economic future since 1929.

Mr. President, no one can predict our economic future. But here is one Senator who is convinced that Stockman has been telling the truth. He is right. The economic future of this country is grim. Gramm-Rudman probably will not even achieve its 1987 goal of a budget deficit below $144 billion, and certainly long before the deficit goes significantly lower, this country will suffer a recession that will drive the deficit well over $300 billion. And how do we climb out of that pit? Answer: The way countries with enormous debt always have, by a currency depreciation, an inflation that will bedevil this economy for years to come. Stockman was right. He told the truth. Yes, he made himself rich in the process. But then nobody's perfect.

MYTH THAT UNITED STATES MILITARY SALES TO THE PEOPLE'S REPUBLIC OF CHINA ARE IN THE INTERESTS OF THE UNITED STATES

Mr. PROXMIRE. Mr. President, the myth of the day is that United States military sales to the People's Republic of China [PRC] are in the long-term interests of the United States.

This myth has form and substance. The Reagan administration has announced that it is planning to sell $550 million of United States military equipment, mainly aviation electronics, to the PRC. This sale, according to the White House and the Department of Defense, bolsters United States national security by providing increased military capability of a nonstrategic nature to an adversary of one of our adversaries—the U.S.S.R.

The sale includes radar, fire control, and navigation equipment for 50 F-8 PRC fighter aircraft and an additional 5 spares. At least 25 civilian and Air Force technicians would be required to travel to the PRC to install the electronics and to train PRC military personnel how to operate and maintain this sophisticated package of technology.

This sale comes on top of a commitment to sell the PRC an artillery manufacturing plant for 155-millimeter shells. It comes after negotiations about the potential sale of various naval components and weapons.

So, what is wrong with these sales? Here are just a few answers to that question.

First, they cannot redress the military balance between the U.S.S.R. and the PRC. They are useless for this purpose. But they are not useless in improving PRC capabilities against smaller, less well defended neighboring countries, including Taiwan. The supply of 55 kits for navigation and fire control will not decide a battle with the U.S.S.R. but they could have a significant impact in a battle with a smaller country depending on its own air capability for self-defense.

Second, these sales are a product of historic myopia. What guarantee is there that these F-8 aircraft will not be used against U.S. allies in the Pacific Basin or even against U.S. forces? There is none.

Third, what guarantee is there that the PRC will not one day become

more closely aligned with the U.S.S.R.? The PRC has gone through any number of changes in foreign policy and domestic policy. They remain the largest Communist nation in the world. Does it make sense to arm this Communist nation? I think not. It is shortsighted at best.

Last, do arms sales really draw nations closer together? No; they do not. They are no substitute for sound economic relationships or people-to-people exchanges or cultural visitations. Arms sales establish the wrong precedent, the wrong image, the wrong presence. To argue that they are in our national interest is to perpetrate a myth on the American public.

CAN THE DEFENSE BUDGET BE SOUND FISCALLY AND MILITARILY?

NO REAL DEFENSE INCREASE FOR 5 YEARS

Mr. PROXMIRE. Mr. President, what would happen to our national security if, for the next 5 years, this Congress should hold defense spending steady, except for an allowance for inflation? Would we lose vital military advantages to the Soviet Union? Would we be unable to modernize or even maintain our military forces? Would we endanger our solemn commitment to a strong North Atlantic Treaty Alliance and the freedom of Europe? In the view of highly respected, expert authority, the answer to all these questions is a firm and sure affirmation that we can, indeed, restrain our military spending. We can allow only for inflation for 5 years and meet our national security objections.

Who offers this expert and authoritative opinion? Answer: the Committee for National Security, or CNS. And who are the CNS experts? The experts are a military security task force, chaired by former Assistant Secretary of Defense Adam Yarmolinsky, Adm. Thomas Davies, former Secretary of the Army and Under Secretary of Defense for Policy, Stanley Resor; and the Chairman of CNS and former Assistant Secretary of Defense Paul Warnke. Each of these experts is committed to a strong defense. Each has demonstrated an understanding of the various military threats and potential threats this Nation faces and of our capacity to meet these threats.

THE PREFERRED FORCE

This Committee for National Security has projected what they call a preferred force relying on no real increase in military spending for 5 years. This force provides strong nuclear retaliatory capability. It also continues funding for ready and sustainable conventional forces to respond quickly and decisively to simultaneous military crises. In fact, they persuasively contend that by adding funds to carefully selected conventional capability, their lower budget will, in fact, improve what they call the most usable part of U.S. forces. The CNS force would not change the current U.S. force structure, with one exception. These experts would cancel the planned expansion to a 15-carrier battle group. Why cancel the expansion? Because it never had any convincing rationale.

BACK TO 20-YEAR CYCLE

But the major saving recommended by CNS would come from returning the replacement cycle for our major weapons systems to the traditional 20-year period. The Reagan administration has been buying weapons so fast that it has moved down to a 10-year cycle, a very costly 10-year turnover. This is great for corporations turning out weapons, but it serves no reasonable purpose.

After all, what is our great superpower adversary doing? The Central Intelligence Agency told Congress only a few weeks ago that, in the last 10 years, the Soviets have slowed their procurement increase—almost to a halt. CNS argues that the administration's proposal to add such new weapons as the SSN attack submarine and the small ICBM in the next 5 years would push procurement ahead of our operations and maintenance capacity. This Reagan buildup would create what they call a hollow force.

REDUCE STAR WARS FUNDING

The CNS recommends a highly controversial reduction in star wars funding. Instead of increasing this funding from the present $2.8 billion to the President's recommended $4.8 billion, CNS would reduce it to $2 billion a year and hold it at that level for the next 5 years. CNS experts argue that this would permit research to keep abreast of developments, but would not pose a threat to the Anti-Ballistic Missile Treaty.

CNS recommends funds to increase the conventional strength of the National Guard and Reserve. It would improve ground forces and add more fast sealift, permitting the United States to reply to the most likely contingencies. It would, in fact, provide greater conventional capabilities than the administration plans to acquire.

CONCLUSION

The report of the committee concludes:

> It is possible to hold defenses at current levels for the next 5 years and if funds are allocated well, provide formidable conventional and nuclear forces to meet a range of contingencies. In certain cases the CNS forces would be superior to those the administration proposes to buy.

Mr. President, this group of military experts has proposed a serious and significant alternative to the administration's massive increase in military spending. It is worthy of sober and careful consideration by Congress.

RECOGNITION OF SENATOR BIDEN

The PRESIDING OFFICER. Under the previous order, the Senator from Delaware [Mr. BIDEN] is recognized for not to exceed 5 minutes.

THE ECONOMIC SUMMIT

Mr. BIDEN. Mr. President, the economic summit beginning in Tokyo this week could be a turning point in world economic policy. It offers us the opportunity to move forward based on the lessons learned in the past 5 years. But this new beginning will only occur if President Reagan pursues more vigorously than he has to date, some significant changes in the policies which characterized the first 5 years of his administration.

In 1981, the Reagan administration espoused three notions about how to conduct international economic policy, all three were an extension of its "free market" domestic policies:

First, it proclaimed a strong dollar to be a sign of a robust economy and opposed government intervention in currency markets.

Second, it espoused "economic isolationism," refusing to consider coordination of our fiscal and monetary policies with other countries; and

Third, it believed funding for multilateral financing institutions should be reduced.

In the past 5 years, the administration has learned that each of these concepts was misguided, and it now appears to be pursuing a somewhat different course. But it must now follow the new course more boldly.

How has the administration been proven wrong and what has it done to correct its policies?

First, its lack of an exchange rate policy—in other words, failure to manage the value of the dollar against other currencies—was a major factor in reducing the competitiveness of our trade-sensitive industries. Last year, the administration wisely intervened in financial markets to trigger a downward slide in the dollar's value in order to make it more competitive.

Second, the current world debt crisis, particularly in countries such as Mexico, has underscored the need for multilateral financial institutions like the International Monetary Fund and the World Bank to deal with debt problems. Last fall, Secretary of the Treasury Baker proposed a debt plan to help bolster the economies of the debtor countries. The plan does not go far enough, but it is a step in the right direction.

Finally we have recognized the need to coordinate our economic policies with those of the other major Western nations, especially now that the dollar has begun to decline against their currencies. The administration has taken

steps necessary to prevent a "free-fall" of the dollar by refusing to cut the discount rate until other countries did the same.

The question now is whether the President is committed enough to these new policies to pursue them at the summit. He should make it clear that the United States wants to deal with international debt problems, coordinate its economic policy with other countries, and put in place some kind of management of exchange rates.

The greatest contribution to a stronger world economy the summit could make is to agree on coordination of domestic economic policies, which could lead to more open and fairer trading between countries, and more stable currency values. Japan and our European allies should be urged to agree on the need to stimulate their own economies by cutting taxes and interest rates so that they can buy more foreign goods.

The President must not accept indications. He has been accepting protestations that Japan is going to stimulate consumer spending and open Japan to United States traders. The President must insist that we be able to monitor Japan's success or failure in stimulating growth and freeing markets. We can no longer assume that what is promised will in fact occur.

The United States cannot simply make demands on other nations. Our domestic economic policies have been major contributors to international problems. In particular, we must act on our domestic budget deficits. To date, the President has refused to work with Congress to develop mutually acceptable strategy for reducing budget deficits. We cannot expect our trading partners to reshape their economies if we are not willing to face up to our budget deficits. It is also important that we adopt a reformed tax policy that will encourage saving and provide a level playing field for economic investment.

Finally, the United States must continue to coordinate its monetary policies with those of other nations, as we have been doing recently. The administration should work closely with the Federal Reserve Board to accomplish such coordination.

Mr. President, if President Reagan is ready to take part in domestic economic reform and to insist in Tokyo that other nations join us by stimulating their economies, this summit can be a resounding success. If the summit does not take meaningful actions for forceful international economic policies, then the future will be far from bright.

CHERNOBYL'S LESSONS FOR NUCLEAR SAFETY

Mr. BIDEN. Mr. President, the Nation's and the world's attention is focused on the expanding disaster at the Chernobyl nuclear plant in the Soviet Union.

Reports from Chernobyl indicate the core materials of one reactor are on fire and a second may be in a meltdown situation, an incredible event almost beyond comprehension. We still do not know the exact cause—a design flaw, mechnical error or human error. But focusing on the steps that led to the accident must not keep us from considering that the result of those errors—a loss of coolant to the reactor core—is something that could also happen in the United States, even given the structural differences between the Soviet and American nuclear powerplants.

U.S. nuclear industry representatives have assured us that a similar accident could not occur in this country. "Almost all of our reactors have containment buildings" they say. "Only two use a graphite design like that at Chernobyl." "The Soviets do not place enough emphasis on safety." I have no doubt that we are miles ahead in terms of design, but I fear we are not being vigilant in following our own standards.

Putting Chernobyl aside, there are sobering recurrances of mishaps at nuclear facilities in this country that need to be carefully and impartially looked at. Unfortunately, the NRC has a weak record in pushing strenuously for changes that address safety conditions, many of them related to coolant systems for the core.

In the last 9 months, the NRC has conducted three special investigations into events at nuclear plants. Two of the investigations showed that the plants had been warned about problems with their cooling systems, but had not been pushed to correct them. These are precursors to bigger events that cannot be ignored.

That is one reason why I am urging the enactment of legislation to create an independent safety board for the NRC. The best designs are useless if they are not correctly followed during construction. The highest standards do not protect the public if they are not enforced. The need for an independent safety board for the domestic nuclear industry to ensure that designs and standards are met has been clearly demonstrated through past investigations done by the NRC itself.

Mr. President, the Chernobyl disaster makes the risks of nuclear energy frighteningly real. It is a terrifying reminder of the dangerous power of the atom. While the consequences of a peaceful nuclear accident are on our minds today, we are inevitably moved to contemplate the destructive potential of a nuclear exchange. American and Soviet leaders bear an awesome responsibility: they must ensure that we never have to cope with the aftermath of the explosion of even one nuclear warhead. It would be, to use that powerfully descriptive phrase, a "nuclear holocaust." To prevent such an unfathomable cataclysm, progress must be made to limit testing and halt the proliferation of deadly nuclear weapons on our planet.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1100

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

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

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. The Senate is in morning business.

The Senator from Mississippi is recognized.

LAW DAY USA

Mr. COCHRAN. Mr. President, today we observe, for the 28th consecutive year, Law Day USA. This is an annual event which reminds us that we live in a free nation, under the rule of law.

When President Dwight D. Eisenhower proclaimed the first Law Day on May 1, 1958, he stated that the "American people should remember with pride and vigilantly guard the great heritage of liberty, justice and equality under law."

A review of that "great heritage" leads us to a number of important documents: The Magna Carta, the Confirmatio Cartarum, the act of the British Parliament abolishing the Star Chamber, the Northwest Ordinance, and the United States Constitution. Our attention is drawn especially to these by the theme of this year's Law Day: foundations of freedom.

It was the Magna Carta, which granted the right of trial by jury and provided for an appeal to a higher court when one disagreed with a lower court's decision. More importantly, the signing of this proclamation was an acknowledgment of the existence of individual rights which were to be protected from the power of the sovereign.

Eight years later another stone in the foundation was put in place: The Confirmatio Cartarum. It confirmed Magna Carta, and declared that all judgments contrary to Magna Carta were void. With that, Magna Carta became the highest law of the land.

In 1641, when the British Parliament abolished the Star Chamber, it

established a standard of due process of law in criminal cases.

The Northwest Ordinance was adopted by Congress before our Constitution took effect. It contained the first Bill of Rights enacted by the Federal Government. The ordinance also provided the right of representation in Congress of those who settled new lands in the West.

The Constitution of the United States provides for the protection of important individual rights, including free speech, free press, freedom of assembly, and freedom of religion. It provides that the United States is a nation governed by the rule of law rather than by the power of a sovereign.

Although our Constitution is only 200 years old, it has survived longer than any other national constitution in the world. Nearly 66 percent of national constitutions have been adopted or revised since 1970; only 14 of the 160 now in effect were enacted prior to World War II. The U.S. Constitution represents a 200-year-old tradition of freedom.

We are very proud of our "great heritage" of liberty, justice, and equality under law, as President Eisenhower described it. Let us on this day, Law Day 1986, reaffirm our appreciation of our freedoms and their foundation.

PRESERVING THE FOUNDATIONS OF FREEDOM

Mr. HATCH. Mr. President, today is a very special occasion in the history of American law. It is also a special day in the recognition of the development of the American legal process. This date marks the annual celebration of Law Day, a yearly affirmation of democratic governance based upon the rule of law. The theme of our current celebration is the foundations of freedom. No topic could be more symbolic of the greatness of this country and the historic accomplishments of its legal institutions.

What better opportunity to honor the forthcoming bicentennial of the U.S. Constitution than by the ceremonies held today throughout the land? The Constitution, justly revered by all those who hold freedom and the dignity of the individual so dear, is truly unique in the annals of recorded history. It is also a document which represents the keystone for the foundations of freedom underlying the American Republic. Alexander Hamilton, in Federalist No. 78, called the Constitution "the fundamental law." And it has indeed been fundamental to the growth and preservation of the American democratic spirit.

How the fundamental law operates is largely determined by the judicial branch in conjunction with the National Legislature. A remarkable system of checks and balances is engrained in the Constitution. In fact, as James Madison remarked in Federalist No. 48, the three distinct branches of Government should be "connected and blended" to give to each a proper "constitutional control." What he meant was that federalism represented a partnership wherein the several branches operated together as a government of enumerated powers. Those powers were indentified and explicated in a document which is justly praised for its intelligible rationality.

The preservation of the legal principles contained in the Constitution was basically left to the judiciary, for in the words of Alexander Hamilton, "the courts of justice are to be considered the bulwarks of a limited constitution. . . ." The courts were, in effect, to become the guardians of the constitutional system. The framers intended the judiciary to serve as a limitation upon governmental power. What Hamilton did not foresee, Mr. President, is the way that the judicial branch, during the past half-century, has arrogated to itself the promulgation of public policy beyond any reasonable legislative intent. The foundations of freedom which we honor today would be both enlarged and enhanced if our judicial activists would mend their ways and return to their historic role. Or to use the phraseology of Attorney General Edwin Meese, to return to the "jurisprudence of original intention."

Contemporary quarrel over constitutional interpretation, or to be more precise, the lack of constitutional interpretation, do not reflect propositions put forward by the advocates of legislative primacy or claims asserted by the proponents of judicial review. The debate today is more clearly defined. It centers on the issue of whether the Constitution should be the basis for the operation of law and of statute, or whether it should grant judge-created authority, particularly in areas the framers did not contemplate courts would interfere, such as permitting abortion and prohibiting school prayer. Nowhere in the Constitution, for example, does that revered document say that Government will decide when women may abort fetuses or that silent prayer in a schoolhouse is violative of individual rights. Early in this century a future Supreme Court Chief Justice claimed that the Constitution is what the Supreme Court says it is. That tiny crack in the foundation of freedom has become in our own time a very large fissure.

I am not arguing for the abolition of judicial review. But I am pleading for the adoption of judicial restraint. If constitutional scrutiny involves the affirmation of values, then those values or principles should be inherent in the system set forth in that very constitution. Several years ago, a nominee for the Federal bench in the southern district of Texas told the Judiciary Committee than when one becomes a Federal judge, that means divorcing oneself "from any personal beliefs and opinions" that one might have, and ruling "strictly on the Constitution and the statutes." This was an excellent description of what judging should be in the constitutional sense. A judge should interpret the laws and not make the laws.

We have been the legatees of a long-lived Constitution. It has established the foundations of our hallowed freedom. This is so because the Constitution actually is composed of principles that reflect the nature of man. Its principles have both created governmental power and limited governmental power. I do not deny that the Founding Fathers made contradictory statements about much of the Constitution. But they carefully distinguished between politics and principles, something which self-styled judicial legislators do not always do, either wisely or well.

Mr. President, it is clear from the historical record and from the opinions of the framers themselves that they did not intend the judiciary to be the primary forum for the shaping of public policy. That was to be the legislature's task. Courts were not created by the Constitution or the First Congress to implement legislative design. Nevertheless, courts in this century have taken upon themselves the role of supreme arbiter of the governmental process.

In the time of ancient Rome it was said that law provided the sinews of the State. In our more than 200-year history, it required a civil war to demonstrate that we are a government based on laws and not on the wishes of mere individuals. Our tripartite form of Republican Government provides, better than anywhere else on this Earth, the foundations of freedom. As James Madison wrote in Federalist No. 51: "You must first enable the Government to control the governed: and in the next place, oblige it to controul itself."

If Government is to control itself, Mr. President, we must place the lawmaking process back in the hands of those who make the laws; the adjudicatory process back in the hands of those who judge the laws; and the administrative process back in the hands of those who carry out the laws. Upon such a foundation can freedom truly endure. And freedom, Mr. President, is what the Constitution is all about. That is why we honor this day and honor those who participate in law and the legal process. That is the real meaning of Law Day and the reason for our celebration of the unique American contribution to the rule of law under the banner of freedom.

CHERNOBYL NUCLEAR ACCIDENT

Mr. HECHT. Mr. President, the Soviet handling of information from the Chernobyl nuclear accident once again demonstrated their callous disregard of human life. The Soviets obviously place an extremely high value on maintaining their ongoing policy of secrecy. Secrecy outweighs any consideration of human safety. Mr. Gorbachev's refusal to warn innocent people of the dangers from radiation poisoning is unforgivable. It is also a stark reminder that although Soviet leaders come and go, fundamental policies remain firmly in place, with a total disregard for public opinion.

The Chernobyl incident reminds me of initial denials in September 1983, that a Korean jetliner had been shot down by Russian jets. The empire, Mr. President, remains evil.

The Soviet press moves quickly to cover catastrophes in the West. When our space shuttle *Challenger* exploded in January, Soviet television ran film of the disaster within hours. Is this a double standard? I hope a few people finally wake up and smell the coffee.

Mr. Gorbachev is a fraud. He preaches public openness but his sermon has a shallow ring. This man does not care about people. He does not care about the horrors of nuclear war. He does not want to disarm and live in peace with the rest of the world. This Soviet leader is just as cold-blooded as his predecessors.

Mr. President, we are just now beginning to assess the consequenses of this Soviet accident. Worldwide outrage is certainly one result. As Americans, we mourn for the innocent victims. Let us hope the entire world focuses on the Soviet Union in the future with a keener sense of reality as to their motives and their human insensitivity.

THE HEROISM OF FORMER S. SGT. ADOLFO D. MORALES

Mr. EXON. Mr. President, I rise today to obtain recognition for one of the many unsung heroes of World War II, Adolfo D. Morales. Although the individual I am speaking about is not from my home State of Nebraska, several members of his combat infantry squad are Nebraskans. They were so impressed by this man's leadership and combat performance that they have contacted me in an effort to have his Bronze Star decoration upgraded to a Silver Star. I regret that the Army would not do so, citing the fact that the time limit for considering awards based upon actions during World War II expired in May 1952.

Frankly, I am not sure that I understand the strict manner in which the Army has applied this rule. As a veteran of World War II, in the Pacific theater, I am particularly impressed by the performance of former Staff Sergeant Morales and I would like to take the time to retell his story here today in the Senate. I am indebted to Jay Kriz of North Platte, NE, who served with Morales, for the details of this story.

On January 25, 1945, Staff Sergeant Morales was the squad leader of an infantry platoon of Company K, 222d Infantry Regiment of the 42d "Rainbow" Division. As more and more troops of the U.S. 3d Army under Gen. George Patton were thrown into the still raging Battle of the Bulge, the 7th Army, including the 42d Division, was compelled to thin out its troops to hold the front.

The squad led by Staff Sergeant Morales was assigned to an advanced position when it was attacked by German paratroopers—some of the best troops in the German Army. Given the severity of the attack, the order went out for the troops at the outpost to withdraw. Under the protection of artillery and machinegun fire, the men moved out across over 500 yards of open terrain. Realizing that his men would be exposed to the fire of the approaching German paratroopers, Sergeant Morales took it upon himself to stay behind and provide additional firing cover to pin down the advancing Germans. Wounded by a burst of fire from a submachinegun, Morales nevertheless continued to return fire, enabling the men of the outpost to reach safety. He was then hit twice again by bursts of machinegun fire. In all he was hit 33 times by bullets. Although the area was under fire, the members of his squad went back to recover their now helpless squad leader. Braving fierce fire, four men, including Jay Kriz, were successful in reaching Morales and carrying him back to what was thought to be security. Yet even as Morales was being loaded into a jeep, a German shell destroyed the vehicle and sent Morales flying into a snowbank. Eventually, his men were able to get him to the medics for attention.

Adolfo Morales survived, although he was left paralyzed and had his left arm amputated above the elbow. The doctors thought he would never walk again and they considered amputating his left foot. But Morales resolved to walk again, and he did. He worked for a manufacturing firm for 17 years and then as a veterans' representative for the State of California. In 1979, a stroke paralyzed his right side and he was told, again, that he would never walk. He fooled the doctors a second time and walked! Now 67, Adolfo Morales remains as resolute as ever.

Clearly, if anyone ever deserved a Silver Star for bravery on and off the battlefield, it has to be Adolfo Morales.

But there is more to this man than just bravery. There is also compassion and a strong sense of responsibility. Listen to the words of another member of his squad, Sam Platamone of Temple City, CA.

> At our first meeting in Camp Gruber, OK, I was an 18-year-old callow youth, fresh out of high school. You, at 25, were already a Purple Heart war veteran. Not only were you my squad leader, you were also my big brother and mentor. Your example was contagious. You taught me to react rather than to freeze up under fire. Indeed, you demonstrated what bravery was all about. You bought me the time to mature, a luxury many combat soldiers never have.

I do not think there can be any more fitting tribute to a military leader, whether that leader commands a squad or an entire Army. I would like to join my fellow Nebraskan, Jay Kriz, in expressing admiration and gratitude for the selfless dedication of this fine man who has touched so many lives in a positive way.

A TRIBUTE TO HENRY B. STEAGALL, JR.

Mr. HEFLIN. Mr. President, I am delighted to congratulate Henry Bascom Steagall, Jr., who, yesterday, joined the Supreme Court of Alabama as an associate justice. He is a great addition to the court and will serve with the highest integrity and dedication.

Justice Steagall brings to the bench some 35 years of experience as an attorney, and over 23 years of service to the State of Alabama. For 16 years he held a seat in the Alabama House of Representatives; he was executive secretary for Gov. George Wallace, and was director of finance for the State of Alabama. Throughout this service, he has demonstrated tremendous diligence, discretion, foresight, and intellect—qualities which will enable him to digest and analyze the most complex of issues. The many years he was chosen to represent his district in the Alabama Legislature demonstrates the great public trust with which he has been endowed by those he has served. He possesses a fine character and great judgment.

I am certain that Henry Steagall will distinguish himself as a justice and will receive the same great recognition and praises while serving on the bench as he has received for his previous efforts whether in private law practice, while representing the people of Alabama, or while serving the executive branch. I am pleased that Alabama's judiciary is in such worthy hands. I wish Justice Steagall all happiness and every success as an Alabama supreme court justice.

Mr. President, I ask unanimous consent that an article from the Montgomery Advertiser be printed in the CONGRESSIONAL RECORD.

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

A QUALIFIED CRONY

Gov. George C. Wallace has made thousands of appointments to positions of public trust during his four terms as governor of this state; when you have to select that many people, some will be good, and naturally, some will be bad.

However, there have been enough questionable appointments of people close to the governor to earn Wallace a reputation for cronyism. Last week, Wallace again named a close friend and confidante to high public office. This time, Wallace picked the right man, even if he is a close friend.

In naming State Finance Director Henry Steagall for a position on the state Supreme Court, Wallace opened himself up to the recurring cronyism charge. After all, Steagall has been a political ally of the governor for years. He served as Wallace's executive secretary from 1975 to 1979, and has served as state finance director since 1983.

But Steagall is a man whose qualifications go far beyond being a friend of the governor. He has more than 30 years of legal experience in his own practice in Ozark. He was for 16 years a member of the Alabama House. He is president pro tem of the Auburn University board of trustees.

But it has been as finance director that Steagall has provided his greatest service to the state. Under his direction, the state refinanced millions in outstanding bonded indebtedness, thereby saving millions in interest payments. More important, Steagall ensured that the state avoided the arbitrage pitfalls that snared the Fob James administration when it attempted a similar maneuver.

Steagall also played a major role in developing the Alabama Trust Fund concept to constitutionally protect oil and gas lease revenues from being frittered away by political pressures. That trust should go down as one of the major accomplishments of the Wallace years.

As finance director, Steagall has preached fiscal restraint, and he's still preaching it. Let's hope the Alabama Legislature will listen this year instead of handing out the taxpayers' money in an effort to buy votes in the upcoming primary.

Over the past few years, we've asked a dozen or more politicians and politician-watchers for the names of those they thought made up the best of the Wallace crowd. Even when there was only a handful of names forthcoming, Henry Steagall made the lists.

This time, there shouldn't be any accusations of cronyism. This time, Wallace picked a man who should make an excellent Supreme Court justice.

A DISSENTING VIEW ON THE LIBYA REPRISAL

Mr. PELL. Mr. President, as elected representatives we have a duty to reflect on what is right as well as on what is popular. By all accounts, the recent bombing of Libya is extremely popular; but some question whether it was right as a response to terrorism.

The Reverend F. Forrester Church, the son of my dear friend and our former colleague Frank Church, recently preached a very moving sermon in New York, asserting that by adopting a policy of an eye for an eye or a baby for a baby we have lost the moral high ground and our "solution" has added to the problem. In fighting the devil, he said, we have chosen the devil's own instruments.

Reverend Church, often invoking the words of his father, has made a valuable contribution to the debate on means and ends in the struggle against terrorism. I commend his sermon to my colleagues, and I ask unanimous consent that it be printed in the RECORD.

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

TERRORISM

(A Sermon Preached on April 20, 1986, at All Souls Unitarian Church, by the Reverend Dr. F. Forrester Church)

In some ways this is going to be a very difficult sermon for me to deliver. For one thing, I feel so strongly about what I am going to say, that I am sure to lose my balance here or there. Passion is not a bad thing, but rarely does it contribute to objectivity. Also, I feel most comfortable with my own views, when I can pose to myself and for others an almost but not quite convincing argument against them. As I have said to you before, much of the time I end up fashioning 100% decisions on 60% convictions. Though this is uncomfortable at times, it does have its advantages. One advantage is that almost never am I tempted to despise those who think differently than I do. After all, I myself could very well be one of them.

But today, I am absolutely sure that I am right. And that worries me. It worries me for two reasons. One is that I am not accustomed to feeling this way. And the other is that judging from the public opinion polls, almost no one in this country agrees with me.

Think about it. Never in the recent history of our country has there been so strong a consensus as there apparently is today around the President's decision to bomb Libya in reprisal for the Libyan directed bombing of a West German Nightclub, in which one American G.I. was killed. According to the New York Times, 77% of Americans favor this decision while just 14% oppose it, even though a majority of those questioned also believe that this action will increase terrorist activity, not diminish it. At the same time, the President's favorable rating on his conducting of our foreign policy has soared this week to an unprecedented 76%. As of yesterday, not one Democratic U.S. Senator had raised his voice in opposition to the bombing. The only questions that have been raised were by Senators Hatfield, Weicker, and Mathias, all members of the President's own party. In the House of Representatives, according to Ann Lewis, and the executive director of Americans for Democratic Action—who spoke at an American Friends Service Committee seminar on negotiation this Friday which I was moderating—only a handful of Congressmen have dared, or seen fit, to raise their voices in opposition: Edwards and Dellums of California; Conyers of Michigan; and Schroeder of Colorado.

All week, in fact, I waited for someone to say what I felt so very deeply, and with the exception of Alexander Cockburn in the Wall Street Journal and Tom Wicker in the New York Times, almost no one did. On the CNN Crossfire program where Tom Braden and Robert Novak debate guests who take opposite positions on issues, not a single member of Congress apparently could be found who would speak out against the bombing, and so the opposition view was offered by a British member of Parliament who just happened to be in Washington.

And yet, throughout the week my conviction grew that this action was terribly, terribly wrong. This morning I want to tell you why.

Let me begin with something I said last week in my sermon on "Paranoia and Power."

Jesus taught us that we must not answer evil with evil. And history teaches that we must choose our enemies carefully because we will become like them. Not only that, but when we do, unconscious of the good in our enemies and terrified by their evil, we eventually will become like them at their least attractive. Accordingly, when we react to terrorism with bombs of our own, killing innocent civilians and even children, we too become terrorists.

This past week, we have added a tragic new chapter to the primitive ethics of an eye for an eye and a tooth for a tooth. It could be subtitled "a baby for a baby." One infant is blown out of the side of an airplane, another blown out of her crib by our bombs.

Former President Jimmy Carter said in an interview on Thursday, that if his daughter, Amy, had been killed in this manner, he would devote his life to exacting revenge upon whoever had done it. This is not a part of his Christian theology, but it is certainly understandable from a human point of view. On the other hand, such revenge is a part of the teachings of Islam. Friday, in the streets of Tripoli, angry citizens and religious leaders were calling for a Holy War to be declared against the United States all around the world. Our government claims that we have taken a major step to end terrorism by showing that no terrorist act will go unanswered. This betrays a complete lack of understanding both of the nature of terrorism itself, and of the Islamic faith. What we forget is this. If, as they are often taught, instant bliss is the reward for death in a holy cause, religious zealots—whether terrorist, holy innocent, or both—are delighted to don the martyr's crown. And even if they don't win a free ride to Heaven, here on earth their self-proclaimed holy cause will surely be advanced. Tertullian, an early church father, said of Christian martyrs that "the blood of the martyrs is the seed of the church." By creating new martyrs in the nation of Islam, we too seed the dark clouds of terrorism all around the globe.

This, then, is my first major concern. But acting according to fear, frustration, and anger, we have not reduced but rather added to the level of violence in the world. Not only that, but we have become a full partner in that violence. We have also added to the level of terror in the hearts of our European allies.

This is not to say that the President's action and the American people's response, is not powered by deep moral outrage. Of course it is. We are a morally motivated people. We speake public language that is filled with religious and moral metaphor. We paint our enemies as demonic, and often their actions justify such a title. We also speak of evil empires, and thus create a mythos for Armageddon that pits the powers of good against the powers of evil.

Certainly, there is no question in any of our minds that terrorism is demonic. The question is, how do you fight the devil? We have chosen to fight him with his own in-

struments. And we have chosen as our pretext self-defense. Sometimes, we have no choice, as in World War II in our struggle against Hitler. Then, we answered our allies' call to protect them against German Imperialism and the evils of fascism.

Today, however, our allies, whether rightly or wrongly, are as wary of us as they are of our common enemy. Somehow, we have lost the moral initiative. Because the enemy, in this case Colonel Khadafi, is so pernicious, we have a hard time perceiving that anything we might do to punish him could be anything but right, regardless of the consequences. But here, the consequences as well as the means of accomplishing them are patently counter-productive. All we have done is further isolate ourselves. In the eyes of our allies, we again have become part of the problem, rather than part of the solution.

I don't know what the answer to terrorism is. And it is frustrating not to have a quick-fix, a solution that will surely work. Because of this frustration, to counter our sense of helplessness we are tempted to try anything. I understand that. But when our solution adds to the problem, we surely, even from a pragmatic point of view, without any consideration of the moral issues involved, we surely should forbear. One thing we learned in Vietnam was that we could not successfully wage a conventional war against guerrillas in the jungle. Soon we shall learn that we cannot wage a conventional war against tiny bands of violent zealots either. There is one thing we could do, however, if we had the strength and patience and confidence to do so. We could hold to the moral high ground. We could remember what we were taught as little children, that two wrongs do not make a right, and that good ends do not justify evil means. We could model a different code than that modeled by those we despise.

Would it work? I think, in some ways, that it has worked in the case of Yassar Arafat. Through his actions, he has finally convicted himself in the court of world opinion. He and the PLO are no longer celebrated in the Arab world, but rather seen as liabilities.

Also, in the case of Khadafi, save for the pretext that we now have given him to muster the support of his Arab neighbors, over the years he too has become an embarrassment to them. Lacking a common enemy, which we have provided him with a vengeance, it is likely that the weakness of his country's economy and the growing opposition to his flamboyant and idiosyncratic leadership within Libya itself, would bring him down.

And who knows, this still may happen. But, even if it does, I deeply believe that our bombing of Libya was wrong. Whether or not the perception is a fair one, in fighting terrorism in Rambo or Lone Ranger fashion, in moving outside the courts of law and the courts of world opinion, we have confused the moral issue, the question of good and evil. This does three things. It compromises us. It alienates our friends. And it has an incendiary effect upon the very zealots we are trying to subdue.

This past week has been more riddled with terrorist incidents and terrifying close calls than any in memory. And who is being blamed? Not the perpetrators themselves. No, we are being blamed. The demonstrations in the streets of England and France and Germany are not against Colonel Khadafi. They are against us.

I have been thinking a great deal this week about my father, Frank Church, who served in the U.S. Senate for 24 years. I miss him intensely right now. I miss his voice. So let me close, not with my own words, but with his.

In 1975 the Senate Intelligence Committee, which he chaired, uncovered evidence of five unsuccessful CIA-sponsored assassination plots against foreign leaders. In issuing his report my father wrote, "The United States must not adopt the tactics of the enemy. Means are as important as ends. Crisis makes it tempting to ignore the wise restraint that makes us free; but each time we do so, each time the means we use are wrong, our inner strength, the strength which makes us free, is lessened."

Elsewhere he said, speaking of the founders of our country, "They acted on their faith, not their fear. They did not believe in fighting fire with fire; crime with crime; evil with evil; or delinquency by becoming delinquents." Amen.

THE LEADERSHIP OF SECRETARY OF THE NAVY JOHN LEHMAN

Mr. HOLLINGS. Mr. President, on April 14, I had the pleasure of accompanying Secretary of the Navy John Lehman on a visit to the Charleston Naval Shipyard. The visit provided a clear example to me of the outstanding job that Secretary Lehman has done in his position and the invaluable contribution he has made both to the morale of our naval personnel and to the modernization of our naval forces.

He made his presence felt in every corner of the shipyard and with the fleet homeported in Charleston. He shook hands or spoke with virtually every civilian employee. He met the officers and the white hats head-on, shaking their hands and answering literally dozens of their questions. We were escorted through a frigate, destroyer, and two submarines. Wherever we went, his straightforward attitude and understanding of all issues most definitely lifted the spirits of the men and women in uniform. The Secretary closed out the day at the Charleston Naval Hospital where once more he indicated a deep awareness and concern for the problems of the military retiree.

Notwithstanding his outstanding relationship with naval personnel, there is another major accomplishment of the Secretary that I believe deserves much praise—and for which he will long be remembered. We always seems to be hearing about waste, fraud, and abuse in the DOD. The Navy, under the Secretary's guidance, goes against that tide and is a leader on saving funds. He has directed many initiatives resulting in huge savings for the DOD. I saw one firsthand that day in Charleston when the Secretary announced that the Charleston Yard had won a competition to overhaul two SSBN's at a savings of millions of dollars. This is but one example of the savings trend established by the Secretary. There are many more.

Mr. President, I ask unanimous consent that a table summarizing $5.6 billion in savings over the past 3 years in Navy shipbuilding and aircraft programs be included in the RECORD.

I would point out to my colleagues that these savings represent only a portion of the savings achieved by the management initiatives of the Secretary. There are numerous others resulting in substantial savings, and I ask unanimous consent that these be listed in the RECORD.

Mr. President, the April 19 edition of the London Economist recognized the vital importance to our national security and to the free world of the Navy and the significant improvements in the force structure and personnel that have been achieved under Secretary Lehman's tenure. I ask unanimous consent that a copy of the article be included in the RECORD.

In conclusion, Mr. President, the Navy is fit and ready to fight. I sense a great deal of pride in the service. The leadership of Secretary Lehman has brought this about, and I commend him for his many accomplishments.

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

DEPARTMENT OF NAVY—PROCUREMENT INITIATIVES AND SAVINGS

SHIPS

Nuclear Powered Aircraft Carriers: Original estimates for split buys of two: $8024 M; Multiple ship (2) contract awarded FY83. Cost: $7270 M—Savings: $754 M—Additional management initiatives and reduced inflation resulted in further cost savings of $754 M; Final estimated end cost for 2 CVN's: $6516 M—Total savings: $1508 M.

Aegis Cruisers: First year of competition (Dec '83) resulted in 2 ships awarded to Litton/1 to Bath—Savings (over previous year's sole source award of 3 to Litton): $100 M; Second year of competition (Nov '84) resulted in 2 ships awarded to Bath/1 to Litton—Savings (over FY84 award): $97.7 M; Total savings (to date): $197.7 M.

DDG-51: Lead ship cost: $1100 M; Follow-on ships (6-10): approx. $800 M; Navy controlled contract design for use in a competitive selection of lead shipbuilder; Greater emphasis on cost considerations; Shipbuilders involved in reviewing evolving design; Bath awarded contract for lead ship in FY85—Delivery FY89; commissioning early FY90; Third shipbuilder to be brought in for bidding on follow-on contracts.

Summary: In three years 1983-85 the Department of the Navy has saved U.S. taxpayers almost $4.4 B in shipbuilding procurement money.

AIRCRAFT

F/A 18; Fly-away costs dropped from FY82 $22.5 M to FY85 $18.7 M (current dollars); In FY82 constant dollars, price dropped from $22.5 M to $15.2 M, a decrease of 32%; Similar trends found in prices of virtually all Navy aircraft programs:

[Chart not reproduced for RECORD.]

This represents a break in 30 years of uninterrupted cost escalation in naval aircraft procurement: All naval aircraft procurement programs are on firm-fixed price contract basis; Precludes possibility of produc-

tion cost overruns; Competitive pressures maintained by keeping four separate fighter and attack aircraft in production.

Summary: In the three years 1983-85, the Department of the Navy has saved U.S. taxpayers over $1.2 B in aircraft procurement money.

MANAGEMENT INITIATIVE RESULTS

The disputes, litigation, claims, cost overruns, and schedule delays that characterized naval shipbuilding in the 1970s have been eliminated. Over the last four years (CY 1982-85), 78 ships have been delivered to the Navy of which 30 were ahead of schedule, 33 on schedule, and only 15 behind schedule. The net of all four years is 46 months ahead of schedule for all ships. After years of bitterness and massive cost overruns and claims in our submarine programs, all submarines have been delivered on or under budget. For the fifth straight year there has not been a single new construction contract shipbuilding claim outstanding against the Navy.

AIRCRAFT CARRIERS

In addition to saving over $1.5 billion by our CVN 72/73 acquisition strategy, we will also deliver these ships earlier than would have been achieved by the traditional split annual procurement approach. We estimate that CVN 72 and CVN 73 will each deliver 22 months earlier than would have been achieved by the traditional approach. Also, we expect *Theodore Roosevelt* (CVN 71) to deliver by September 1986, at least 17 months earlier than the original schedule, through incentives we have established in the CVN 71 construction contract. Thus, a total of 61 additional nuclear aircraft carrier ship months will be achieved through our acquisition strategy.

BATTLESHIPS

New Jersey was recommissioned in December 1982 ahead of schedule and under budget. *Iowa* was delivered well ahead of schedule and under budget in April 1984 and is now deployed in the Caribbean. *Missouri* was in large part funded from contract savings and is currently ahead of its reactivation schedule in the Long Beach Naval Shipyard. Requests for proposals are out for *Wisconsin*, fully funded by Congress in FY 86. Award of a contract is anticipated in October 1986, with ship delivery in Janaury 1989.

BUILD/CONVERT AND CHARTER PROGRAMS

Thirteen Maritime Prepositioning Ships (MPS) and five T-5 tankers have been contracted for and are under conversion and construction. Eleven MPS have delivered; the final two deliver this year. Three of the T-5s have been delivered; the final two deliver this year. These ships provide a dramatic new capability to preposition the equipment and supplies to support three Marine Amphibious Brigades in areas of potential crisis around the world. The first six of the MPS ships were completed two months ahead of original schedule and under budget.

CONTRACT MANNING

In the major Reagan Administration effort to reinvigorate the maritime industry and the merchant mariner profession, a total of 16 more ships, including cable ships, missile range ships, and fleet tugs, will be offered for contract manning in FY 86 and FY 87. This will raise to 40 the total of naval ships offered for contract manning added by this Administration. This has resulted in a cost reduction of nearly 40 precent.

SMALL BUSINESS

The Navy Department (from FY 82 to FY 85) increased by 55 percent in dollar value its awards to small businesses, including women-owned and minority-owned concerns. These contracts to small business totaled $7.046 billion in FY 1985, reflecting a new commitment to bring the benefits of competition and the small business industrial base to Navy procurement.

NAVY ACQUISITION REPORTING SYSTEM

This new system has been a dramatic success. It involves a new, simple, and straightforward acquisition reporting system for the top 60 programs. It requires quarterly reports on any changes of estimated cost for R&D or production or changes in schedule for each of those 60 programs and provides early warning of performance difficulties. While this system is primarily meant for senior Navy management, its effectiveness makes it a prime candidate for eventual replacement of the current Selective Acquisition Reporting System.

ASSIGNMENT POLICY FOR PROGRAM MANAGERS AND INDUSTRIAL FACILITIES COMMANDS

The minimum tour length for officers serving in these important acquisition billets has been lengthened to four years. Arrival and departure from these assignments now is planned to coincide with major Department of the Navy Systems Acquisition Review Council (DNSARC) milestones and/or program starts or completions. Provision of guidance to promotion boards has been modified to increase emphasis on the performance of officers in acquisition management billets.

BOSS

The Department of the Navy instituted in 1983 a spare parts procurement program called Buy Our Spares Smart (BOSS). It is particularly frustrating to us to find that the abuses and overcharging uncovered by the Navy itself over the past three years—items for which we recovered moneys—are being used by headline-hunting critics seeking to discredit the very effort itself. Working with suppliers and parts contractors, we have made great progress in finding abuses, receiving refunds, challenging sole-source relationships, locating alternative sources, and reducing barriers to competition for spare parts by identifying and eliminating proprietary-data requirements. There are more than 2.3 million inventory items in the Navy's spare parts supply system (over 65 percent are controlled by the Defense Logistics Agency). We are methodically re-examining the more than 600,000 under Navy control—over 100,000 of them during this past year.

Return on investment in BOSS is considerable. During 1984-1985, the Navy invested $101 million in BOSS resources and achieved cost avoidance exceeding $520 million.

In 1983, 13.5 percent of our spare parts were procured competitively. In 1985 the figure was 33.8 percent. We are competing more buys to achieve more reasonable pricing. Where competing the buy is inefficient, we are exercising proper management techniques to control prices. A 1983 audit showed 35 percent of our non-competitively procured spares to be overpriced. By 1985 that had been reduced to 18 percent, and the trend continues downward.

DEPOT LEVEL REPAIRABLE (DLR) COMPONENTS

In a major innovation in the management of maintenance funding, we have instituted a decentralization of the management of DLR components to the ship and the air station level. From 1981 to 1984 we tested financing the procurement and repair of non-aviation DLRs through the Navy Stock Fund. This improved material availability by 38 percent, reduced casualty response time by 26 percent, and increased the carcass return rate by 36 percent. We then began testing financing procurement and repair of aviation DLRs through the Stock Fund in April 1985. These initiatives establish a buyer/seller relationship between the Stock Fund and its customers who in turn are being held accountable for their expenditures. This should bring a much more frugal approach to ordering, based on truly needy, and an incentive to repair at the lowest authorized level and not waste repairable assets which can be turned in for credit.

Our management and acquisition reforms are not intended to impact the system for a few brief years only and then be buried under the weight of bureaucratic inertia and free-spending reaction. They are clearly being *institutionalized* into the very fabric of Navy life. In November 1985 I signed out an acquisition policy instruction codifying our acquisition reforms and ensuring their institutionalization at all levels of the Department of the Navy.

THE UNITED STATES NAVY—ON THE CREST OF THE WAVE

From a peak of more than 1,000 ships during the Vietnam war, the American navy plummeted to a low of around 480 in 1980. Many of them were relics of the second world war. Necessary maintenance had been put off and stocks of spares and ammunition run down. Morale was at rock bottom. There were instances of ships being unable to get underway when ordered because of their poor condition and of unrest among their crews so severe that in another age it would have been called mutiny.

When the Reagan administration came to office in 1981 committed to "make America strong again", the navy, and Mr. Lehman in particular, had a prescription ready: a 600-ship fleet. In an America that was beginning to feel its muscles once more, it was an idea whose time had come. It sailed through Congress virtually unchallenged. But the way the new secretary has operated has probably influenced today's navy as much as the prospect of the 600 ships itself.

In law a service secretary has no authority over strategic planning, but Mr. Lehman took control early on. The strategy of sending several aircraft-carrier battle groups to fight the Russians off northern Norway, for example, is much more his creation than that of the joint chiefs of staff. If, as some admirals claim, this idea of fighting so far forward is more a strategy for winning money than for winning a war, it has nevertheless been a successful one. And rare is the admiral who will take direct issue with a policy that produces ships and equipment, whatever he may think privately. Whether the present military leaders would be guided by the new strategy in wartime is not by any means certain. What is certain is that an entire generation of junior and middle-grade naval officers now believes that the first wartime job of the navy would be to sail north and fight the Russians close to their bases.

Mr. Lehman's success in getting money for the navy helped mightily in getting control over its day-to-day affairs as well, but this alone would not have been enough. Al-

though service secretaries oversee training, policy and procurement matters, the operational units report directly either to their service chief or to a unified military commander. In either case the chain of command runs through the secretary of defense to the president, bypassing the service secretary. However, secretaries can control the future careers of senior officers, and Mr. Lehman wasted no time in getting to know his admirals. Within months of taking office he began to move his own men into key jobs (and move the waverers out).

But he is in no sense an autocrat. A man of fierce loyalty himself, he expects—and usually wins—the same loyalty from his subordinates. He is an assiduous visitor to ships and seldom fails to talk informally to sailors of all ranks, explaining his policies to them, listening to their gripes and convincing them that he really cares. He is a qualified helicopter pilot, as well as a navigator-bombardier in the A-6 attack-bomber, and he takes great pride in flying with the fleet in his reserve grade of commander. His youthful vigour, reminiscent of the young Winston Churchill at the Admiralty before the first world war, is enormously appealing to sailors accustomed to thinking of service secretaries as aging political hacks. One seagoing captain summed up the Lehman impact: "It used to be that everyone knew who the CNO [the Navy's top admiral] was, but hardly anyone knew who the secretary was. Now it is completely reversed. You never hear of the CNO, but every man down to the lowest seaman knows that John Lehman runs the navy today."

OFF TO THE NORTH

The centerpiece of John Lehman's navy, and its most controversial feature, is the planned force of 15 king-sized aircraft carriers, three more than there were before. But despite Mr. Reagan's commitment to the 15-carrier navy, it will be a long time in coming. The problem is that many of the ships are getting old. *Midway* and *Coral Sea* were laid down during the second world war, four others during the 1950s. A 28-month renovation programme, started in 1980, was cooked up to extend their working lives for 10-15 years. As one ship would always be out of service being renovated, these refurbishments effectively reduced the number of carriers by one, to 12 (plus the old *Lexington*, which has no maintenance facilities and is used only to train pilots). The thirteenth arrived in 1982. Mr. Lehman's contribution was to add two more, which will bring the total, on present plans, to 15 in 1990, which is ironically, the year after the Reagan administration leaves office.

The aircraft carriers are magnificent fighting machines. A modern one is around 1,000 feet long, displaces about 90,000 tons, is manned by about 6,000 men and carries around 90 aircraft.

But critics of the carriers abound. The opposition is based on two ideas: that the aircraft carriers are sopping up too much money that should be spent on other equipment, such as tanks and guns and ammunition for the central front in Europe; and that the navy has no coherent strategy for using its 15 carriers. The first proposition is arguable, but the second was never really true. What was true was that the navy had not bothered to articulate its ideas clearly. Stung by the accusation that it had no strategy, last summer the navy swung into action and began talking about its forward-defense scheme to anybody who would listen.

According to this doctrine—the formulation varies considerably, depending on to whom one is talking—at the outset of a conventional war with the Warsaw-pact countries, three (or four) aircraft-carrier battle groups would head for the seas off Norway and carry the war to the Russians. Their immediate objectives would be: to reinforce northern Norway so as to keep its airfields from falling into Russian hands, and to fight off the Russian air force so that NATO aircraft (both carrier-based and land-based) could have a free run hunting and attacking Russian submarines, which would be on their way south to destroy shipping in the Atlantic. Some supporters of this strategy also claim it is designed to lure large numbers of Russian land-based aircraft into the battle—where they could be shot down.

Perhaps the most formidable critic of this concept of naval warfare is Mr. Stansfield Turner, a retired admiral who was the director of the CIA in the Carter administration and who once commanded aircraft-carrier task forces himself. According to him, it is not necessary to send the carriers north for them to do their job of protecting the Atlantic sea lanes. The Russians must run through a long narrow sea passage on their way south from Murmansk, and only in the extreme north are they covered by their own land-based aircraft. For the Americans to fight there would be to sacrifice a significant geographical advantage and risk getting the carriers chewed up. So it would be better, in his view, to fight further south, away from Russian aircraft and against forces that will already have had to run the gauntlet of NATO submarines which will in any case—whatever the carriers do—be covering virtually every square mile of the northern seas. And without denying that a big air fight over northern Norway would keep the Russians from sending aircraft south to the land battle in Germany, Admiral Turner maintains that land-based aeroplanes from Britain and southern Norway could be at least as effective as those of the carriers.

Whether the forward strategy would work (or even be attempted), the idea of fighting in the Norwegian Sea has become firmly identified as the main justification for 15 large aircraft carriers. However, no more than four of them would be used there. What of the others? Five at most would be undergoing repairs, leaving between six and eight available for deployment elsewhere. The navy's strategy for these carriers boils down to keeping one group of three or four close to Japan and another in the eastern Mediterranean. These two groups would contribute to the land battle, according to the theory, in ways similar to the northern group: by tying down enemy land forces, inflicting losses and buoying up the morale of America's beleagured allies.

That sounds fine. But the actual military utility of such operations is at least as questionable as those prescribed for the Atlantic forces. For example, in the Mediterranean the need to bottle up the Russian fleet with air power does not apply: any ships caught in the Black Sea could be kept there merely by corking up the Dardanelles with mines or a nuclear submarine.

The fact is that none of these scenarios is ever likely to be played out, because war between the United States and Russia is not likely (though, of course, the carrier forces have an obvious deterrent purpose). What is more likely is an assortment of conflicts in and around the third world, and nobody doubts that a powerful navy can give good service if and when they occurred.

Mr. Lehman would say that the large aircraft carrier is ideal for them as well; and 15 must be maintained anyway as long as the Russians have such a huge, threatening navy, whatever the strategy for fighting them may be. Admiral Turner and those who think as he does would argue that, while a few large aircraft carriers might be useful, 15 over-egg the pudding; a larger number of smaller, cheaper ones, operating short-take-off-vertical-landing (STOVL) aircraft such as the British Harrier, would be a much better buy, especially for crises outside European waters.

But it is not to be. Mr. Lehman has got his money and he has ordered his ships. The 15-carrier, 600-ship navy is virtually assured, whatever may happen to American defense budgets in the next few years. And whatever it may turn out to cost in the long run, by 1986 the prospect of such a navy had put a spring into the steps of its officers and men that had been absent for a long time.

THEY ALSO SERVE WHO MERELY SHOOT AND SCOOT

The cost of building the latest carriers will be about $3.4 billion each in 1984 dollars. To this must be added the cost of the aircraft and the support ships that are needed to bring them fuel, food and ammunition (although seven of the carriers are to be nuclear-powered, their aircraft gulp a lot of fuel). Throw in the cost of the crews and something well over $5 billion each is involved. The unknown is the number of cruisers, destroyers and frigates that would be needed to escort the carriers. What the numbers would be would ultimately turn on the threat they were facing.

But such escorts are not mere appendages to the carriers, for they add to the power of the battle groups and they have many uses outside those groups. Not only can they convoy merchant ships and navy replenishment groups, but in their own right they can chase submarines, fight other surface ships and bombard targets ashore.

The workhorse escorts are two classes of 4,000-ton frigates, the *Knoxes* and the *Perrys*. The former are mainly anti-submarine ships; the latter carry the medium-range Standard anti-aircraft missile and are therefore designated FFG (shorthand for guided-missile frigate). The hull number of the first one was 7, and so the class is known as fig-sevens. Both sorts of ships can carry and operate manned anti-submarine helicopters.

There are about 100 of these frigates altogether. They are the lineal descendants of the destroyers of the second world war, whose role was either to operate with the fleet or to escort convoys. However, they weigh half as much again as the destroyers of even 15 years ago.

The basic American destroyer today is the *Spruance* class. These ships are some 564 feet long, weigh about 8,000 tons and are driven by four gas-turbine engines. They have two five-inch guns, an eight-tube ASROC launcher (an anti-submarine missile that carries a homing torpedo—or a nuclear depth charge—about 10,000 yards from the ship and dumps it into the water above the submarine), eight sea-skimming anti-ship Harpoon missiles designed to attack surface ships up to about 70 miles away and one launcher for shortrange anti-aircraft missiles (the NATO Sea Sparrow). Recently these ships have had Tomahawk cruise missiles installed, with which they can threaten ships several hundred miles away (provided

they have an accurate position for them) or land targets more than 1,000 miles away.

This is not an insignificant armament, but it is not nearly as heavy as one would expect on an 8,000-ton ship. The *Spruances* are best suited for anti-submarine work. They have a good hull-mounted sonar; they can operate towed hydrophone arrays for detecting submarines; and all have large flight decks and hangars for anti-submarine helicopters. But their medium-power air-search radar and short-range anti-aircraft missiles limit their usefulness against aircraft.

The reason for the lack of equipment is money. During the early 1970s the navy was faced with the choice of buying a few heavily armed *Spruances* or a greater number of less potent ones; it took the extra ships, hoping to put in more weapons later on. They have now got the Tomahawk missiles. But these large destroyers still lack punch and still have a lot of empty space.

Belatedly some of this is being filled. The class is beginning to get the Vulcan-Phalanx close-in weapons system (CIWS), based on an ultra-rapid-firing Gatling-type machine gun, designed to shoot down sea-skimming missiles such as the Exocet. Another refinement that owes something to Britain's Falklands experience is armour. American destroyers were for years called "tin cans" because their plating was so thin it could keep out the sea but not much else. but in the Falklands fighting it was apparent that even a small amount of armour would help a great deal. So the *Spruances* are getting some armour, both ¾-inch aluminium plate and Kevlar (the plastic material out of which the American army now makes its "steel" helmets). Dozens of tons of these materials are being literally glued on each ship, at a cost of around $500,000 per ship, to protect vital spaces such as communication and computer compartments. And there are plans for yet more equipment and weapons, and for breaking the class into two distinct sub-classes, one specialising in air defence and one in hunting submarines.

THE AYATOLLAH'S GIFT

One group of *Spruances* does have the firepower and advanced electronics that one would expect to find on such a big new ship: the four that were built for the Shah of Iran in the mid-1970s. As usual, the Shah wanted nothing but the best; his destroyers were to have the guns and Harpoon missiles of the standard *Spruances*, but also a twin missile launcher both forward and aft that could fire either ASROC or the medium-range Standard anti-aircraft missile (with a system that can handle three air contacts at once—Sea Sparrow can manage only one), a CIWS on each side and the advanced SPS-48 air-search radar.

These powerful ships were still being built when the Shah was overthrown and the American hostages seized. Although American-Iranian relations could not possibly have been worse, Iran stuck to the letter of its agreements, canceled the contract formally and paid the prescribed termination costs to the penny. The American navy completed the ships and took them over. Although technically the *Kidd* class, these ships have become universally known as the "ayatollah" class, and that designation seems certain to stick. Whatever the name, many officers believe that with the exception of the new AEGIS cruisers (see later) these four destroyers are the best anti-aircraft ships the United States has.

FROM LONG BEACH TO TICONDEROGA

The United States has 31 cruisers in active service; nine of them nuclear powered. They range in size from the 18,000-ton *Long Beach* to some 8,000-ton ones that are 30 feet shorter than the *Spruances* and which were originally called destroyers when they were built in the 1960s. The reason the smaller ones now qualify as cruisers is that they carry the Standard missile, and most mount the SPS-48 air-search radar (or a close relative). Thus, while they have about as much ability to attack submarines as the *Spruances*, they are much better equipped to deal with incoming air raids and missiles.

The cream of the American cruiser fleet is the celebrated *Ticonderoga* class carrying the Aegis integrated air-defence system. There are now four of these ships in service, and 12 more are authorised; the navy would like 30, two for each aircraft-carrier battle group. Built on the *Spruance* hull and driven by the same gas-turbine power plant, the *Ticonderogas* are by far the best air-defence ships in the navy—and, almost certainly, in any navy.

The heart of Aegis is the SPY-1 radar, a phased-array device that scans its beams electronically from its four fixed, billboard-sized antennas built into the ship's superstructure. Equipped with the latest in electronic gadgetry and computers to enable it to "see through" clutter and jamming and track dozens of targets simultaneously, this is the most advanced air-defence radar system afloat today. The armament of the *Ticonderogas* includes two five-inch guns, Harpoon, Standard missiles, two CIWs and an Asroc launcher.

Listening to naval officers who have worked with Aegis swear that it is little short of miraculous, it is hard to believe that in its early days the *Ticonderoga* was the most controversial warship in recent history. It was widely criticised for costing too much (about $1 billion per ship) and performing badly. At one time it was even suggested that these ships would capsize in heavy seas because of their great topside weight. Operational experience has laid that fear to rest, and the Aegis system has proved its worth in both exercises and operations off Lebanon.

The navy has another new and controversial Aegis ship on the stocks, the *Arleigh Burke* (DDG-51) class destroyer, designed to replace some early guided-missile destroyers built in the 1960s. The first DDG-51 was laid down last year, and the navy hopes to get 28 more. These ships will be smaller than the *Ticonderogas*, but will have essentially the same air-defense equipment, and—this is where controversy bubbles—essentially the same price tag.

THE BIG STICK IS BACK

The arrival of the new destroyers and cruisers is part of the reason for the renewed pride that pervades all levels of the American navy in 1986, but the rejuvenation of older ships is part of it as well. Although the battleships have been displaced by aircraft carriers as the centerpiece of the navy, their huge guns, polished brass and holystoned decks have a swagger that flat-topped ships with decks askew can never have. The decision of the Reagan administration to bring the four most modern battleships back into service—there had been none in commission since 1969—was welcomed by the uniformed navy, if not by all the Washington defence observers and analysts whom Mr. Lehman delights in disparaging as "trendy armchair strategists".

Battleships sailors have always considered themselves to be the chosen of the fleet—and they are. Once the word was out that the "battle-wagons" were to come back, literally thousands of retired navy men asked to return to active duty to serve in them—a few were accepted—and there were several times as many regular volunteers as there were places to fill. The pugnacious pride of the battleships' crews both in themselves and in their ships is unsurpassed anywhere in the fleet. (One of the biggest-selling items in the ship's store on board *USS Iowa*, which takes its nickname from Theodore Roosevelt's famous saying, is a small baseball bat, inscribed "The Big Stick is Back".)

But the fast battleships are being brought out of mothballs (*New Jersey* and *Iowa* are already in commission; *Missouri* and *Wisconsin* are still to come) not to improve morale, but for their power. They have nine 16-inch guns each; these monstrous cannons can throw a 2,700-pound shell about 20 miles. And guns can do some things much better than either missiles or aircraft bombs—particularly, of course, in coastal bombardment. The navy does not have enough gun-power. Not only did the number of barrels in the fleet fall sharply with the coming of missiles, but the heavy ones disappeared completely. Except for the battleships' 16-inchers, no barrel in the fleet is larger than five inches in diameter. The marines have lobbied the navy for years to deploy more ships with big guns on them.

The battleships' heavy armour makes them virtually impervious to most conventional weapons, and they make wonderful platforms for helicopters, small-gun systems and missiles. Both Tomahawk and Harpoon missiles have been installed on the *New Jersey* and *Iowa*, as well as four CIWs per ship. However, at a reactivation cost of about $400m each, these ships are not exactly cheap. But the navy seems determined to go ahead with the remaining two, and to keep them all in service for the foreseeable future. It is contemplating using them not only to operate with the amphibious forces, but as main units of surface-action battle groups.

DOWN UNDER

Walking around an American naval base today, one sees a surprising number of Distinguished Service Medal (DSM) ribbons (America's third highest decoration, and the highest given for non-combat achievement) adorning the blue-clad chests of fairly junior officers. These chests usually carry the gold dolphins of qualified submariners as well, and the citations for the awards are almost invariably classified. Which means they were given for gallantry, excellence and success in one of the most demanding and exciting peacetime tasks: manoeuvering against an enemy submarine hundreds of feet below the surface.

The nuclear submarine opened an entirely new era of naval operations. Unlike the old diesel boats, the "nukes" were true submersibles: they could operate submerged for weeks on end, and at high speeds if required. They are divided into two categories: the attack boats and the ballistic-missile submarines, known as "boomers".

The navy has 37 boomers. Seven are the giant (19,000 tons submerged) *Ohio* class, which has 24 missile tubes; the rest are 8,500-ton boats with 16 missile tubes. All of the big ones and 12 of the smaller ones carry the eight-warhead Trident-1 missile; the other 18 carry the older and less accurate Poseidon missile which has a shorter range but 10-14 warheads, depending on the target assignment.

Eleven older submarines have been taken out of missile service to keep the United

States from exceeding the limits established by the SALT agreements; eight of them have been put out of commission; the other three have been reassigned, one as an engineering school ship and two as commando carriers. The boomers operate independently at all times, moving from one patrol station to another at slow speed to avoid detection and believing, rightly, that they have accomplished their mission of deterrence if nothing happens.

Most of the DSMs are won by men in attack submarines, whose job it is to make things happen. Their most important business in peacetime is to collect intelligence on the Russian navy, and particularly on its submarine force. The main technique is trailing. An American submarine waits off one of the submarine ports of Russia's Kola peninsula until its quarry—it may be either a missile submarine or an attack one—begins a patrol and then attempts to stay in contact by following its noise. The Russian submariner will go through his bag of "delousing tricks" (such as reversing course suddenly or speeding up unexpectedly and then stopping, in the hope that his tracker, if there is one, speeds up as well and gives his presence away by making enough noise to be detected). The American submarine will try to hang on without being detected. Sometimes it works; sometimes not; once in a while a terrifying underwater collision occurs.

Following a missile submarine throughout an entire patrol of several weeks—it has been done—is worth a medal in anybody's navy. The Russians try it as well, but seem to be less successful. Both the United States Navy and the Royal Navy claim that they have never had any of their missile submarines trailed.

American submariners have the advantage that their equipment is much better than the Russians. The submarines are quieter and their sensors—the main sensor is a huge listening array built into the foward part of the boat—are more sensitive. The competition between designers is at least as important as the cat-and-mouse game carried out by the sailors.

But despite enormous investments in research, it will not be possible for the Americans always to stay ahead. All the obvious things to quieten a submarine down have already been done. For example, all the equipment is shock mounted, all the pipes set in rubber holders and all machinery is specially designed to be silent. Further improvements cost increasingly more for increasingly tiny reductions in noise. The Russians, having initially been behind in the competition, are beginning to catch up. The American navy now reckons that the quietest of the Russian submarines are as quiet as the noisiest 30% of the American ones.

The best of the attack submarines are the *Los Angeles* class, known as the "688s" after the hull number of that ship. Some 33 of these are in service and ten more are under construction; 52 altogether are authorized. Weighing some 7,000 tons submerged and driven by a single reactor, they can make around 35 knots running below the surface.

One more class, the SSN-21, is planned; they should start to arrive around 1995. It is possible that there could be one more class after that with worthwhile improvements in both noise-suppression and sensors. But submarines significantly quieter than the surrounding oceans in which they swim are already a practical possibility, and even the SSN-21 is likely to have some form of sound "camouflage" to make the submarine sound like specific sea noises.

The navy's goal is 100 attack submarines. (All of them would be nuclear powered; the American navy has only four diesel submarines left and hopes never to build another one, although it is periodically pressed by Congress to do so.) This represents an increase of about ten over those planned by President Carter's administration; Mr Lehaman wanted the extra ones so he could assign some to the surface battle groups. Of the 97 attack submarines now in service, the navy will retire some old ones as the new 688s are commissioned.

In a run-up to a war, the Atlantic submarines would cover virtually the whole of the Russians' exit route from Kola to Iceland with patrol areas, the size of each area being determined largely by how far away it is reckoned that the American submarine could hear an approaching enemy one. Some 688s would probably try to penetrate into the White Sea and attack Russian missile submarines, which could launch their missiles from there. In the Pacific the Americans would try to seal off the exits from Petropavlovak and Vladivostok by plugging up the breaks in the Kurile barrier and the exits from the Sea of Japan. Because of the difference in magnitude of these tasks, 60% of the attack submarines are assigned to the Atlantic fleet and 40% to the Pacific.

Mr. Lehman has made a significant change in the roles of the attack submarines by ordering them to carry cruise missiles. There was some resistance, the argument being that the attack submarines could not perform their principal mission of hunting and killing enemy submarines if they had to stay in a location from which the cruise missiles could hit their targets. This is not precisely so, for most of their normal patrol stations are breathtakingly close to the Soviet Union anyway. The real problem was torpedoes; the submariners did not want to cut down the number they carried by having to give house room to the missiles. In the end, a compromise emerged. Most of the 688s will have vertical launching tubes for the cruise missiles built into their forward ballast tanks, where they will not displace any torpedoes.

GETTING TOGETHER

The 600-ship size of John Lehman's navy is arrived at by adding submarines, convoy-escort ships, the lift for two marine assault forces and 100 attack submarines plus the ballistic missile ones to the forces for the 19 battle groups needed to support the navy's strategy (chart 4 on previous page). Four of these battle groups would be built around the fast battleships and 15 around the aircraft carriers.

A notional aircraft-carrier battle group consists of one carrier, two cruisers, four destroyers (or fig-sevens) and four frigates. A surface-action group consists of one battleship, two cruisers, four destroyers and four frigates. Either group would be deployed in a widely dispersed formation, and sometimes two battle groups would be put together. Although not technically part of the battle groups, a replenishment group, consisting of an oil tanker or two and from time to time ammunition and stores ships as well, would be operating somewhere under this vast umbrella, protected by around four escorts of its own.

Often one or two nuclear attack submarines would be operating with the battle groups as part of is anti-submarine force. Because the submarines must be free to pursue their search or shadowing operations as quietly as possible and at whatever depth is required, it is extremely difficult to communicate with them. In fact, communications are fairly troublesome in the large formations of surface ships themselves. Ordinary high-frequency radios will work in peacetime, but in wartime could easily be intercepted and jammed. So the American navy has turned to ultra-high frequencies (UHF)—which travel in straight lines and are therefore restricted to line-of-sight communications—and relays these signals by satellite. A message from the flagship to a distant escort ship would be sent up to a satellite and back down; it could be jammed only by equipment that was fairly close to a line from the flagship to the satellite or between the satellite and the receiving ship. The navy has set up its own satellite network wholly dedicated to tactical communications, and most ships have satellite antenna.

Communicating with the escort submarines is harder. The surface commander relays his messages, by satellite, through a shore station that broadcasts to submarines at pre-set times. For the times when it is essential to contact a submarine immediately, the navy operates an extremely-low-frequency transmitter that can send its radio waves through the sea water. Such low frequencies can transmit messages only very slowly; therefore they are usually used as "bell-ringers", to tell the submarine to come to periscope depth, put up its antenna and listen.

Not only messages are sent by the satellite relay, but also streams of data that contain the position, course and speed of individual ships and aircraft and information on the "unknown" or "enemy" contacts they may have. Thus it is possible for a ship to "see" on its display screens the picture of the tactical situation developed by other ships hundreds of miles away. The *Ticonderoga*, moored to a pier in Norfolk, Virginia, can display the same picture of friendly forces and unknown ships and aircraft as is being seen by the fleet flagship in the eastern Mediterranean.

TO THE SHORES OF TRIPOLI

Purists in the marines will object to their service being included in a survey of the navy. They will say that the Marine Corps, the oldest and proudest of the American armed forces, is a separate service. They are correct: it is recognized as such by law, and its commandant is a full member of the joint chiefs of staff. However, its main mission, amphibious warfare, is inextricably bound up with the navy.

Today's Marine Corps has 195,000 men and women, about 30,000 more than the British army. Its main combat forces are organized into three divisions and three air wings, two of each assigned to the Pacific and one to the Atlantic. Although marines often fight as light infantry units, these divisions possess a whole range of equipment from heavy tanks and self-propelled eight-inch artillery to heavy hauling machinery and water-purification plants. The air wings fly many of the same aircraft as the navy, plus some that are peculiar to the marines. Unlike the army and air force, marine divisions and wings are not expected to fight as separate units, but to provide building blocks for combined-arms groups called MAGTFs (Marine Air-Ground Task Forces).

These task forces would be organized for specific missions, but there are three basic sizes that serve as starting points. The smallest is the MAU (Marine Amphibious

Unit) which is built around an infantry battalion and a group of helicopters (plus, maybe, some Harriers). The next step up is a MAB (brigade). It consists of four infantry battalions; an air group of around 60 fighter-bombers; 20 transport and reconnaissance aircraft and 100 helicopters; and a support group big enough to keep the whole formation going for 30 days. Some 16,000 men strong, it is about the size of an army division.

The biggest task force is the Marine Amphibious Force (MAF), built of an entire marine division (18,000 men), including nine infantry battalions, an air wing composed of at least two groups and a support group to match. Nominally 50,000 men strong, it would probably be commanded by a lieutenant-general. In peacetime one MAU is normally deployed in amphibious ships in the Mediterranean and another in the western Pacific.

Amphibious assault is the name of the marines' game, so any of these task forces has to have ships it can get out of quickly and on to the land in fighting order. The huge (40,000-ton) LHAs are the capital ships of the amphibious forces. Faintly resembling the straight-deck aircraft carriers of the second world war, one of them can carry a MAU's helicopters and Harriers, along with some landing craft in its well deck. To launch these boats, the ship is ballasted down, the stern doors opened and the landing craft "swim" out. One of these ships plus a smaller landing-craft carrier, a landing ship for tanks and a cargo ship can lift the MAU. However, the navy has only five LHAs (plus seven smaller helicopter carriers that cannot handle landing craft). Altogether it has about enough amphibious ships to lift one MAF.

The goal of the navy and the marines—set by the Reagan administration—is to be able to lift the assault elements of a MAB and a MAF simultaneously, conceivably to two different trouble spots. More amphibious ships are on the way, and on present plans enough for the extra MAB should be available about 1996. The star of these plans is a new class of ship called the LHD. Although they have a different designation and are slightly larger, these ships generally resemble the LHAs. The navy hopes to build five all told, both to increase its lift and to replace older ships that are to be retired.

One advantage of getting the new flat-topped landing ships is that the marines can use them to operate the new AV-8B Harrier-2s that are beginning to come into service. The marines were the first service outside Britain to buy the original Harrier. These remarkable STOVL aircraft are well suited for amphibious missions, as they can operate from short metal strips or bits of roadway once the marines are ashore. However, their range—under 100 miles with any sort of bomb load—is too short. The new Harriers can do roughly twice that. The marines plan to organize eight 20-aircraft Harrier-2 squadrons and deploy them regularly on LHAs and LHDs with their MAUs, starting in 1987.

Although senior marine officers deny that their ambition is to operate their own aircraft carriers—indeed, they maintain strongly that during an assault they will need the support of navy and marine aircraft flying from the regular aircraft carriers—clearly with the Harrier-2 the marines can provide a lot of their own close air support. Equally clearly the use of the Harrier-2s from the LHAs comes pretty close to Admiral Turner's ideas of using small aircraft carriers in place of large ones. It is not impossible that the marines may be pioneering the way of the future for naval aviation.

But even when the marines eventually get enough amphibious ships to lift a MAB and a MAF simultaneously, these two units would account for only about half their combat strength. What do the rest do? The short answer is to fly in as back-up forces.

It was always planned that an assault would open the door and that reinforcements could then come in either by ordinary ships or by air. Bringing the men by air gets them there in just a few hours. But because of the great weight and size of their equipment and supplies, flying all the clobber for a force of any size is out of the question. (The biggest airlift the United States has mounted since the Berlin blockade was the reinforcement of Israel during the 1973 war; in about three weeks virtually all the airlifters the air force could muster managed to carry about one medium-sized shipload.)

To combine the advantages of both fast airlift (for the men) and heavy sealift (for the equipment), the navy and marines have put enough equipment and supplies for two MABs on board two squadrons of specially converted cargo ships, one in the Atlantic and one in the Pacific. Each squadron has the equipment for a MAB along with enough supplies, including fuel and water, to keep it going for 30 days. It could unload over piers in a matter of hours, or by the lighters that they carry in five days.

If the marines knew exactly where they would be deployed, even more time could be saved by putting their equipment ashore there ahead of time. There is one such place: Norway. The reinforcement of northern Norway against a possible Russian invasion is one of the great problems for NATO, and great problems often call for marines. In this case the matter has been assigned to both the British and American ones. Because the Americans have so far to come, they are now positioning a MAB-worth of supplies and equipment in central Norway, near Trondheim, and hope to have the job completed in 1989.

Although they may be a separate service in some respects, the marines are part of Mr. Lehman's jurisdiction. Mr. Lehman has taken his responsibilities as secretary of the Marine Corps extremely seriously, and the results show. The marines are getting new equipment and lots of it, and the new attitudes are producing better people.

During the "lean years" from 1979 to 1980, the corps had trouble getting good recruits and had at least its share of disciplinary problems with the men it did get. These problems have virtually disappeared. The marines are now getting plenty of top-flight men and women both to sign on and to stay on after their first tour of duty. An astonishing 97% of enlisted marines are now high-school graduates.

The equipment picture is equally bright. The marines are getting a whole range of new equipment, including a new rifle (the M-16A2) which they claim is the best in the world, new landing craft and a new light armoured vehicle. All that in addition to the new Harriers and the new amphibious ships and the battleships that they have wanted for years. According to Colonel Martin Lenzini, a planner at the marines' Washington headquarters, "over the past five years the Marine Corps has undergone a modernization unprecedented in its history."

Yet more goodies are in the pipeline, one of which could have an immense impact on the marines' operations. It is an 88-foot air-cushion landing craft, awkwardly called the LCAC—a hovercraft in other words. It can carry up to 75 tons of cargo out of a well-deck to the beach, up on to the beach and beyond. But unlike conventional landing craft, which are too slow to operate effectively far from their parent ships, the LCACs can boil along at 40 knots for some 200 miles. And because they can whiz over shallow-gradient beaches that would strand old-style landing boats miles away from the shore where they are supposed to deliver the troops, the LCACs will add hugely to the areas of the world where the marines can operate. The first group of six LCACs enters service this year. If they work as well as hoped, by the 1990s the marines will be able to land large forces at high speed from ships remaining well out of sight of the beach.

The marines contend, convincingly, that they make a unique contribution to deterrence and that they are essential to the navy's mission: that there is no such thing as a "striking fleet" that cannot land troops ashore. The navy and the secretary they share seem to agree; right now the navy-marine corps partnership looks stronger than ever. But it will be tested when the budget cuts begin to bite.

When the Wave Breaks

The navy, as well as the marine corps, is riding the crest of a wave. It has received big budget increases over the five years of the Reagan administration. The question is what happens if the flood of money dries up. Mr. Lehman and his admirals and generals argue that the big cash injections in 1981-85 were necessary to counter the dangerous rundown during the years of the Carter administration but, now that the 600-ship navy is in the bag, modest annual rises of 3% in real terms will do the job from here on in. However, the navy's planning, even with 3% increases, is based on the premise that it can continue to cut procurement costs. It may not be able to do so.

There is no doubt that Mr Lehman and his canny assistant secretary for research, engineering and systems, Mr Melvyn Paisley, have driven procurement prices down substantially since taking office, by requiring more contracts to be awarded competitively and for fixed amounts (in place of the "cost-plus" sort), my making more use of multi-year procurement and by refusing to provide tooling at government expense. But all the easy improvements have been made. There is certainly more cost-cutting to be done, but over the next five years the navy is not likely to achieve as much as it has over the past five.

Some observers also believe the navy will not be able to man its 600-ship-15-carrier navy. The new ships operate with fewer people than the old ones, and some of the new aircraft are easier to maintain. However, the navy has already taken credit for these factors in its future plans, and still needs its annual 3% increases to make ends meet.

And, in one of the ironies of histories, Mr Lehman, who has become known as the man who built a new navy, is actually presiding over an increasingly old one. New ships are coming, true, but his expansion programme owes more to putting off the retirement of old ships than to the new ones he has managed to get authorized. Some 550 ships are now in service, virtually all authorised during previous administrations. And many

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of them that would have looked like golden visions to sailors sweating over the troublesome rustbuckets of the 1960s and early 1970s are already more than halfway through their normal service lives. The average age of the fleet will increase even if the navy gets its 3%.

The plain fact is that annual increases of even 3% are unlikely to continue, so something will have to give. The 600-ship-15-carrier building plan is now far enough along to be virtually untouchable, but managing this aging fleet when defence spending slows down will be much more trying for the next administration than building it was for the present one. And operating it will not be nearly the thrill for the sailors that it has been to watch it grow. The measure of the United States Navy of the 1980s will not be how it rode to the crest during the first part of the decade, but how it weathers the trough that seems certain to come towards the end of it.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. PRESSLER). Morning business is closed.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A Senate concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the United States Government for the fiscal years 1987, 1988, and 1989.

The Senate resumed consideration of the concurrent resolution.

Mr. DOLE. Mr. President, we have been attempting over the past week to 10 days, I think on both sides of the aisle, to put together a responsible budget package to meet the deadlines—we missed the April 15 deadline—but as quickly as possible adopt a Senate budget resolution so that we could move the budget process forward. And I certainly wish to commend the distinguished budget chairman, Senator DOMENICI, and Senator CHILES, the ranking Democrat on the Budget Committee.

I have been saying for a number of days now that we are being set up by the House Democrats and that the press, of course, would play that down. But I now have in my hand the Democratic House budget—no tax increase, no tax increase—$5.8 billion, the same as the President's number.

It seems to me that this is the smoking gun. I am pleased that we received it this morning before we took any premature action trying to act responsibly on a budget, because it is obvious to me that there is nothing but politics being played on the other side of the Capitol. We have had an inkling right along this is what was coming. The Senate Republicans and some Senate Democrats would pass a budget with a revenue increase and we would be attacked by the House Democrats for raising taxes. And I think now we understand that was the plan.

Now that does not mean we are going to stop negotiating in an effort to find a responsible solution to the budget process. And as anybody might guess, knowing the makeup of the House, why should they raise revenues? Just take it out of defense with the budget authority of defense of $282 billion and outlays of $273.5 billion, which really guts that part of the budget.

Again, it would not take any genius to understand what the liberals in the House, the Democratic leadership, had in mind at the outset.

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Let the Republicans and the Democrats in the Senate walk the plank. Then they would come forth with a budget that would show the American people that, they do not want to raise revenues. The President is right.

On domestic savings, we have not had an opportunity to analyze this buck, since we have only had this document a few moments. But, again, as you might guess, on the House side domestic savings are never a matter of great priority. It is around $15 billion, though we are not certain how much of that is real and how much is smoke. They appear to be mostly user fees, which may or may not be enacted. So there is no real reduction in any domestic programs. Again, that is not unprecedented on the House side.

So by every measure, it is pretty obvious to the leader in the Senate that we have a problem. I think the problem is that if we want to play politics, we need to make a judgment whether we should play the same game being played by the leadership Democrats in the House.

This is a rather extensive document. If this is not their budget, then I hope they would deny it and let us see the real budget. They are going to say they have 10 or 12 budgets floating around. I do not care how many are floating around. This is the one we believed would show up, and it has. I cannot say where it came from. It just came into my hands.

I believe we have some work to do today on the Senate side. I believe we have to go back to the drawing board on the revenue side. I hope that my colleagues on both sides of the aisle will understand that we have been had. This Senator does not intend to be a part of it.

We met in good faith with the Democratic leadership, Members of both parties in the Senate. I guess if the bottom line is we do not really want a budget, or if they have the votes in the House to gut defense as they proposed to do in the budget, at least the one that is now available, then I think we need to take another look where the Senate will end up sometime today.

I am going to turn over this document to the distinguished chairman of the Budget Committee and ask his staff to analyze it to see what the savings are and to verify the numbers.

It says here, subtotal changes from baseline, 5.8 revenues in 1987; 5.9 in 1988; and 6.9 in 1989. That adds up to 18.6 as a number that we should try to achieve.

As I indicated earlier I talked to the Chief of Staff, Donald Regan, in Indonesia last night—early this morning—for him. And I indicated that we had been working, in a bipartisan way, to come together on some responsible numbers on revenues, defense, and additional nondefense spending reductions.

I met with the distinguished chairman, Senator DOMENICI, a number of times. I met with the distinguished Senator from Indiana, Senator QUAYLE, who had written me a letter earlier saying that about 25 Senators were opposed to the Senate Budget Committee proposal, primarily because of the revenues and defense.

So, Mr. President, we still have time to put something together. But I think now we need a response from the highest levels in the House Democratic leadership. Is this the Democratic budget, the House budget? Is this what they plan to report out as soon as the Senate finished work on the budget resolution if we did it today, if we did it tomorrow, or Monday, to Tuesday of next week? I think these questions need to be answered before we can conclude our action.

I hope some of my colleagues on the Democratic side will indicate their distress at this kind of gimmickry, politics at its worst, and budgeting at its worst.

Again, I say that I do not see any reason to ask the Democrats or Republicans in the Senate to vote for anything with more revenues at this point. It seems to me that the House Democrats have shown their hand. They have gotten the message. They know that the polls indicate the American people do not want additional revenue increases. So they reflect that in their budget. They take it all out of defense, and they do less on nondefense domestic spending restraint, as the chairman already pointed out from a quick survey, that most of those are user fees. So probably there are not any real cuts at all. There is not much precedent for real spending cuts in the House.

I do not have any copies. I delivered the only copy I had to the chairman. I hope that perhaps we can meet with Senator CHILES and others, go back, take another look, and redraft our substitute. The one I proposed we no longer even talk about.

I talked with Don Regan about it last evening because we were talking about increases on the revenue side matched by increases in defense, and matched by additional spending restraint. But it would seem to me now that all bets are off.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, how much time remains on the resolution?

The PRESIDING OFFICER. The Senator from New Mexico has 4 hours and 22 minutes; the Senator from Florida has 4 hours and 38 minutes.

Mr. DOMENICI. Parliamentary inquiry: Is the budget resolution the pending business?

The PRESIDING OFFICER. Yes.

Mr. DOMENICI. Mr. President, I now have in my hands the document that our distinguished leader referred to. I have never seen it and he has not seen it until a short time ago. I will now, as he has suggested, obviously review it in its entirety and attempt to report back to him and the Senate on what it is all about.

I think it is imperative that we understand what the House intends to do. They indicate to us at the last leadership meeting that they were ready to act within 72 hours after we acted. We are doing our best. We have different rules than they have. It takes use a while to get through. We have 50 hours. We have to permit everybody to speak their piece and defend amendments. We do not have any Rules Committee. We cannot review the budget in 42 hours, 2 days and a half. It takes us 8, 9, or 10 days on the floor of the Senate. But we are getting down to the time now where clearly it seems like we are going to fish or cut bait. We have a total of 8 hours for both sides.

Having said that, I would like the time to continue running so that we will all know that we are getting close to that hour when we have to decide whether we will have a budget or not, whether it is going to be real, realistic, something we can do, and have something we can expect not only for the next 6 months but for the next 3 or 4 years to accomplish significant policy goals that a majority of the U.S. Senate wants, not the least of which is to get the deficit down to the mandatory target stated by Gramm-Rudman-Hollings in a reasonable manner and a manner that we really expect will occur.

I have not had a chance to analyze this document other than on the defense number. In that regard, I can only see the bulk numbers. That number is an impossibilility. I think they know that. There is no way that responsible people ultimately are going to vote when it comes to paying for defense, and they are not going to vote these kinds of low numbers when it comes to deciding what that kind of reduction means out there in the field in terms of troop strength reductions, in terms of canceling in midstream scores of programs that we have worked years and years to get started, commitments we have around the world, and a very good new operation and maintenance program that makes us proud again of our defense. Clearly, these kinds of numbers are just incredible.

I think the majority leader is correct when he talks about realism and realistic budgets, and whether that is what we have in mind or not. Knowing nothing about the rest, but just speaking to that number, we ought to know that right now, the year we are living in as far as defense, we have told the American people so much about defense they think defense went up this year. Defense went down.

If you ask out there, "How much do you think defense went up this year?" and give them a multiple choice, 5 percent, 10 percent or 15 percent, or none of the above, 95 percent would pick one of the three. The way we promote this defense buildup probably most of the people would pick the highest number. The truth is that it is down 7 percent this year, after sequester and after appropriations. Does anybody think we can take another real 6 percent cut on top of that and literally throw away the improvements we have made in the last 5 years in defense?

I assure you, looking at the numbers and history, through good fortune this was the decade to bring back the defense establishment for the United States.

Actually, in one of the periods in the 1970's, defense went down 7 percent. There was no indication that that was the right thing for the United States to do. Everybody knows it. Now we have started to build it back up.

If this document is the proposal for the budget, it is an automatic retreat back to where we were.

Having said that, if the distinguished Senator from Indiana desires to speak, I will yield him time from the resolution on our time. I ask him to do me a personal favor when he completes speaking, to put in a quorum call while I proceed to analyse the document, asking that the time be charged to both sides.

I yield to my friend.

Mr. QUAYLE. I thank my distinguished chairman.

I would like to join in his remarks concerning the reaction about the House budget that had been proposed to the levels that have been cited, particularly for defense spending, 282 in authorization and 272 in outlays. It is perhaps one of the more irresponsible acts I have seen since I have been in the Senate.

I hope that we can get an answer from the House leadership, but I also hope that defense-minded Senators on the other side of the aisle will speak and address this budget.

I have been impressed over the last few years how a number of people have been trying to get bipartisan support for having a sound national security. This type of approach will certainly put that kind of effort in the drawer rather than bringing it out into the open.

There is absolutely no way that anybody who has looked at the armed services or national security does not know what a phony budget this is. This is playing politics at its absolute worst.

Quite frankly, I am getting a little bit tired of playing politics with the defense budget.

Certainly, there are some savings that can be made. We are working on defense procurement. We have a reorganization bill. Certainly, there are some efficiencies that can be achieved. But just to come out where it obviously looks like pure politics, to say that you are going to come out with this kind of a budget for defense, says one of two things: Either the leadership in the other body is being terribly irresponsible, or, two, that they really believe in this antidefense budget.

If they believe in this antidefense budget, then we certainly have to explain very clearly to the American people who is interested in national security.

I would imagine before the day is out many of the media will begin to ask some of the Senators on the other side of the aisle if they have thought about this budget. I would say anybody who knows about this budget would say this budget is totally unrealistic. It is either, as I say, a cheap political shot or it is where their true feeling is, that you can radically reduce national defense without any kind of risk to national security.

I would imagine that there are those who will be smiling upon the House budget resolution which has been talked about here this morning. It is just simply ridiculous. We cannot go on with any programs at all. We cannot go on with the modernization programs, with the defense programs, the voluntary services pay, compensation, housing, this type of thing.

We have commitments around the world that we have to keep. Those commitments, unless the Congress wants to get out of those commitments, must certainly be kept.

So I think this is the height of irresponsibility. I join with my chairman and majority leader in strongly denouncing this as either a cheap political gimmick or real feeling of where their true colors are, a radical difference between where I think the senti-

ment of this Congress is and certainly the opinion of the American people.

Certainly, they believe in savings, but to put defense in jeopardy, our freedoms in jeopardy, as this budget would do, I think is totally nonsensical.

Mr. DOLE. Will the Senator yield for a question?

Mr. QUAYLE. I am happy to yield.

Mr. DOLE. Obviously, now we are going to hear cries of anguish from House Democrats, saying that this must be a mistake. But it is their budget.

I want to commend the distinguished Senator from Indiana for sending me a letter some weeks ago to alert us that there were certain things lurking around that we ought to be aware of.

I still believe that we want to get a budget today if we can. But, we have to change the mix.

It is hard enough. I do not think any budget could pass right now. I think anybody who would now vote for the pending budget resolution in the face of the House document would be walking into a bear trap. I do not think too many people around here are noted for that, at least not intentionally.

I really believe that after the chairman of the Budget Committee, Senator DOMENICI, has analyzed this, and the ranking member, Senator CHILES, who must be as distressed as we are, I would hope that he would be willing to retreat now from the high revenue position that they hold and perhaps we can all agree that we do not need a revenue increase.

We can do more on the spending side, and I think we can fulfill our responsibility.

I want to get a budget, but I am not about to walk into the trap set by the House Democrats. I do not think any of us should, whether we are for or against the budget.

We now know why the Democrats did not want to do this in tandem. They wanted to wait, to let us pass a budget with more taxes, a fair defense number, and then they would come in with a very low defense number and a very low tax number. They do that by taking it all out of defense. They do not cut spending. They increase taxes, even user fees, to get their spending cuts.

I know there are some who really do not worry about revenue numbers, but they are not in the majority. I think those who do not worry about the revenue number, should understand that we agreed to regroup. And hopefully, we can do that before the day is out.

Mr. WEICKER. Will the distinguished Senator yield for a question?

Mr. QUAYLE. I yield.

Mr. WEICKER. I gather it appears the House budget calls for rather large cuts in defense spending with no taxes, is that correct?

Mr. QUAYLE. The Senator is correct. That is the way we understand it. It is not only large cuts but radical cuts. They are down to 282, and the authority is $42 billion off the President's request.

I think that is absurd and irresponsible. If they are serious about it, they really have a revelation coming from the American people as to where they stand on defense, because I have heard, over the last few months particularly, a number of people saying that the other party wants to be on the side of being for strong national security. Anybody who knows this issue knows you cannot have that with this kind of budget.

□ 1130

Mr. WEICKER. Mr. President, I wonder if the distinguished Senator from Indiana would yield me a few minutes to make some comments with regard to our own budget, or was he prepared to yield the floor?

Mr. QUAYLE. I would have to make a parliamentary inquiry. I think the time is controlled so, as a member of the Budget Committee, I yield as much time as the Senator would like.

Mr. WEICKER. I thank the Senator from Indiana.

Mr. President, I commend the distinguished Senator from New Mexico [Mr. DOMENICI] and the ranking member, the distinguished Senator from Florida [Mr. CHILES] for their direction in this budget and budget debate. Yes, I think it is essential, as indicated by the majority leader, that the U.S. Senate pass out a budget of its doing. Nobody is going to sit here and be fooled by a political attempt from the House of Representatives to achieve what cannot be achieved.

I might not agree with the Senator from Indiana as to what defense figures are vis-a-vis our budget. Believe me, defense is well taken care of, even in the Domenici budget it is well taken care of. I shall get to that in a minute.

I think whatever it is that we do in terms of a budget and in terms of achieving a balance in that budget, whatever we do we either have to pay for or we have to achieve it by virtue of cuts in other portions of the budget.

To come along and say you can just go ahead and cut defense is not going to work. It will not supply the funds and it might very well leave defense debilitated. All along, throughout this entire budget debate, anybody who knew what they were talking about understood that, yes, there had to be some cut in defense, there had to be cutting of the entitlements in the budgetary process, there had to be some revenue raising. All of these things had to take place if, indeed, we were to achieve a balanced budget. Individual Senators might have their disagreements with what is slowly being fashioned here, on the floor of the U.S. Senate, but it is a good-faith effort to incorporate the views of all the Members of this body in that document.

The Senator from New Mexico [Mr. DOMENICI] has spent hours with this Senator discussing the subjects of education, of health, of science, of the retarded, of the disabled. Those are the elements of the population that are under the jurisdiction of my committee. I am not talking about welfare programs, I am not talking about giveaways.

You cannot have good education on the cheap and nobody is going to pretend that you can. It does not do us any good to have all the missiles in the world if nobody has the brains to use them. And indeed, at the present time, under present budgets, education has been severely short changed.

I come from my committee hearing room where every form of disability and of affliction, both of mind and of body, is paraded before me day after day. Now, what are we to do? Are we to refuse to acknowledge opportunities to alleviate suffering in this Nation? Is that what we are going to do?

For example, in the budget proposed by the administration, 48 clinical trials are going to be abandoned. The clinical trial is not something at the outset of the research process; it is almost at the end of the line, when you are about to make a breakthrough. Forty-eight of them are going to be abandoned. What kind of budgetary process is that, never mind the human process?

The economic cost of disease and of disability in this country is enormous. Does the Senator realize we spend $2,000 per person in the way of health care and in this budget there is $25 for research? Mr. President, do you think we can ever balance our budget when it costs $2,000 per person in this Nation for health care as against $25 for the research budget?

I speak not only in human terms of doing the right thing, but in fiscal terms. So, yes, these matters were under discussion with both the chairman and the ranking member as to whether or not that budget ought to be reshaped in some way to be sure that the budgets of this Nation are at a level where we can do what is necessary both in health terms and in fiscal terms.

The initiative within this budget for the retarded children of America, as my colleagues know, Public Law 94-142, which is the Education For All Handicapped Children Act, is up for reauthorization. We can be proud of the fact that two of our colleagues had a huge hand in developing that law—Senator BOB STAFFORD, of Vermont; Senator PAUL SIMON, of Illinois. It has been 10 years since that law went on the books and because it went on the

books, retarded persons have had an opportunity to share in the mainstream of life in this Nation. Because of that law, the state of the art as to how one comes at their problems totally changed.

We now know the education process is best started at birth. The law as it was written 10 years ago said from age 3 to 21. Then it left a huge loophole of State discretion from ages 3 to 5 and did not provide at all from birth to 3 years of age. That reauthorization is going to be passed shortly and in effect, it will close that loophole and bring the age back to birth. It will now mean that the retarded children of this Nation will have an education from birth but, more importantly, they will have an opportunity at living a life in the mainstream of America once they get through the educational process—something that has never been achieved before anywhere in the world.

Mr. President, I am not going to pretend that that is not going to cost some money; it is going to cost some money. But the few dollars spent in that educational process is cheap as compared to the institutionalization of those children or, to put it in its crudest terms, the warehousing of those children as they get older.

This is another matter that was discussed with the distinguished Senator from New Mexico in preparation of this budget. The Andrews amendment with regard to the education of our young people has already passed. The Senate has spoken overwhelmingly in favor of putting more money into education.

The reason I raise these points is that the distinguished chairman of the Budget Committee and others have not been out here willy-nilly taking political approaches to whatever might be presented in the press or from across the Capitol. Rather we have spent now close to 40 hours on this trying to fashion a budget that is in tune with the needs of the United States. To say that excellence in any of these things, whether it is science or health or education, whether it is the retarded, whether it is the disabled, whatever, can be achieved by words—that is politics and that is a very cruel politics and one in which we should have no part.

I gather there has been some philosophical disagreement on the budget that is before us. I do not think that is particularly difficult to overcome, because I think we all have our hearts in the right place. But what I think is important is that the U.S. Senate fashion a budget regardless of what the House does, regardless of what people think the political ramifications are.

The fact is that, number one, the American people want excellence in what is legislated and we all understand that we are going to have to pay for that excellence. And you cannot get around it. And you certainly have to pay to reduce a budget deficit.

So I only add my word to the debate at this juncture to fully illustrate the difficulties the distinguished Senator from New Mexico and the Senator from Florida have had in trying to craft a budget. It is not so much in tune with the politics of the time as it is in turn with the needs of the time. I think they are to be commended and I hope we push through and get this budget in the next 2 days.

I yield the floor, Mr. President, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that it be charged equally.

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

The legislative clerk proceeded to call the roll.

□ 1200

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

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

RECESS FOR 5 MINUTES

Under the previous order, in recognition of this being a national day of prayer, the Senate will stand in recess for 5 minutes.

Thereupon, at 12 noon, the Senate recessed until 12:05 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. PRESSLER).

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. BYRD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be equally charged against both sides on the quorum.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1230

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

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

Mr. BYRD. Mr. President, a few minutes ago the distinguished majority leader came on the floor and said that he was holding in his hand the Democratic House budget.

Well, Mr. President, the House has not produced a budget. The House Budget Committee has not marked up a budget. The Speaker indicated to several of us on both sides of the aisle—the leadership in the Senate, Mr. DOLE, myself, Mr. CHILES, Mr. DOMENICI, and others—a few days ago in the House in a meeting there that the House would not act before the Senate but that within 72 hours after the Senate had acted on the budget resolution, the House would then report out its budget resolution.

I was just now talking to the Speaker and he has restated that to me.

I have also talked with Mr. GRAY, the chairman of the Budget Committee on the House side. Both have said that the House has not produced a House budget but is waiting on the Senate, just as we were told face to face by them not many days ago.

I would hope, Mr. President, that we would act and act responsibly in this body.

How much time remains?

The PRESIDING OFFICER. The Senator from New Mexico has 3 hours 37 minutes, and the Democratic leader has 4 hours 15 minutes.

Mr. BYRD. That is a total of something between 7 and 8 hours.

It may be regretful that the House has not yet reported a budget, but that is one of the facts of life. They told us very clearly that they were not going to report a budget until the Senate had gone ahead with its budget and that within 72 hours they would then act.

So I think it is up to us, Mr. President.

This measure is the real budget. I hold in my hand Senate Concurrent Resolution 120. This is the concurrent resolution that was reported from the Senate Budget Committee on March 24. This is the real budget. And our time under the statute has about run its course. Of the 50 hours we have about 7 or 8 hours left.

So I think we ought not be distracted by the red herring that was purported to be the House budget.

We have a responsibility to act and we ought to act. Let us stop waiting for something to happen or for an opportunity to blame the other body. We have our own duties.

The chairman of the Budget Committee [Mr. DOMENICI] and the ranking member [Mr. CHILES] have worked diligently. Both sides on the committee worked diligently and hard and brought out a fair, moderate, and reasonable budget. We have had it before the Senate now for more than 40 hours.

So let us get on with the effort, and it is a bipartisan effort, to work on this package. Let us vote on it up or down. Let us not postpone action on it. Let us vote on it up or down. If there is going to be a substitute offered, I would hope they would offer it in time for the Senate to analyze and scrutinize it.

But the Senate needs to act. We know where our responsibilities are. Let us forget about the House for a moment. Let the House act as it will and let us attend to our duties here.

Mr. CHILES. Will the minority leader yield?

Mr. BYRD. I yield to the distinguished Senator from Florida.

Mr. CHILES. I thank the distinguished minority leader and I associate myself with his remarks.

This is a critical process, and we are at a crucial time. This is a different era, with the guillotine of the Gramm-Rudman-Hollings sequester hanging over us. It makes all of us to tend to look at shadows for a while and think. As we reach this last day, I have become nervous myself. I almost had to hold one hand this morning when I was shaving so I would not cut my own throat.

We are reaching that point—and I find it in my caucus and on the other side—where everybody is seeing all kinds of spectres. Maybe there are some out there. I do not know.

I think the minority leader is correct. We ought to do what we think is right, meet our responsibility, and trust things will work out if we do what the people elected us to do.

I have had a chance to look briefly at this document which was talked about this morning. Supposedly, it is the House budget. But it is my understanding from the conversations I had with House people that they had a number of working papers, that this one was over 30 days old, that there were a number of different working papers on ways to do things.

As I look at this document, it tells me our Senate budget is the better way to do things because there is no way this Congress is going to cut defense outlays to $282 billion; no way. It is not going to happen. Those numbers are not there on the House side, and they are certainly not here in the Senate.

In terms of other savings alleged in the House document, it resembles son of Stockman because it describes management savings. I say son of Stockman because rather than having a plug for promised savings in future years, they put it in the function but call it management savings or some kind of user fees. It is a smoky mirror. There is no way it is meaningful.

What it says to me is the deeper we got into our numbers, the more we realized we could not get down to $144 billion without cutting domestic programs, restraining the growth of defense, and putting some revenue into the package. That is what we have done. That is what we had to do. I challenge the House or anyone else, if they are going to use true numbers and avoid the smoky mirror, to do the same thing.

I think the House, as they start meeting in their Budget Committee and marking up, will have to arrive at that same thing.

I was at some of the meetings, the minority leader talks about, as was the majority leader, as was the chairman of the Budget Committee. We were told at that time that in the event the Senate completed its work, the House would produce a package. We were also told that if a majority of the Republicans in the Senate produced revenues in the package and if there was some support on the Republican side in the House, the House also would put revenues into their package.

But those are things we cannot be totally sure of. We can be sure that the hours are running on our budget resolution and we need to go forward and produce a product. I hope we can do that today.

□ 1240

Mr. BYRD. If the distinguished Senator will yield, Mr. President, what does the distinguished Senator see developing as we get closer and closer to the deadline?

We have between 7 and 8 hours and they are running. Are we going to be faced with a vote up or down on the budget resolution that was reported out of the committee? Are we going to be faced with a vote on a substitute in the last hour of the day? Or are we going to be faced, I ask the Senator, as he has been working very closely with this matter for so long a time, with a motion to postpone action on this budget resolution? What does he think is going to happen?

Mr. CHILES. Mr. President, I wish I knew.

Mr. BYRD. I for one would like to know what has been going on behind the scenes. I have not been invited to participate in any backroom discussions. I am not shedding tears because I have not been invited in; I have great confidence in the Senator from Florida [Mr. CHILES] and the Senator from New Mexico [Mr. DOMENICI]. I am sure they have been putting their heads together and trying to develop a reasonable possible compromise.

Mr. CHILES. The distinguished minority leader is correct on that score. I wish my crystal ball were cleared up so I could tell him what is going to take place the rest of the day. I cannot, nor whether we are going to be faced with that motion.

I agree we should not go down to the last hour and confront a surprise package. I think any option should be out here so that people have a chance to examine and deliberate it.

He is correct. The Senator from New Mexico and the Senator from Florida have been trying to put their heads together to see if there is a way of sustaining the spirit we had in the Budget Committee. We had a majority of the majority party and a majority of the minority party that agreed and came out with a package. We will, I hope, during the day see if we can present something this body can consider.

Mr. BYRD. Would the distinguished Senator agree with me that it is irrelevant to the other body's delay and inaccurate to refer to some phantom paper that purportedly is the Democratic House budget when we all know that that body has not reported a budget, the Budget Committee has not reported a budget, and we were told very frankly that the House would not report a budget until the Senate had acted. We have our own budget here. It has been skillfully drawn by our own Budget Committee. It is our duty now to get on with action on this.

Mr. CHILES. I think it is our responsibility and our duty. I also would say that as far as this plan being a trap, this is a briar patch that I would like to be thrown into. If this is a trap, I think Br'er Rabbit could say, "Please don't throw me into this briar patch" and hope he might be thrown in there, because I do not see anything in here that is much of a trap.

My staff has worked on 40 or 50 budget options. I assume if somebody got a copy of one of those and came out here, he might be wanting to nail me to the wall or somebody else might be wanting to nail me to the wall. You look at different options and packages as you go through the process. As you weigh them, one of those 40 or 50 would displease every Senator in here and most of them have displeased me at some time. But we go through that process every year. I think that is the case with this document from the House.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Florida, the ranking member of the Budget Committee.

Mr. BYRD. Mr. President, I believe the distinguished Senator from Nebraska [Mr. EXON] wishes some time. I do not have control over it.

Mr. CHILES. I yield 15 minutes to the distinguished Senator from Nebraska.

Mr. EXON. Mr. President, this is the first day of televising the U.S. Senate. In my opinion, it has gotten off to the rocky start that I was fearful it might. Here we are, with only 8 hours of debate left on the vital budget resolution that was supposed to have been completed not later than the 15th of last month and we seem possibly facing even further delay. The majority leader has been waving some papers around with some indication that he thinks there has been a trap laid, that he has uncovered some kind of plan by the Democratic-controlled House to trap the Republican-controlled U.S. Senate.

Mr. President, it seems to me that the people of the United States, those whom we are supposed to be here representing, could not care less about a trap or parliamentary shenanigans or a contest between the House of Repre-

sentatives and the U.S. Senate. They want something done about the scary deficit and skyrocketing national debt. I suggest, Mr. President, that what the President of the United States or any Member of the House of Representatives feels about our budget plan, we have the obligation here to discharge our duties and our awesome responsibilities and to do it here, now, and to proceed as quickly as possible sometime today on an up-or-down vote on the budget as amended that is before us. I hope, Mr. President, that that will be the case.

Mr. President, the Nation faces a most serious deficit crisis. In 5 short years, the accumulated national debt has doubled to $2 trillion.

In 1987, the first 15 cents of every tax dollar will go to pay interest on the national debt. A record $145 billion will be paid to service our existing debt. The Federal Government's interest expense for 1987 alone, would have funded the Federal Government's entire 1967 budget. The Federal Government is literally borrowing money to make its interest payments.

Common sense tells us that this trend cannot continue. Like a business or a family, a government must balance its books or face financial ruin. The problem is, the ill effects of Government borrowing are not immediately apparent. While the supply-side advocates have preached, "let the good times roll" a mountain of debt has accumulated. If we do not act now to shore up our fiscal condition, that mountain will avalanche.

Rather than looking at the deficit in cold economic terms, we should ask ourselves a simple question. Do we love our grandchildren? Every dollar added to the massive Federal debt further compromises their economic future. Each generation leaves a legacy for the next. Our forefathers built a strong nation and a strong economy. Our legacy should be more than the massive debt left from our reckless spending binges.

The recent confessions of the former Director of the Office of Management and Budget indicate that the administration has been kidding itself with regard to the deficit. Many of us knew it all along and spoke out only to have our warnings fall on optimistic but deaf ears. During the consideration of the 1981 reconciliation bill, the senior Senator from New Jersey and I offered an amendment which would have made the second and third installments of the massive 1981 tax cuts conditional on actual reductions in the deficits. I venture to say that if our amendment had been adopted, our current crisis would have been avoided.

For several years, Senators HOLLINGS, ANDREWS, and I have come to this floor to propose comprehensive plans to balance the budget. While we enjoyed broad bipartisan support, each year, the Senate, as a body, found some reason to put off the inevitable tough choices necessary to effectively deal with the deficit.

In the fall of last year, the Congress and the President tried to duck the deficit crisis again by turning over the legislative responsibility to make difficult choices to an arbitrary mathematical formula. As my colleagues well know, I strongly opposed the Gramm-Rudman amendment to the President's $2 trillion debt ceiling request. I felt that the Gramm-Rudman approach was not a responsible answer to our Nation's most serious economic problem.

While I opposed the arbitrary and unfair automatic spending reductions in the Gramm-Rudman proposal, I fully supported its goals. The 1986 budget which Senators CHILES, HOLLINGS, and I sponsored would have fully met the deficit reduction targets of the Gramm-Rudman law. The Gramm-Rudman legislation was not inevitable; there were plenty of opportunities to put the Federal Government on a balanced diet of deficit reduction.

Today a serious and meaningful plan to place the Nation on a sound fiscal policy is before the Senate. I am pleased to support the Domenici-Chiles bipartisan budget plan. I voted for this proposal in the Senate Budget Committee and participated in the negotiations which produced this broad based compromise.

The bipartisan budget is a fair and fiscally sound plan to balance the budget by 1991. This bipartisan budget proposal fully meets the deficit reduction targets of the Gramm-Rudman law.

The chairman and ranking minority member of the Budget Committee are to be congratulated. They worked long and hard under difficult circumstances to find common ground. For the first time in several years, the Senate Budget Committee worked in a truly bipartisan and cooperative manner to produce a tight budget which will significantly reduce the deficit.

While I suspect that each Senator supporting this package would make some changes if he or she could write their ideal budget, none of us have that luxury. We must design a budget in realistic terms.

Most certainly, compared to the meat ax approach of the Gramm-Rudman automatic sequester, and the President's package of previously discarded proposals, the bipartisan budget is a fair, prudent and realistic budget. It clearly represents the consensus of the Senate Budget Committee, and I believe it represents the consensus of the Congress and the people.

Make no mistake about it, this is a tough budget and it will take a considerable amount of political courage to fully enact. The bipartisan package asks shared sacrifice of the American people. In essence, the bipartisan budget is a "freeze" budget with selective reductions. By holding most spending to last year's level the Congress can make a significant reduction in the projected $183 billion deficit for 1987. In areas where appropriate, the committee budget reduces spending. There are only a limited number of areas where the committee determined it necessary to provide funding above last year's level. These areas include funding for a much needed farm credit initiative, embassy security and a replacement for the *Challenger* space shuttle.

I am especially pleased to note that new revenues are more than matched by spending reductions. This formula assures that any new revenues contained in the bipartisan package are used to reduce the deficit rather than finance new spending. The bipartisan package also explicitly rejects any increase in individual income tax rates. We can fully meet the revenue requirement by closing corporate tax loopholes, increasing taxpayer compliance or possibly increasing the tariff on imported oil, or some other plan that the Finance Committee might devise.

Mr. President, perhaps most important, the bipartisan budget fully meets the deficit targets of the Gramm-Rudman law. This is in stark contrast to the President's proposal. The nonpartisan Congressional Budget Office has estimated that if the President's budget where fully implemented, the 1987 deficit would be $160 billion. In other words, the President's budget would miss the 1987 Gramm-Rudman deficit target by $16 billion. That means to fully comply with the law, and avoid another sequester, the Congress would need to add another $16 billion in revenues and/or spending reductions to the President's plan, which falls far short.

It is time to be practical. Democrats and Republicans must put politics and dogma aside. Let us work together to bring fiscal sanity to the Federal budget. As a former Governor who balanced eight budgets, and as a Senator who has preached the gospel of fiscal restraint, I urge my colleagues in the strongest terms to join in this bipartisan effort. Our children and grandchildren cannot afford the continued stalemate.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am going to yield 1 minute to Senator STAFFORD and then I might ask my friend, Senator BOSCHWITZ, if he could man the floor for about 8 or 10 minutes while the Senator from New

Mexico sees a constituent. I have to make one little speech first and then I will leave. I yield the floor.

Mr. STAFFORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. STAFFORD. Mr. President, I just wanted to take this opportunity, and it is apropos following the distinguished Senator from Nebraska, to say that I think the Budget Committee is on the right track; that this Senate ought to be indebted to the chairman of the Budget Committee, the distinguished Senator frm New Mexico, and ranking member, Senator CHILES. This budget will allow us to achieve the targets that were set in the so-called Gramm-Rudman-Hollings amendment, and it will allow us to do it in a way that I think is proper and humane and in the best interests of the country. So I would simply offer my encouragement to the Budget Committee and its leaders to go ahead and work this through to a successful conclusion. I can tell the chairman of the committee that this Senator is prepared to support him when we reach a final vote.

Mr. DOMENICI. I thank my friend and am most pleased that the Senator came to the floor and offered his remarks. We are getting close to the end and it seems that the closer we get to the end the further away we get from solutions, but we will keep trying. I thank the Senator once again.

Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from New Mexico.

□ 1300

Mr. DOMENICI. Mr. President, I was not here for all of the discussions on the other side of the aisle with reference to the House document that has been discussed here this morning. Let me just say by way of a concern of mine—I am sure it is a genuine concern on the part of the majority leader—clearly the U.S. House has not acted. Clearly the last official kind of communication we had was when we met with them and they said they would act promptly after we acted.

On the other hand, we have had a situation before when the deficit was serious, when the U.S. Senate made serious votes and produced a serious budget. That was last year. I do not think it comes as any shock that the U.S. House, because our budget had tough stuff in it, very little smoke and mirrors, very few items that were not real, very few items that if accomplished would not have a permanent effect of reducing the deficit, not only in a single year but over the course of 2 or 3 years—I do not think it comes as any shock that after we did that, the House did not follow suit. As a matter of fact, I think it is common knowledge that the best you could say about what they produced was that it was technically correct but that in terms of real savings and getting the job done, wherever there was an easy way out, it was taken.

I do not know how we solve the dilemma now of some kind of simultaneity of action, but I believe that the majority leader has a genuine concern. The Senator from New Mexico has a genuine concern.

I am not here preaching. We have a difficult enough time—at least, I do, as chairman of this committee—talking to the Senate. I am not a very good preacher, even to the U.S. Senate, much less to even consider preaching to the U.S. House. But I believe there is a growing problem, and I hope they understand it.

I believe there is a legitimate, growing concern about what their true intentions are. I hope they find a way—again, I say this only as the hope of a Senator from New Mexico—that they find a way to get some kind of message to the majority leader and perhaps the minority leader.

I am not suggesting that we are entitled to any kind of special treatment, but I think there is now enough skepticism around. There was plenty before; there is more now. I do not want to assess why, whether it is the document we looked at before, I think we are getting close, and obviously that makes it tought for everybody. We are getting close to: "Do we want a budget or do we not; what does it look like?"

I urge those in the U.S. House who are interested in a real budget—they have their policy choices; no doubt about that. They can choose a realistic defense level and that is realistic about what you have to cut, a realistic revenue level and find some way to communicate their intentions, not necessarily their final product. I cannot say it any better than I have.

I think those people we work with in the U.S. House, on both sides of the aisle, who are interested in something significant and serious happening in the next week or so in both bodies, here and then there, know what I am talking about. I hope they will find some way to clear the air a little with reference to what might be expected by way of the U.S. House taking some action soon and what it might look like, and in terms of action on the part of the Senate that might occur before the day is out.

I yield the floor.

Mr. BOSCHWITZ. Mr. President, I suggest the absence of a quorum, and I ask that the time be equally charged against both sides.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. PRESSLER. Mr. President, I ask unanimous consent that I be allowed to proceed for 3 minutes.

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

Mr. PRESSLER. Mr. President, I think it is very important that the Senate move forward with the budget, and I shall support the chairman of the Budget Committee. I hope we can come to a vote later today.

What has happened in this whole budget process is that dates have slipped. One House waits for the other, and Washington is not doing its business as we should. The fact is that if the Senate waits for the House or the House waits for the Senate, we will merely be continuing this spectacle of getting nothing done. Therefore, I hope that when the time on this resolution runs out, we will have a vote.

I do not agree with everything in this budget, but it would at least provide a framework so that we can go in to the authorization and appropriations process. If we allow this system to collapse, it will make our work much harder and will make our efforts at reducing deficits and providing a national economic program much harder.

Mr. President, I yield back the remainder of my time, and I suggest the absence of a quorum.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that the time for the quorum call be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

□ 1320

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

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

AMENDMENT NO. 1816

(Purpose: To increase budget authority and outlays for programs relating to drug prevention and education and drug rehabilitation and treatment for each of the fiscal years 1987, 1988, and 1989, and to reduce budget authority and outlays for furniture and furnishings for the Federal Government by corresponding amounts in each such fiscal year)

Mr. D'AMATO. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read a follows:

The Senator from New York [Mr. D'AMATO], for himself, Mr. WEICKER, and Mr. PRESSLER, proposes an amendment numbered 1816.

Mr. D'AMATO. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment reads as follows:

On page 2, increase the amount on line 19 by $7,156,000.

On page 2, decrease the amount on line 20 by $275,000.

On page 2, decrease the amount on line 21 by $15,000.

On page 5, increase the amount on line 10 by $7,156,000.

On page 5, decrease the amount on line 11 by $275,000.

On page 5, decrease the amount on line 12 by $15,000.

On page 6, decrease the amount on line 10 by $47,160,000.

On page 6, decrease the amount on line 11 by $37,727,000.

On page 6, decrease the amount on line 19 by $46,440,000.

On page 6, decrease the amount on line 20 by $46,575,000.

On page 7, decrease the amount on line 3 by $46,620,000.

On page 7, decrease the amount on line 4 by $46,575,000.

On page 7, decrease the amount on line 12 by $2,687,000.

On page 7, decrease the amount on line 13 by $2,552,000.

On page 7, decrease the amount on line 21 by $3,176,000.

On page 7, decrease the amount on line 22 by $3,151,000.

On page 8, decrease the amount on line 6 by $3,149,000.

On page 8, decrease the amount on line 7 by $3,151,000.

On page 8, decrease the amount on line 16 by $188,000.

On page 8, decrease the amount on line 17 by $179,000.

On page 8, decrease the amount on line 24 by $222,000.

On page 8, decrease the amount on line 25 by $221,000.

On page 9, decrease the amount on line 7 by $220,000.

On page 9, decrease the amount on line 8 by $221,000.

On page 9, decrease the amount on line 16 by $448,000.

On page 9, decrease the amount on line 17 by $425,000.

On page 9, decrease the amount on line 25 by $529,000.

On page 10, decrease the amount on line 1 by $525,000.

On page 10, decrease the amount on line 9 by $525,000.

On page 10, decrease the amount on line 10 by $525,000.

On page 10, decrease the amount on line 19 by $448,000.

On page 10, decrease the amount on line 20 by $425,000.

On page 11, decrease the amount on line 4 by $529,000.

On page 11, decrease the amount on line 5 by $525,000.

On page 11, decrease the amount on line 13 by $525,000.

On page 11, decrease the amount on line 14 by $525,000.

On page 11, decrease the amount on line 23 by $233,000.

On page 11, decrease the amount on line 24 by $221,000.

On page 12, decrease the amount on line 8 by $275,000.

On page 12, decrease the amount on line 9 by $273,000.

On page 12, decrease the amount on line 17 by $273,000.

On page 12, decrease the amount on line 18 by $273,000.

On page 13, decrease the amount on line 2 by $202,000.

On page 13, decrease the amount on line 3 by $191,000.

On page 13, decrease the amount on line 11 by $238,000.

On page 13, decrease the amount on line 12 by $236,000.

On page 13, decrease the amount on line 20 by $236,000.

On page 13, decrease the amount on line 21 by $236,000.

On page 14, decrease the amount on line 5 by $233,000.

On page 14, decrease the amount on line 6 by $221,000.

On page 14, decrease the amount on line 14 by $275,000.

On page 14, decrease the amount on line 15 by $273,000.

On page 14, decrease the amount on line 23 by $273,000.

On page 14, decrease the amount on line 24 by $273,000.

On page 16, decrease the amount on line 13 by $179,000.

On page 16, decrease the amount on line 14 by $170,000.

On page 16, decrease the amount on line 22 by $212,000.

On page 16, decrease the amount on line 23 by $210,000.

On page 17, decrease the amount on line 6 by $210,000.

On page 17, decrease the amount on line 7 by $210,000.

On page 17, decrease the amount on line 16 by $99,100,000.

On page 17, decrease the amount on line 17 by $80,271,000.

On page 17, increase the amount on line 24 by $99,100,000.

On page 17, increase the amount on line 25 by $99,100,000.

On page 18, increase the amount on line 7 by $99,100,000.

On page 18, increase the amount on line 8 by $99,100,000.

On page 21, decrease the amount on line 23 by $1,836,000.

On page 21, decrease the amount on line 24 by $1,744,000.

On page 22, decrease the amount on line 8 by $2,170,000.

On page 22, decrease the amount on line 9 by $2,153,000.

On page 22, decrease the amount on line 17 by $2,152,000.

On page 22, decrease the amount on line 18 by $2,153,000.

On page 23, decrease the amount on line 2 by $940,000.

On page 23, decrease the amount on line 3 by $893,000.

On page 23, decrease the amount on line 10 by $1,112,000.

On page 23, decrease the amount on line 11 by $1,103,000.

On page 23, decrease the amount on line 18 by $1,102,000.

On page 23, decrease the amount on line 19 by $1,103,000.

On page 24, decrease the amount on line 2 by $37,391,000.

On page 24, decrease the amount on line 3 by $35,521,000.

On page 24, decrease the amount on line 10 by $44,197,000.

On page 24, decrease the amount on line 11 by $43,854,000

On page 24, decrease the amount on line 18 by $43,829,000.

On page 24, decrease the amount on line 19 by $43,854,000.

Mr. D'AMATO. Mr. President, on Tuesday, the Senate adopted an excellent amendment offered by Senators DECONCINI and ABDNOR to strengthen drug law enforcement, and thereby reduce the supply of drugs in this country. The amendment I am now offering builds upon this approach by addressing the other major reason for our national drug epidemic, and that is the demand for drugs. The Attorney General, the Drug Enforcement Administration, and law enforcement officials everywhere admit that law enforcment is only a part of the answer to this problem.

We can double spending on law enforcement, but unless we teach children to say "no" to drugs, and unless we help the millions of Americans who are serious abusers of drugs and alcohol, we will never end this epidemic.

According to the National Association of Drug Abuse Directors, 22 million Americans are current users of illegal drugs, and 10 million more have serious problems with alcohol abuse. Treatment admissions for cocaine addiction have increased by 48 percent in the last year.

The National Institute on Drug Abuse 1985 survey indicates that:

First, 54 percent of high school seniors have used marijuana or hashish; 41 percent have done so in the last year.

Second, 17 percent have used cocaine; 13 percent in the last year.

Third, 12 percent have used hallucinogens; 8 percent in the last year.

Fourth, 10 percent have used opiates other than heroin; 6 percent in the last year.

So that if we were going to review or take a profile of American high school students today, let me summarize what their level of abuse is as it relates, not to alcohol, which is also great—but to drugs: 41 percent in the last year involved in some use of marijuana; 13 percent involved in the use of cocaine—one of the most deadly drugs in terms of its addictive propensities, and the difficulty once they become addicted, of breaking that addiction—8 percent in terms of hallucinogenics, PCP, angel dust; and 6 percent involved in opiates other than heroin.

Mr. President, drug and alcohol abuse continues to cause more than 60 percent of all the crime in America. Who is it attracting but our young

people? It brings the destruction of countless millions of lives, and the destructions of countless millions of hopes, opportunities, and dreams. It is a $200 billion a year drain on our economy.

Despite the spread of drug abuse into almost every community in America, the Federal Government today spends far less on drug prevention and treatment than it did in 1980. It provides only about 20 percent of the total spent on prevention and treatment. State and local governments now provide close to 60 percent of the total.

Drug education and rehabilitation is funded, in declining order, by:

State and county agencies, $797.3 million; private sources, $294.6 million; and Federal sources, $252.0 million. We do less than private sources.

At least 40 States have documented a serious need to increase prevention and treatment for young people, particularly because of a spreading cocaine epidemic made worse by the emergence of an extremely addictive and cheap form of this drug known as crack.

By adding $100 million per year of Federal money for these programs, my amendment can provide:

Preventive education to teach millions of young people—who now receive no such education—how to say "no" to drugs; and

Residential and outpatient help for tens of thousands of young people who cannot get into overcrowded rehabilitation centers around the country.

The money for this initiative will not come out of taxpayers' pockets. According to the General Services Administration, the Federal Government spent $820 million last year alone on new furniture and on new furnishings, such as rugs and drapes.

What we are asking for, Mr. President, is that instead of spending $820 million for new desks and chairs, new drapes, et cetera, let us tell the bureaucrats that they are going to have to cut back on these demands. Let us say that we can set aside $100 million to do what we should be doing: fight a war on drug addiction, and see to it that our resources are better applied.

Mr. President, our limited effort to combat the drug epidemic is a national scandal and disgrace. For the past several years, Mr. President, when I have raised amendments and made efforts to fund a better war against drug addiction, I have continually been met by this reply:

> Senator, we agree with you, but where do we get the money? We agree that we need strong law enforcement.

We passed a measure overwhelmingly, the DeConcini proposal, to increase law enforcement, but we have not done anything in terms of drug education and prevention. We have not done anything in terms of rehabilitation.

I am met with this constant throwback: "Yes, this is a good proposal, but we don't have the money. We cannot increase the deficit."

That is why, Mr. President, what we have done is identify with specificity an area of the budget by which we look to offset that $100 million increase.

The question is simply this: Are we going to say that we will continue to spend more than $820 million annually for furniture, for furnishings, and that we are not willing to reduce that by $100 million to begin the battle against the drug epidemic that takes place, to better fund prevention in education programs and to better fund rehabilitation programs that are absolutely strained beyond capacity?

There is an institution that does great rehabilitation work in my State, and that institution is known as Daytop Village. Every day, they turn away 100 addicts who come to them looking for help. Their record in terms of helping to rehabilitate is second to none. It is a drug-free environment they operate under.

□ 1330

There are few Federal dollars that go into that program, and yet they must turn away addicts who come and who seek treatment, who seek help because they have no funding because their place is jammed. So we say on the one hand, let us win the war, let us fight the war against drug addiction. Yet when people seek help in every State, we have this incredible problem with inadequate resources, and no rehabilitation centers. How do we get ahead of the problem? We do not fund rehabilitation adequately, and we do not fund education and prevention adequately.

So let us ask the question: Are we going to face up to the fact that we have an epidemic and reorder our priorities, or will we continue to do business as usual?

Mr. President, I think the choice is rather simple. The small reductions contained in this amendment are spread so broadly across so many functional areas of the Government that no single function, other than general government, suffers a cut of even one-fiftieth of 1 percent. Ten functions are cut by less than $4 million.

I think that it is absolutely criminal that we are spending $820 million on new furniture and new furnishings, and that we would even consider continuing that kind of expenditure. I think $100 million that I have put up is too small. But I offer this $100 million because I think maybe it is a start in the right direction, a direction that we abandoned in 1980.

The reduction in each function is based on its percentage share of 1984 and 1985 total spending on new furniture and furnishings, as reported by the Federal procurement data system.

For example, the Department of Agriculture spent 0.3 percent of the total spent on furniture and furnishings in 1984 and 1985, so it is cut 0.3 percent of $100 million, or $300,000. If the bureaucrats in the Department of Agriculture have to get by with $300,000 less on new desks and office decorations so that farm children can receive better drug prevention education, then so be it!

Although the general government function and the defense function together provide $89.7 million of the total directed to the war on drugs, the impact on these functions is quite small. General government is cut by only 0.76 percent, and the defense function is cut by only 0.013 percent, as the following table shows.

	Amount cut (millions)	Percent [1]
Function:		
050 National defense	$46.5	0.013
150 International affairs	3.4	.020
250 General science, space and technology	.2	.002
270 Energy	.7	.013
300 Natural resources and environment	.4	.003
350 Agriculture	.3	.001
370 Commerce	.2	.002
400 Transportation	.3	.001
500 Education, training, employment, social services	.2	.001
700 Veterans benefits and services	2.6	.007
750 Administration of Justice	1.1	.013
800 General government	43.2	.760

[1] Cut as percent of total amount in function.

I realize that, under the rules, a budget amendment can specify only the dollar amounts to be added to, or cut from, each functional area. I wish to note for the record, therefore, that it is my intent to find the additional funds for this initiative in the furniture and furnishings accounts of the various agencies.

Mr. President, I ask unanimous consent that a detailed, 20-page statement of unmet drug abuse prevention, education, rehabilitation, and treatment needs in 48 States—compiled by the National Association of State Alcohol and Drug Abuse Directors—be printed in its entirety at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit #1.)

Mr. D'AMATO. By voting today to cut a few hundredths or a few thousandths of 1 percent from 12 functions, and that the general Government function be cut by less than eight-tenths of 1 percent, we can meet many of these needs.

Mr. President, I urge my colleagues to think about the people they know, and particulary the children in their communities, whose lives have been destroyed by drugs or alcohol. Think about the police and the law enforcement officers who tell you they cannot win this battle alone. I urge you to then give our drug and alcohol pro-

grams some of the help they need by cutting back just 12 percent on Government purchases of new furniture and new furnishings. I urge my colleagues to support this amendment.

I also note for the record that Senator WEICKER is a cosponsor of this amendment and Senator PRESSLER has asked to be added as a cosponsor to this amendment.

I hope my colleagues will join with me in support of this amendment.

Before I yield the floor, Mr. President, I will ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. D'AMATO. Thank you, Mr. President.

EXHIBIT 1

STATE NARRATIVE REPORTS ON MAJOR UNMET NEEDS

ALABAMA

The planning process has resulted in three major areas of unmet need.

Increased funding of existing residential services.

Expansion of short term and long term substance abuse residential services.

Expansion of outpatient and day treatment services with emphasis on accessibility to target populations such as working people, women, children and elderly.

ALASKA

Improved efforts in the prevention of Fetal Alcohol Syndrome.

Establishment and operation of a residential youth treatment facility.

There is an overall need to conduct special prevention efforts on a regular and consistent basis.

ARIZONA

The Office of Community Behavioral Health has identified domestic violence shelter services as under-developed in Arizona. While not specifically supported by drug, alcohol, or mental health funds (domestic violence funds are a separate legislative appropriation) the clients served often have difficulties that grow out of substance abuse problems. We fund shelters and safe homes throughout Arizona and believe this system is in need of expansion.

The capacity to serve clients in need of methadone maintenance services is not sufficient to meet demand. Publicly supported programs are having to delay client registration. Additional funding is required.

Expanded residential treatment services are needed for women with dependent children, for clients needing detoxification services, and for drug abusing youth. Various facilities already established need refurbishment and more realistic salary structures. Additional funding is required.

ARKANSAS

Youth involved, at some level of severity, with alcohol and other drugs, and how to create/design services for this group have gained increasing emphasis in the last year. Data on the number of youth needing treatment are limited. A recent drop-out study has provided considerable new information in this area. The OADAP has made available limited funds for a pilot project designed to provide residential treatment to adolescents. There are not sufficient funds to initiate a new program. It is anticipated that the limited pilot will provide further support for the need for more services to this group. The current funding situation will prohibit any service expansion.

CALIFORNIA (ALCOHOL)

A survey of the critical unmet needs, as defined by the local county alcohol authorities, resulted in an unmet need costing $85 million.

Other data sources, identified in the State Alcohol Plan, indicate that special underserved population groups are inadequately served in California. These groups are made up of women, ethnic minorities, youth, the elderly and the disabled.

A variety of services are needed throughout the State, such as social model detoxification and recovery homes, residential treatment, non-residential and outpatient services, and prevention services.

CALIFORNIA (DRUG)

Major needs include:

Treatment facilities for cocaine and synthetic drug abusers.

Treatment facilities (residential) specifically for AIDS-diagnosed patients and for youth services.

Affordable laboratory tests to detect presence of fentanyl analogs.

Resources required include:

Adequate and timely research on the epidemiology of synthetic and natural drugs to facilitate development of public policy and program funding priorities.

COLORADO

With increased funds we would be able to provide higher reimbursement rates for services currently provided and expand services to meet the needs of a greater percentage of the target population.

CONNECTICUT

A major need identified is the replacement of federal funds due to decreased block grant allocations and lack of inflationary increases. In the first instance, a $410,000 decrease in Social Services Block Grant (SSBG) funds became effective October 1, 1985. These monies are needed to maintain the existing community based treatment and rehabilitation system. The October 1, 1985 decrease in SSBG funds was offset this year by unallocated funds which resulted from the closing of one program. Without an increase in subsequent years, service reductions would be required. In the second instance, CADAC has identified $66,819 needed to replace the amount of Alcohol, Drug Abuse and Mental Health Services (ADMS) block grant funds which will no longer be available due to inflationary costs. The effect of status quo funding is a loss of ability to maintain current positions due to increased costs relating to collective bargaining increases and anniversary increases.

Another major need identified in our planning process is the expansion of the service delivery capability of existing prevention programs. CADAC has identified $100,000 to increase by 50% the number of youth, teachers and other adults to be served by high demand population services.

DELAWARE

Appropriate residential treatment resource for adolescent alcohol/drug abusers.[1]

[1] Legally under auspices of separate governmental unit. Need acknowledged but not responsibility of this agency.

Residential treatment alternatives to incarceration for alcohol/drug abusers with significant criminal justice involvement.[2]

DISTRICT OF COLUMBIA

The following needs were identified, but not provided in the District of Columbia due to inadequate resources:

Needs	Inadequate resources
Inpatient drug detoxification (PCP and other drugs).	Funds.
Treatment slots for court referral.	Funds, staff.
High risk identification and referral (AIDS, prenatal care).	Do.
Communications network (to link treatment programs and compile data).	Funds, technology.

FLORIDA

There are currently insufficient funds to expand and enhance alcohol and drug abuse services. In addition, with an increase in cocaine use and AIDS clients (Florida currently has the third highest number of confirmed AIDS cases) additional resources will be needed to provide adequate services for these two population groups.

GEORGIA

During 1985, the Alcoholism and Drug Abuse Services Plan was formulated in order to realign resources to shift the balance more toward a community-based continuum of care. The plan further provided that the size and function of the eight regional hospital alcohol and drug units be reduced to serve only the most problematic patients and the acutely medically involved. Over a four year period, hospital resources are being redirected to develop 24 hour community services to provide for detoxification, 28-day residential treatment and extended residential care in eight regions of Georgia. During FY 1986, three regions will implement a regional system of services for alcohol and drug clients. The implementation of this portion of the plan is supported by the Department of Human Resources FY 1986 improvement funds. The plan projects an increase in all alcohol and drug abuse residential treatment beds from the current number of 646 to a total of 992 at a cost of $6 million over a four year period.

GUAM

Major needs that were identified for which resources were not adequate include the development and implementation of a drug and alcohol unit, a satellite medication and mental health clinic, specific risk reduction services for special populations, the Department's quality assurance program, and the Department's management information system. Many of these needs were not met because of a lack in funds, educational institutions, and coordination among other planning/research agencies.

HAWAII

The following table demonstrates the gap in available services and the resources needed to reach a low average level of services:

	Available resources	Support needed
Prevention	$430,604	$723,331 plus 38.6 F.T.E.
Emergency/crisis intervention	21,926	$495,385 plus 19.3 F.T.E. plus 26,055 bed days.
Outpatient	1,224,335	$11,467,573 plus 104.2 F.T.E.

[2] Not sole responsibility of this agency.

	Available resources	Support needed
Residential	1,122,731	$5,839,915 plus 138,400 bed days.

IDAHO

Idaho identified the need to establish a residential treatment program for adolescents needing longer term, more structured substance abuse treatment. Estimates were that this would cost $250,000 or more. Also identified as a need was the development of treatment programs for persons under custody of the state or county—(criminal justice systems—jails, prisons, etc.) or foster homes, youth homes, etc. The need to find cost effective treatments, matching clients and treatments, has continued to be a priority for substance abuse administration.

ILLINOIS

The Illinois Department of Alcoholism and Substance Abuse (DASA) coordinates services and distributes grants to community drug and alcohol prevention and treatment service providers. By far, the largest portion of the DASA budget is grant-in-aid. Based on research conducted by the agency, it appears that the major problem in Illinois is the lack of a full range of services in all areas, as well as the lack of adequate services to special populations (i.e., youth, women, minorities) in all parts of the State. This is caused by the fact that federal and state funding is limited, and the State's top priority at this time is to provide continued funding to the existing service system, thereby upgrading the quality of care. In a state as geographically large and culturally diverse as Illinois, additional centers throughout the state are necessary to adequately serve the population.

INDIANA

Services, primarily of a non-hospital 24 hour residential nature, were identified as deficient for both youth and adults. Intensive outpatient treatment (day treatment) needs were likewise noted as insufficient. The absence of a statewide prevention strategy was noted. Funding in the areas of $12,000,000 annually was identified as needed to meet the reasonable demands for services.

IOWA

Respondents to a mailed questionnaire identified the following treatment needs: specialized services to ethnic/racial minorities and the elderly adult in-patient services; halfway house services for men and women; day care services; and adolescent residential services. In prevention, respondents called for increased services to minorities, the elderly, and women. In addition, respondents requested more specialized training for groups outside the network of prevention and treatment programs. Those groups included police officers, volunteers, parents, physicians, clubs and organizations, prison staff, administrators and teachers.

Although there was an increased state appropriation for FY 1985, these funds were not sufficient to address the identified needs.

To enhance and promote community programs furthering youth prevention, intervention and treatment services a $10.6 million investment is needed over the next 5 years.

To promote and enhance community programs furthering alcohol and other drug abuse outpatient services, with special attention to the needs of both employed and indigent clients, a 5 year $650,000 investment is necessary.

To enhance and promote community programs furthering prevention, intervention and treatment services for minority populations a $2,376,000 investment is needed.

More than $5 million in state and community funding is needed for capital improvements in treatment facilities.

Inadequate counselor salaries resulting in excessive turnover is a longstanding problem.

KENTUCKY

Governor's Task Force on Drug and Alcohol Prevention—funds would be allocated to implement the recommendations of the Governor's Task Force.

Treatment Services for Adolescents—through subcontract arrangements with CCC's new services targeted at youth who have alcohol and drug problems would be developed.

A&D Treatment Services for Adults—Expansion of CCC system would include more halfway house and residential treatment programs for adults who abuse alcohol and drugs.

Alternatives to Incarceration—In order to implement the intent of the Decriminalization of Public Intoxication Act, alternative programs need to be established.

Prescription Abuse Data Synthesis (PADS)—One staff position and computer capability would be required to implement this recommended program of the Governor's Task Force on Prescription Drug Abuse.

Criminal Justice Diversion Program—Each CCC would have opportunity to establish court liaison for MH-MR-SA identification and referral.

Capitol Construction of Alcohol and Drug Facilities—The legislature would appropriate funds for a Bond Issue.

Employee Assistance Program for State Government—An EAP program would be established by the Department of Personnel for all state government employees.

Alcohol & Drug Programs in Kentucky Prisons—the Corrections Cabinet would expand programs in 5 prisons in Kentucky.

LOUISIANA

A recently completed needs assessment identified the following major needs and the resources required to meet total needs of those dependent on public sector treatment resources.

To provide 100% of detoxification needs; an additional 197 beds would be needed. Existing beds for detox services in the public sector totals 40.

For inpatient (30 day) treatment, unmet need is estimated to be 207 beds. Through existing resources, 310 beds are presently available for a total bed need of 517.

Halfway house/residential services are now provided through 197 beds. Unmet need is estimated to be 557 beds.

For outpatient treatment services, it is estimated that an additional 395 treatment staff positions would be needed to meet 100% of need for services based on a caseload of 1:50.

An additional $10,625,634 would be needed to fund approximately 50% of the unmet need in new or expanded prevention/intervention/treatment programs.

MAINE

Both inflation and increased quality of services have diminished the buying power of existing funds.

Halfway house services for women.

Expansion of rural outpatient services.

Extended care services for late stage population.

Expansion of adolescent treatment.

Shelter/detoxification services.

MARYLAND (ALCOHOL)

Services to adolescents—additional funds need to be appropriated to provide expanded assessment and treatment and residential treatment services. These gaps in services have been identified and are priority funding items for this current fiscal year and the next three fiscal years. In addition to this increased prevention and intervention efforts have been initiated in conjunction with other human service agencies in the State. It is projected that annually, a need to provide residential placements for 300 adolescents in fiscal year 1986 will outstrip the available resources and additional residential facilities will have to be developed. Projected costs through purchase of service contracts will be around $500,000 to $750,000 annually.

MARYLAND DRUG

To fund an additional nine addiction counselor positions to serve as adolescent treatment coordinators throughout the State to provide liaison with other juvenile agencies; assessment and referral to residential facilities; outpatient and family counseling ($200,000).

To improve treatment services for an estimated 750 new female clients annually in outpatient programs by providing two counselor/coordinator positions in each of the five regions throughout the State ($225,000).

To provide Group Home Care for approximately 92 adolescents annually who have completed formal treatment for substance abuse, but need extended aftercare and are unable to return to their own homes ($303,000).

MASSACHUSETTS

Several major needs were identified through the recent state planning process for which resources were not adequate to meet those needs. First, there has been a need to increase prevention efforts in the schools and to develop resources to train teachers and to support the development of comprehensive drug and alcohol prevention curricula. Second, the need to acquire additional funding to upgrade residential drug programming was identified. Third, the need to expand the availability of methadone services was identified.

For all services, there is a need to maintain the existing level of operations while at the same time providing for cost of living increases. This has become increasingly difficult in that state and federal funding are static. Federal "lag" money is no longer available for alcoholism services, and we are faced with the prospect of service reductions in the state 1986-87 fiscal year.

MINNESOTA

Specialized programs to prevent, identify, and treat drug and alcohol problems among various "special" populations, including the elderly, adolescents, Southeast Asians, Blacks, Hispanics, the handicapped, various dual disability groups (MI/CD, MR/CD, hearing impaired, etc.), etc. While the state can and does provide grants for demonstration projects, on-going funding and dissemination of results to effect permanent system change continue to be problems.

Treatment for those who do not meet public assistance guidelines but have no insurance or other resources.

MISSISSIPPI

Additional treatment beds for adolescents are needed, especially in the Northern and Southern portions of the state. The required resources is funding.

Prevention activities within the school system are inconsistent both in availability and quality where they exist at all. The required resource is a policy mandate from the State Board of Education for the inclusion of prevention activities in the curriculum requirements.

MISSOURI

The table below summarizes the Missouri Division of Alcohol and Drug Abuse target population and the level of service needed for that population. As can be seen, there is a large gap between existing and desired service level. An additional $76 million would be necessary to reach the desired service level.

Target population	Service	Existing services	Desired services
46,614	Detoxification beds	129	516
	Residential beds	551	2,601
	Nonresidential hours	151,118	649,514

MONTANA

Need identified	Resources required
(1) Lack of inpatient treatment beds for indigents in the eastern part of State.	Funding.
(2) Need for more transitional living, or extended care facilities.	Funding.
(3) Need for adolescent treatment services.	Funding, staff and facilities.
(4) Increase training for adolescent diagnosis and assessment.	Funding.
(5) Maintaining existing services with a continued decrease in public (State and Federal) funds.	Do.

NEBRASKA

Our most recent plan was published in July, 1985, and proposes a model service system for the six planning regions in the State. It identifies a general lack of public information, education, and prevention services in 3 of the 6 regions. Day Care (Partial Care) is not available in 3 regions nor are youth services available in 4 regions. Detoxification services are available in all but one region.

In an analysis of geographic accessibility three multiregional level services were found not to be accessible (youth halfway house, youth short term residential, and adult extended residential).

Analysis of financial accessibility reveals that five types of services are not offered on an ability to pay basis (emergency detoxification, (1 region), youth short-term residential (2 regions), adult short term residential (3 regions), youth halfway (1 region) and adult halfway house (1 region).

No estimate of resources required to fulfill these needs was made. From the above, I have estimated that there is a need for about 21 new programs (facilities). The programs listed are not of the inexpensive variety. A very rough estimate of cost would be approximately $5 million in additional state funds or about twice as much as we currently provide.

NEW HAMPSHIRE

Although more people than ever have been served, due to tight budgets and limited fiscal resources, OADAP is still only reaching four (4) percent of the identified population in need of treatment. The increasing numbers being identified as a result of prevention and awareness efforts have strained resources and created gaps in services. Because of the same constraints, special populations troubled by substance abuse, such as the hearing impaired, blind, or developmentally disabled, have not been served.

NEW JERSEY

The following major programmatic areas are in need of substantial funding resources and represent major categorical underserved populations as well: (1) Homeless/Chronic Debiliated Alcoholics and Drug Addicts in need of residential extended care services, (2) Teenage substance abusers in need of primary services, and (3) Substance abusers who have an additional simultaneous condition including AIDS, Mental Illness and Hearing Loss in need of specialized treatment services.

Additional technological resources are necessary to provide more complete, rapidly available drunk driving data and client tracking capability.

NEW YORK (ALCOHOL)

The current alcoholism service delivery system reaches approximately eight percent of the population in need. Almost all existing inpatient and outpatient alcoholism treatment services report excessive waiting time for entry into services. In many communities, the most fundamental services including alcoholism clinics do not exist.

The following chart illustrates immediate and projected needs by program type:

Program type	1985 (beds)	1986 (beds)
Inpatient detroxification	684	717
Inpatient rehabilitation	421	479
Community residence	582	4,212
Outpatient alcoholism rehabilitation (visits)	4,004,762	4,104,542

NEW YORK (DRUG)

The Division of Substance Abuse Services oversees a statewide network of programs providing treatment and rehabilitation services to substance abusers in communities throughout the State. Treatment services benefit not only the abusers whose health and personal status are improved, but society at large. However, a great many substance abusers whose problems are serious—including substantial numbers who are the cause of enormous social and economic costs—are not in treatment. Overall, there are more than 240,000 narcotic addicts and more than 550,000 heavy non-narcotic abusers in the state—while only 75,000—80,000 substance abusers are known to receive treatment during a year.

In order to adequately address the unmet treatment need problem that currently exists in the State of New York the following directions need to be undertaken: (1) expand treatment capabilities; (2) increase availability of services; (3) assess and design services for nonnarcotic abusers; (4) further increase the quality of service; (5) undertake additional research (6) increase appropriate services to special populations; (7) continue efforts to impact on public awareness/attitudes; and (8) continue contributions to AIDS research efforts.

New York also supports an extensive network of prevention and early intervention services that include statewide public information/awareness and community volunteer efforts, and local prevention and early intervention programs. While the great majority of the local prevention programs focus on a youthful population, incidence and prevalence data indicates a need to also target other groups. However, prevention services already severely constrained by recent funding decisions.

In order to adequately address the unmet prevention needs problems that currently exists in the State of New York the following directions need to be undertaken: 1) expand the capabilities of the substance abuse prevention services system, especially for target populations; 2) continue efforts to increase public awareness; 3) increase quality and cost-effectiveness of services; 4) study the future elderly population; 5) develop additional information; 6) develop and implement mechanisms to foster increased coordination of program efforts; and 7) develop mechanisms to access additional funding sources.

NORTH CAROLINA

Prevention.—There is a need to have personnel to do prevention full-time; and funds for demonstration projects in student intervention and parent education.

Adolescents.—Although the dimensions of the problem are unclear at present comprehensive early identification and treatment for adolescents with substance abuse problems is being given special emphasis in North Carolina. Our legislature has allocated $1.2 million for start up funds for new programs in 1985-86 that are designed to demonstrate model services for communities. These resources will also assist in the better assessment of needs for underserved populations in our system and further planning and training.

NORTH DAKOTA

Major resource needs include residential and intermediate care for adolescents which include both facility and operational funds with no specific estimate of the dollars required. Present outpatient programs are adequate in their present locations but our need is to expand existing treatment programs to include outreach programming in various parts of our State. The major need here is additional addiction counseling staff with an estimated budget to be around $500,000 per year including salary and travel expenses. No facilities are necessary.

OHIO

Although Ohio was able to increase funding, fiscal year 1985 again fell dramatically short of its needs for treatment and prevention dollars. As we have described in FY '84, it costs approximately $46.5 million to treat 30,105 Ohio indigents within three levels of care—inpatient, residential and outpatient. That cost is now approximately $48 million based on a 3 percent inflation factor. This cost takes into consideration all resource areas—staff, funding, facilities etc.

The increases in state funds from DWI license reinstatement fees was also certainly a step in the right direction, however, Ohio's need for an adequate continuum of care accessible to all Ohioans, particularly to specific populations, remains a high priority. This will require special attention in the area of resource development and a unified approach, whether it be through the implementation of a generally controlled statewide system, or some other alternative system.

Prevention remains a priority for Ohio. Again, despite Ohio's efforts to increase state funding for the development of a system to provide training and consultation

of Ohio communities on prevention/intervention, the gap between available resources and existing need is considerable, as previously identified, Ohio plans to implement such a system through essentially three avenues: (1) intervention training; (2) personal resources and (3) community training.

OKLAHOMA

The Department requested $960,559 as expansion funds for FY 86 but did not receive. The increase was to assist in:

Developing new adolescent residential service; upgrading the three existing adolescent residential facilities; developing new adolescent/women's residential facility for minorities; developing a new service of detoxification in one residential program; expanding residential services; expanding outpatient services.

No additional funds were received to develop or expand the programs.

OREGON

The following needs exist:

Prevention and treatment services for elderly people;

Prevention and treatment services for handicapped people;

Prevention and treatment services for adolescents;

Residential services for women.

Treatment services for the most chronic and severe clients, many of whom have organic brain damage;

Treatment services for incarcerated individuals—juveniles and adults.

Residential treatment capability for the adolescent.

Transitional housing for the homeless.

Treatment alternatives for the youthful criminal justice substance abuser. (TASC)

School prevention program.

PUERTO RICO

Prevention:

To reestablish the Humacao Prevention Center, thereby increasing services in the Eastern part of the Island, an often reported service lack, at a total cost of $74,568.

To provide additional technicians for Mobile Units and centers to broaden coverage of the Island, at a total cost of $71,850.

To intensify the mass media effort, at a cost of $34,500.

To increase personnel in the Juvenile Restitution Program at a cost of $121,768.

Treatment:

To create a complete treatment center in the Eastern area to service adults, children and adolescents, at a cost of $484,877.

To establish Day Care Centers for Alcoholics in Manati and Caguas at a cost of $75,000.

To increase the DWI Program staff, at a cost of $86,052.

To establish a specialized residential treatment center for girls and women.

To strengthen the treatment modules prevalent in the penal institutions and to set up new modules in the institutions in need of them.

To expand services at the Industrial School for Girls at Ponce and Boys at Mayaguez, at a cost of $80,000.

RHODE ISLAND

Transitional and long-term care for chronic alcoholics.

Shelter care for alcoholics.

Residential and outpatient treatment programs for adolescents.

Rhode Island—specific drug abuse study/survey.

Methadone maintenance services are inadequate.

Inadequate services, across all modalities, to meet the current demand.

Lack of growth/expansion in the treatment/prevention system due to decreased and inadequate funding.

Two catchment areas do not have funded prevention programs.

Inadequate financial resources to implement school substance abuse intervention and student assistance programs.

SOUTH CAROLINA

Needs were identified in treatment, prevention and early intervention, and in several non-programmatic areas.

The principal treatment need is for additional outpatient counselors as a result of increases during the last three years in the demand for outpatient services. For the same reason, a need has been identified for increased funding to support training and technical assistance for treatment providers.

Several needs were identified in the areas of prevention and early intervention, including expansion of primary prevention activities in communities, expansion of the School Intervention Program, expansion of prevention and intervention services for institutionalized youth, a second Teen Institute, and increased information services.

Non-programmatic needs include funding for facility renovation, funding to allow cost-of-living salary adjustments for personnel and funding for improvements in information technology capability.

SOUTH DAKOTA

An assessment of adolescent needs revealed a need for at least 2 more residential treatment programs, 5 structured outpatient treatment programs; 22 FTE's in counseling and referral centers with expertise to deal with chemically dependent adolescents and issues of children of alcoholics and 33,852 days of transitional or group home care.

We are in the process of assessing statewide services and determining systems needs. We should have specific identified need areas by late December. More information will be forwarded to you at that time.

TENNESSEE

Adolescent Residential Treatment has been a priority. In FY 84-85 the first publicly funded 15-bed program was established. With the impact of the Governor's Task Force on Youth Alcohol and Drugs, FY 85-86, two additional publicly funded 15-bed programs are being established for a total state resource amount of $1,500,000. This gives one program in each grant region of the state. The Statewide Planning Committee recommended one program per region (six regions), which would require an additional $1,500,000 of state resources.

Adolescent Aftercare and Outpatient Services was also recommended by the Statewide Committee. No identified state resources are available to meet this need in the development of the continuum of care for youth. For the present, we are asking for a percentage (10%) of contracted outpatient slot utilization for adolescents across the state.

The Statewide Planning Committee also made recommendations concerning under funding for adult services. This addresses unmet needs in regions across the state. The percentage annual increase of state funding does not meet this recommendation. It remains a continuing planning issue for this year, to more concretely address the unmet needs and resources required during the next three years to improve adult services. This will require Departmental improvement requests in the budget process and legislative action.

TEXAS

Detoxification, evaluation, and referral centers for public inebriates diverted from the criminal justice system are needed in every region of the state. At present, there are three. At least twenty-four are needed, and the three which are in operation need expansion.

The insufficient number of long-term care facilities for chronic inebriates also comprises a major gap in services.

Adolescent treatment services are a major need, in addition to a need to expand the number of outpatient services. Texas has few non-hospital based residential substance abuse treatment services for persons under 18 who are unable to access for-profit services.

The Commission also has a priority for establishing at least 24 programs to serve children from chemically dependent families. We need one in each region; at present there are five.

Additional casefinding and referral capabilities and training resources are needed to respond to the divergence of public inebriates.

Services for youthful inhalant abusers are inadequate and need significantly more financial support.

Funding and technology are also needed to respond to the service needs of specific substance abuse trends, such as cocaine and designer drugs.

UTAH

Alcohol and drug abuse problems affect the lives and health of many youth in Utah. A 1983 study by the Utah State Division of Alcoholism and Drugs shows that 7.4% of Utah teens ages 12-17 (13,067) have either extreme or severe problems with alcohol and drugs and are in need of treatment intervention. Recent increases in State appropriations for alcohol and drug services have been directed at relieving public safety pressures and at prevention. As a result, adequate treatment resources do not exist; treatment programs are filled to capacity and many youth are required to be placed on waiting lists. A survey conducted across the State in 1985 indicates that it would cost $4,961,568 over the next two years to develop and implement an adequate service system to address the needs of our youth who have extreme or severe alcohol or other drug problems.

VERMONT

A major need for the State of Vermont is an instate residential facility for youth.

Currently the existing array of services is having difficulty meeting the client demand. More general outpatient services are required for this purpose. In addition, services to older Vermonts, women and school age youth are needed. We believe that we have the technology to meet these needs. The resources are the primary problem.

Overall the existing system is in financial trouble. With the exception of a few outpatient clinics most programs are experiencing serious problems.

VIRGINIA

Although new detoxification services have been initiated in Virginia recently, there remains a need to continue development of community-based detoxification especially in areas previously served by state facilities which are now reducing detoxifcation services.

Progress is continuing in accessing care in local, general hospitals; however, as with the detoxification service need noted above, funding is an issue especially for medical services to the indigent alcoholic under the primary diagnosis of alcoholism.

Employment services are required to deal with the current 50% rate of unemployment among our treatment clientele; connections among local agencies are required.

Virginia has become increasingly aware of the special needs of the dually diagnosed (MH/SA) population—technology and improved relationships between MH and SA providers is required; then the funding issue can be examined.

Additional funding (with a focus on rural areas) is required to meet current demand as evidenced by waiting lists and to further develop a continuum of services.

VIRGIN ISLANDS

New programs for women's treatment were designed, one in St. Thomas and one in St. Croix. The St. Croix program still lacks a staff member and although women are being served, the program, as designed, will not be implemented until a staff member can be hired.

Increase services to women and youth, cooperative efforts with the school are moving along slower than expected. A new program entitled "Women's Challenges" has been designed and minimally implemented.

Staff person also need to implement this program.

WASHINGTON

There are 2,800 alcoholics and drug abusers who are receiving welfare checks on the basis of a substance abuse disability. While state policy requires that these persons be enrolled in a program at residential or outpatient treatment, funds are insufficient to provide the necessary treatment services for this population.

All persons convicted of Driving While Intoxicated (DWI) are required to undergo an assessment of alcohol dependency. Those considered to be in need of alcoholism treatment are referred to treatment by the courts as a condition of their retaining driving privileges. New DWI statutes have increased the total number of court referrals to (primarily) outpatient treatment, among them a significant number of low income persons. Bureau funding is insufficient to pay for the cost of treatment of all of these persons.

In the past, most alcohol and drug dependent youth were treated together with adults by regular treatment agencies. During the last two years, the bureau has been funding twenty-eight youth alcohol and drug treatment beds in three special residential facilities for youth, but has not developed a continuum of aftercare outpatient services for youth. There is a need for additional specialized youth treatment beds and for specially trained youth therapists to provide outpatient and aftercare services.

We have only fifty percent of the drug residential treatment capacity which we need to keep up with the service demand generated by court treatment placement. At present, there is a seventy-six day average waiting period for admission to residential drug treatment agencies. In addition, the quality of treatment is suffering because of attempts by agencies to accommodate the demand by coverextending themselves.

WEST VIRGINIA

1. Residential treatment for adolescents.
2. Long-term residential treatment for chronic alcoholics.
3. Expanded day treatment programs.
4. Expansion of outpatient services.
5. Expansion of transitional living services.

All above services could be provided with a sufficient increase in funds to provide staff, and, in the case of 1 and 2, facilities.

WISCONSIN

The State of Wisconsin, through its biennial planning and budgetary process, prepares proposals to meet the state needs. Proposals in the area of alcohol and other drug abuse programs include the following:

In addition to the increase to counties to address women's initiatives, other priorities to be considered if funding allows include: expansion of the Women Reaching Women program to all counties ($235,000).

Earmark block grant funds for specific initiatives for women through the community aids process ($360,000).

Pool funds with the Domestic Abuse Council and jointly fund new programs ($360,000).

Develop procedure to use funding for child care for women in treatment ($75,000).

Increase funding for the TRAILS programs to a level that will minimally fund one full-time employee at each reservation with adequate travel and training ($75,000).

Support and encourage the development and expansion of services to special populations (i.e., women, minorities, elderly, criminal justice, youth, the chronic, the disabled). (Amount to be determined $1-2 million approximately.)

Fund services for hearing impaired treatment ($720,000).

Fund an American Indian residential treatment center ($350,000).

Fund an American Indian Women's Treatment Center ($350,000).

Provide funding for the State Chronic Alcoholic Community Support program ($3-4 million).

Major need is treatment services for children/adolescents (persons under the age of majority which is 19 in Wyoming). Impetus for this need emerged from an overall examination by the State of all youth services in Wyoming. It became clear that alcohol and drug treatment services for youth in Wyoming are not available. Many youth are being sent to special youth treatment facilities in neighboring States. Questions arose as to whether these youth could or should be treated in adult facilities. Currently the State is exploring and searching for appropriate treatment alternatives for youth in Wyoming. Although the State is experiencing an economic downturn and new monies are difficult to obtain, the State is committed to improving the adequacy of services for children.

It is estimated that in 1982 there were 22 million persons in American households that were current drug users and 10 million persons with alcohol problems. Only 5–10 percent of these individuals are receiving treatment. Waiting lists for admission to drug and alcohol treatment programs are common in many States. Treatment admissions for cocaine addiction have increased by 48 percent in the past year. Residential and outpatient treatment programs are being inundated with demands for treatment services from intravenous drug users who are seeking treatment as a means of preventing their infection with the deadly AIDS virus.

The current appropriation for the ADMS Block Grant program is $468.9 million. The FY 1987 authorization level for the Block Grant Program is $576 million of which alcohol and drug abuse receive approximately 50 percent at the national level. If the ADMS Block Grant program was increased by $100 million, the States would be able to readily absorb the increase for drug and alcohol treatment and prevention services into their long-standing comprehensive treatment and prevention systems. These comprehensive service systems provide varying levels of prevention, education and treatment services which are targeted to the needs of the specific individual.

The States use the alcohol and drug portion of the ADMS Block Grant program to provide community and school-based prevention, education and information services as well as residential and outpatient treatment services for tens of thousands of clients. In FY 1985, the States provided alcohol and drug abuse treatment services to 1,423,689 clients. Of the total number of clients, approximately 20 percent or 284,738 were supported with ADMS Block Grant monies. In addition, hundreds of thousands of children and other members of the community received prevention services.

At the onset, the provision of education, information and prevention services are the most effective means for preventing alcohol and drug abuse problems. These services are both community and school-based and are provided through various forums. If one-half or $50 million of a $100 million increase for the ADMS Block Grant program was targeted for prevention, education and information services the following number of education/information sessions and contacts would be supported within community and school-based programs: 909,000 education/information sessions and 12 million education/information contacts. In addition, 762,200 counseling sessions would be provided in both community and school-based settings along with 1,115,800 individual contacts.

For those in need of treatment, services are available through comprehensive array of treatment modalities and environments which are targeted to the individual's particular needs. These services are typically provided in a non hospital setting and are cost effective. In the State of New York, for example, drug abuse services in a residential setting cost approximately $8,000-$10,000 per year. Inpatient rehabilitation services for alcoholism costs approximately $200 per day with an average stay of approximately 40 days. Care provided in a halfway house setting for those individuals seeking to return to the community is approximately $33 per day for an average stay of 75 days. On an outpatient basis, drug abuse services cost approximately $3,000—$4,000 per year per client.

Depending on the needs of the particular State, the additional funds provided for drug and alcohol treatment would be spent on a variety of services. Information from the National Association of State Alcohol and Drug Abuse Directors has indicated that a major need in many States centers on the development and expansion of residential programs for youth and it is anticipated that much of this need could be met with the additional influx of Federal dollars.

With an increase of $10 million for prevention activities the National Institute on Drug Abuse would be able to expand its existing prevention activities and develop new initiatives which remain unfunded due to a lack of Federal funds. It has been also been noted that the National Institute on Alcohol Abuse and Alcoholism could immediately utilize $3—$5 million for prevention ac-

tivities. Examples of drug and alcohol prevention activities that would be funded with additional Federal dollars include: development of parent training materials on drugs and videotapes to teach parents how to talk with their children about the dangers of drug use; expansion of pilot projects for runaways, delinquent populations and children of drug abusers; further promotion of ongoing national media campaigns and development of new national campaigns; an increase of cooperative activities and technical assistance to the States, including the development of model prevention programs at the school and community-based level.

Mr. BOSCHWITZ. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that it be equally divided.

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

The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DOMENICI. Mr. President, I yield to the Senator from Louisiana, who desires to speak, as I understand it.

Mr. JOHNSTON. Yes; for not to exceed 5 minutes on the bill.

The PRESIDING OFFICER. The Chair recognizes the Senator from Louisiana for 5 minutes on the bill.

Mr. DOMENICI. Mr. President, might I inquire if the Senator from Louisiana, since we have less time left on this side, would ask that the 5 minutes would be off their time on the bill?

Mr. JOHNSTON. Yes, Mr. President.

Mr. DOMENICI. I thank the Chair. I thank the Senator.

Mr. JOHNSTON. Mr. President, I want to say a couple of things here while we are in this key negotiating phase on the budget. First is to commend the distinguished Senator from New Mexico, Senator DOMENICI, and the distinguished Senator from Florida, Senator CHILES, for the excellent work that they have done. It would have been almost inconceivable that we would have gotten what I regard as an excellent budget out of the Budget Committee without their good, excellent, hard, difficult work involving compromises.

Mr. President, they are continuing to work hard to make this process work. It is a very, very fragile process. I was not for Gramm-Rudman. I am still not for Gramm-Rudman but I would like to try to make it work. It is because of their good work and their good efforts that they are trying to make it work.

Mr. President, I want to sound a word of caution about what I regard as negotiations that are presently going on because I hope they are not going on on a false assumption.

I fear that at least the outlines of the budget compromise which I hear about are not going to be that well received on this side of the aisle, particularly by this Senator, and I have heard many other Senators. Let me say why.

First of all, the budget compromise that came out of the Senate Budget Committee I thought was an excellent one. For example, we started with a budget figure on national defense of, if I recall the figure, $287 billion which we had been told on our first crunch of the numbers would be the nominal level plus an allowance for inflation, plus maybe a billion or 2 billion extra, additional dollars which we thought was sufficient for national defense.

We went back and scrubbed the numbers again, and decided that was not enough for national defense—that, sort of, beauty is in the eye of the beholder as to what the actual nominal level on the inflationary level is.

So we decided using a new approach that $291 billion was the inflationary full allowance. Then we ended up, Mr. President, with a figure of $295 billion, which in my judgment was inflation plus $4 billion. And I can say that many of those on our side of the aisle stretched themselves to go to $295 billion.

On the tax side, Mr. President, there are many of us who feel that you can raise some significant amount of revenue without putting any additional burden on individuals, by simply closing some of the most egregious loopholes, the kind of loopholes that allow the biggest companies in this country to escape all tax altogether, and I am talking about the General Electrics, the General Dynamics, and other great companies with great people running them, and in the great spirit of free enterprise are making a lot of money. But they are not paying any taxes—none.

We felt, Mr. President, that we could put together a modest package of revenue enhancement. We ended up with I think $18.7 billion which was not going to hurt anybody but was going to really give you more equity.

So, Mr. President, we came out without resolution out of the Budget Committee, and it was supported by a majority of the Republicans and a majority of the Democrats.

Mr. President, I do not know what it is we are doing now with this negotiation. We are saying somehow that cannot work because of some ideological fixation on additional money on defense to fund a lot of gold plating of a lot of programs in national defense. We are being told that is not enough. We have to use what we did in the Budget Committee with a majority of both sides as a starting point for a new bargaining position.

□ 1340

Mr. President, I have not OK'd what I hear, and there are a lot of others on this side of the aisle who have not either.

Yes, I am for a strong national defense, and we thought $295 billion was a strong national defense. We thought that was not gold plated but a good, strong program.

We thought that of $18.7 billion on taxes with no tax on individuals, and it is not the kind of figure that you can say tax and tax, spend and spend. That is ridiculous.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JOHNSTON. I ask for one additional minute, Mr. President.

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

Mr. JOHNSTON. Mr. President, speaking for myself, I am not saying that I am stuck in concrete on every last jot and tittle of that bipartisan package so artfully put together under the leadership of the Senator from New Mexico. But I am saying as a word of caution, just do not take for granted those of us who are regarded as moderate to conservative Democrats that we are just automatically going to decrease taxes and increase national defense so you can have a lot of gold plated, unnecessary programs like $4.75 billion for the strategic defense initiative.

There are just some of us who are going to say, if you are talking about spend and spend, that is spend and spend and that is what has put us in the shape we are in.

With that word of caution, Mr. President, I yield back the remainder of my time.

● Mr. LEVIN. Mr. President, I want to see more money spent for educating the youth of this country about the dangers of drugs. For that reason, this amendment has a good deal of appeal to me.

However, I am concerned that in an effort to make this amendment deficit neutral, as is required by Gramm-Rudman, this amendment proposes to reduce the funds for other Government functions by $100 million without any assessment as to whether such a proposed reduction is justified by the facts. Without such a record, I do not believe that it is responsible to support such a reduction here on the floor. I know that Government furniture is an attractive target and, I'm not claiming that it's wrong to cut funding for it. But just as it makes sense to look before we leap, it makes sense to know the facts before we cut. Unfortunately, those facts were not laid out during the debate.

This amendment is appealing and tempting, but until there is an analysis offered of its impact, decent legislative process requires it not be adopted, de-

spite the ease with which a negative vote can be misconstrued.●

● Mr. MOYNIHAN. Mr. President, I support the amendment to the budget resolution to add $100 million per year for 3 years to the Nation's efforts to combat drug abuse. This amendment will add $100 million per year in budget authority to the health function of the budget—$50 million for drug abuse education and prevention, and $50 million for drug abuse treatment and rehabilitation.

Passage of this amendment, sponsored by my distinguished colleague, Senator D'AMATO, must be part of a comprehensive approach to dealing with this country's drug problem. At stake is not only the incidence of crime, overdose deaths, and property loss associated with drug abuse, but the loss of part of a generation of young people consumed by the unstaunched tide of illegal drugs into this country.

At the beginning of this Congress, I introduced S. 15, the State and Local Narcotics Control Assistance Act of 1985, to provide $125 million in grants, administered through the Department of Justice, to assist State and local efforts to catch, prosecute, and incarcerate those who violate drug laws, and to destroy illegal drug supplies.

My legislation will also provide $125 million in grants, administered through the Department of Health and Human Services, for programs to treat and rehabilitate victims of drug abuse and to educate the public, especially schoolchildren, to the dangers of drug abuse.

S. 15 has 20 cosponsors, including the distinguished Senator from Florida [Mrs. HAWKINS] in whose Subcommittee on Children, Family, Drugs, and Alcohol the legislation is pending.

This measure represents an important element in what I hope will be a more comprehensive approach to drug abuse and trafficking. I urge all of my colleagues to support the State and Local Narcotics Control Assistance Act.●

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I want to say to the junior Senator from New York, Senator D'AMATO, that I do not intend to spend much time discussing his amendment. If he is prepared, shortly we will have the rollcall vote he has sought.

If I had to choose between the hundreds and hundreds of accounts that the Government will fund in the appropriations process after we are through with the budget resolution, there is no doubt in my mind that I would look around for savings, in order to fund the specific program that he is talking about to the level that he is asking in his debate and that he contends he wants.

So I commend him for that.

Having said that, however, let me make sure that the Senate understands the impact of the amendment as a matter of budget resolution activity.

I am not going to spend time repeating the effectiveness or lack of effectiveness when one comes here and offers an amendment that moves money from existing programs and says, "I want it here." I am not going to give the whole budget process explanation.

Suffice it to say that whether or not this particular program within the very large health program function of our Government is increased as the Senator from New York indicates he would like it to be increased or not has nothing to do with the budget resolution.

The appropriations will decide from all of this money, all the budget authority, how much they want to send over to the subcommittee that spends money on health, including this drug prevention program.

So for starters, the distinguished Senator is on that committee. He has always been a staunch advocate of making sure we spend more in this program if we can find it within some bounds of fiscal sanity, and I assume that he will be joined by many others in the appropriations process. He may very well end up in August or September when we have the appropriations processes completed, if we do, with this program increased as he desires.

But Senators ought to know that this amendment, this amendment to the budget resolution, is not going to assure that these programs increase. The reason is that the appropriators are going to decide in defense and in all the other functions whether they are going to save enough to add it to this account so that this program can go up. That is No. 1.

And No. 2, if they decide to save elsewhere and put it in this 550 health function, there are hundreds of programs in the function, including the National Institutes of Health, the National Institutes of Mental Health, and others. The appropriators are going to decide within all those accounts whether they are going to increase some of the other accounts rather than this specific one.

So since that is the case, I do not think anyone should assume in 6 or 7 months "I voted for the D'Amato amendment and, therefore, did not I vote to increase by $100 million drug prevention programs." The answer is no. "You voted to move money around within the budget to add to a very large function called health within which the program lies, and you sent sort of a signal of some sort to the appropriations that you think this is a high priority program."

I believe that is as fair a statement as I could make about this amendment. It is not intended to be anything but complimentary to the Senator from New York. But I think everyone shoud know that the effectiveness of the amendment will find itself to be realized or not realized only after the appropriators do their work. The appropriators would have to cut other places, perhaps even the furniture account he speaks of, across the Government to spend more in this drug prevention program.

Mr. METZENBAUM. Will the Senator yield for a question?

Mr. DOMENICI. I am pleased to yield.

Mr. METZENBAUM. I have read the D'Amato amendment and I recognize the increase of the function health of $300 million. I totally support that concept, and that it would be used in drug abuse and rehabilitation. That is fine. But I wonder whether the chairman of the Budget Committee, with whom I serve, would not agree with me that for us to make an assumption that reduction would come from furniture acquisition in three separate accounts, defense, international affairs, and general government, is not a little bit of smoky mirrors. In the legislation we are working on here, we do not deal with the specific expenditures of furniture, we do not deal with travel allowances, we do not deal with automobile repair costs. We deal with broad categories.

To make that assumption is to include it as a factual representation without it having any basis whatsoever and totally nonbinding on the Appropriations Committee.

Mr. DOMENICI. Let me respond. I clearly cannot respond to a question that uses words like smoky mirrors.

Mr. METZENBAUM. I will take out the words smoky mirrors. It is not unrealistic for us to make an assumption that it will come from furniture acquisition since, in a budget resolution, we do not get into that kind of detailed specific? Would the Senator be good enough to answer that?

Mr. DOMENICI. I have done my very best to explain the ultimate efficacy of this amendment. Honestly, I would not be surprised that even if this amendment were not offered—if we did not vote on it and it was not adopted—that the appropriators would increase the account for this drug program and find offsets within other areas of Government—maybe not furniture but maybe travel, maybe attrition, maybe postage. I would not be at all surprised because of the enormous increase in the drug problem in this country, the growing recognition that we are not doing enough in the

prevention area, and in particular as it applies to the young people in schools.

I do not know how to answer the question.

Mr. METZENBAUM. I think the chairman has answered it and I appreciate his response.

Mr. D'AMATO. Will the Senator yield?

Mr. DOMENICI. I yield.

Mr. D'AMATO. Mr. President, I am not going to disagree with anything that my distinguished friend and colleague, the chairman of the Budget Committee, said with reference to what the budget amendment does, what the legal effect or authority is. But this does set parameters, it does set a priority, it does send a clear signal.

When we go to the Appropriations Committee—and I might note that a cosponsor of this is the chairman of the subcommittee charged with health, Senator WEICKER—what we are saying here and now is that the Senate of the United States recognizes as a Committee of the Whole that there should be additional appropriations specifically set up not just for health but for increasing the efforts in prevention and education. They have literally been abandoned.

In rehabilitation, we have a problem in 48 out of 50 States which have indicated a serious deficiency in this area.

Then, of course, we meet the problem with every subcommittee chairman of the Appropriations Committee, jealous of their prerogatives in terms of seeing that funds are not taken from their accounts, from their functions, and we say this is an area which we have set out as one which the Senate of the United States has said we will not spend $820 million on: furniture.

By the way, we are spending more than $820 million. That is just money we have been able to identify.

□ 1350

Let us see to it that the appropriators look at this as a vehicle by which to increase spending in the area of drug prevention and education and rehabilitation, and decrease the accounts that fund the purchase of furniture and furnishings. That is what we ought to do, to send a very clear signal, one that I believe will be successful, because heretofore I must confess to you I have been thwarted in the Appropriations Committee as it relates to this kind of an amendment without there being a clear indication that the powerful budget process and committee is supportive of a move in this direction. So that is why we do this. I appreciate, by the way, the chairman's comments on it. I hope that not only will we pass it here, but I would ask the chairman to be an outspoken advocate after we do this, if it does come to pass, as it relates to the appropriating process, as he and I both serve on the appropriations committee.

Mr. DOMENICI. Mr. President, let me again say that I commend the distinguished Senator from New York. His interest in this area, his desire to have more funding in this area, is of long standing and well known. On the other hand, I do not want anyone to misunderstand the amendment. This amendment assumes that we will take $37 million out of defense, function 050 to pay for this program because the Senator assumes that the appropriators will cut $37 million of outlays in what he perceives to be furniture accounts in the Defense Department. Clearly there is that much of a furniture account in a $300 billion defense budget, no question about it. It assumes $47 million in budget authority out of defense as the principal component of the $100 million. Frankly, I do not believe we are going to cut defense that much, not because of this amendment. Based on $295 billion that we have for defense, I do not think there is that much latitude to cut, and this amendment is just a general reduction of the defense function. Having said that, I do not desire to belabor the point. I am prepared to yield back the remainder of my time if the Senator is, and we will vote.

Mr. D'AMATO. Mr. President, I am prepared to yield back the remainder of my time. I yield it back.

Mr. DOMENICI. Mr. President, I yield back the remainder of my time and yield the floor.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from New York. The yeas and nays are ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Florida [Mrs. HAWKINS] are necessarily absent.

I also announce that the Senator from Maryland [Mr. MATHIAS] is absent on official business.

I further announce that, if present and voting, the Senator from Florida [Mrs. HAWKINS] would vote "yea."

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. INOUYE], the Senator from Georgia [Mr. NUNN], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER (Mr. EVANS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 82, nays 12, as follows:

[Rollcall Vote No. 87 Leg.]

YEAS—82

Abdnor	Ford	Mitchell
Andrews	Garn	Moynihan
Armstrong	Gore	Murkowski
Baucus	Gorton	Nickles
Bentsen	Gramm	Packwood
Biden	Grassley	Pell
Bingaman	Harkin	Pressler
Boschwitz	Hart	Pryor
Bradley	Hatch	Riegle
Bumpers	Hatfield	Rockefeller
Burdick	Hecht	Roth
Byrd	Heflin	Rudman
Chafee	Heinz	Sarbanes
Chiles	Helms	Sasser
Cochran	Humphrey	Simon
Cohen	Kassebaum	Simpson
Cranston	Kasten	Specter
D'Amato	Kennedy	Stevens
Danforth	Kerry	Symms
DeConcini	Lautenberg	Thurmond
Denton	Laxalt	Trible
Dixon	Leahy	Wallop
Dodd	Matsunaga	Warner
Dole	Mattingly	Weicker
Domenici	McClure	Wilson
Eagleton	McConnell	Zorinsky
East	Melcher	
Evans	Metzenbaum	

NAYS—12

Boren	Hollings	Lugar
Durenberger	Johnston	Proxmire
Exon	Levin	Quayle
Glenn	Long	Stafford

NOT VOTING—6

Goldwater	Inouye	Nunn
Hawkins	Mathias	Stennis

So the amendment (No. 1816) was agreed to.

□ 1420

Mr. D'AMATO. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. President, I am very shortly going to yield to my good friend, the senior Senator from Virginia.

But I want to make a statement off the resolution on the amendment by the Senator from New York and amendments like it to see if I can one more time make sure those who are observing and those who are attempting to derive some significance out of the vote just taken and similar votes on amendments that transfer money back and forth between the functions. First, this is not a vote for a new drug program if you voted for it. It is not a vote against this new drug program if you voted against it. It is not a vote for more money for drug prevention if you voted for it. And it is not a vote against more money if you voted against it.

Plain and simple, none of these votes which a sponsor says is for reducing the expenditure on carpets and increasing expenditure for child nutrition, are for or against those items.

Admittedly, the sponsor says that is what they are for. We have no way in this Senate at this point in our history on budget resolutions of letting the record reflect what it really is. So

some will go look in their voting profile of who is for more money for drugs and they will say those people who voted against D'Amato are against more money for drug education and drug prevention.

I urge that everyone understand that is not the case.

Having said that, obviously there are not very many people around here who have enough courage to vote against what looks and sounds and smells like more money for drug prevention. I will say right here, right up front, I voted for it. In fact, if we get very many more I am going to ask that everyone vote for them because the truth of the matter is that these amendments are just a first go around in a budget process. The amendments move money from one function of Government to another one with no assurance that the move will be the final outcome. In the case of this amendment, it moves money to a giant function of health care with absolutely no assurance that the appropriators are going to spend that extra money for this specific program if they spend it in that function at all.

I know for some that sounds like a very complicated sort of matter. I would hope that some Senators are concerned about this as it evolves, since we now work under a deficit neutrality requirement. I would hope we would begin to think of some kind of a rule that we might establish as to what the vote really means rather than what sponsors say it means.

I think the simplest explanation for this amendment would be it is a suggestion that defense be reduced $50 million and some other functions be reduced $50 million and that it be added to health care. I think in its simplest form it is that and no more. But to even suggest that in the final analysis what the sponsor claims the money will be used for is what it will end up being is more than one can say. It is but an amendment with reference to a budget resolution, no more, no less.

For those who voted to take some money out of functions and put it into more drug prevention activities 2 or 3 days ago, the argument I have just made is exactly the same. The conclusion that one should draw from it is exactly the same. We will have to wait around 3, 4, 5, 6 months and see what the appropriate subcommittees of appropriations decide to do in allocating these totals to their respective functions as they move to appropriate money.

Now I yield 3 minutes to the senior Senator from Virginia.

SAUDI ARABIA ARMS SALE

Mr. WARNER. Mr. President, I rise today to speak in support of the administration's most recent proposed sale of weapons to Saudi Arabia.

This sale involves $354 million worth of air to air, air to sea, and air to surface missiles.

The Saudi Government currently has all of these type weapons in its inventories, so the purpose of this sale is essentially to bolster the existing inventories.

As the Iran-Iraq war has recently intensified, both Saudi Arabia and Kuwait have felt increasingly threatened.

Iranian aircraft recently attacked and inflicted damage on a Saudi Arabian oil tanker sailing off the coast of Qatar.

Previously, the Saudi military was forced to intercept and shoot down one—possibly two—Iranian planes headed toward Saudi Arabia territorial areas; namely, their vital oilfields.

This sale will serve as a clear signal that the United States is steady in its resolve and will provide the assistance necessary for our friends in this region to stand firm and defend themselves against hostile acts by increasingly radical Iranian forces.

I know that some of my colleagues have expressed concern regarding this sale.

For that reason, I am proposing that certain assurances be attached to this sale as we did with the sale of AWACS system to Saudi Arabia.

Because these missile systems are far less complex than the AWACS, similar technical assurances probably may not be appropriate; however, consideration should be given to assurances providing for security safeguards, use restrictions and participation by the Saudi Government in efforts to stabilize conditions in that region namely, the peace process.

As we move to debate this measure, I urge my colleagues to consider the importance of maintaining a balanced policy in this area of the world, which is essential to the strategic interests of the United States of America.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

The Senate resumed consideration of Senate Concurrent Resolution 120.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. I suggest the absence of a quorum, time to be used to be divided equally between each side.

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

The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1540

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

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

Mr. DOMENICI. I thank the Chair.

Mr. President, parliamentary inquiry: How much time remains on the resolution and how much to each side?

The PRESIDING OFFICER. At the present time, the remaining time on the resolution is 5 hours 6 minutes total and it is divided as follows: 2 hours 22 minutes to the Senator from New Mexico and the balance to the Senator from Florida.

Mr. DOMENICI. Mr. President, I yield myself 5 minutes.

Mr. President, the Senate has just heard the Chair announce how much time remains on this resolution. Obviously, there is still considerable time. But I would like Senators to know that I have not been advised to the contrary, nor has the distinguished senior Senator from Florida, the Democratic manager, with reference to amendments.

I still have a number of amendments listed by various Senators that have indicated that they desire to offer amendments. I urge that, if there are serious amendments, the Senators begin to discuss them with us, in light of the expiring time. I understand that Senator McCLURE has a possible amendment regarding reconciliation and Senator RUDMAN has one on the same subject with a different approach. I also understand that Senator STEVENS desires to offer an amendment or discuss an issue of how you score outlays for the Department of Defense, function 050. We have been in touch with those three Senators and understand that Senator STEVENS clearly intends to come to the floor with reference to his issue around 4 o'clock. I urge any other Senators that have amendments, that they seriously consider bringing them to the floor and begin discussion so we can dispose of them.

Obviously, as everyone knows, under the Budget Act, when the time runs out, you can still offer amendments, you just cannot debate them. We have been in that position a couple of times. Clearly that is not the best way to give Senators an opportunity to understand and know what we are doing. But, nonetheless, it is available for anybody that desires to use it. We have 4 or 5 hours.

It would be preferable to the floor managers if they did something different than that and I urge that Senators who are interested to proceed accordingly. And I thank then for their cooperation over the last 7 or 8 days. We clearly have a much shorter list of amendments for this time in a budget resolution than we probably have had in at least my 5 previous years chairing it and managing it here on the floor.

But I thank them for that. I hope we can proceed with dispatch to accommodate, and perhaps make sure that we clean up the amendment list as we move into the waning hours of the debate on this resolution.

I yield the floor. I suggest the absence of a quorum, and ask unanimous consent that it be charged equally.

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

The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1550

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

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

AMENDMENT NO. 1817

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an amendment numbered 1817:

SEC. ( ) For the purpose of Senate consideration of appropriations bills for defense spending, outlay estimates shall be determined for prior year expenditures at levels consistent with estimates provided by the Office of Management and Budget. The Office of Management and Budget shall be required to limit actual expenditures from enacted appropriations in accordance with the outlay limitations established by this resolution.

Mr. STEVENS. Mr. President, I am trying to raise an issue here and have a little dialog with the chairman and members of the Budget Committee concerning a problem that I see. I apologize to the Chair; the pollen count is a little bit too high for me today, and I may be a little short of breath from time to time. The difficulty is that as we face defense outlays for 1987, a figure that is computed for the outlays from prior year appropriations, that has been interpreted one way by the CBO and another way by the OMB. While the OMB figures are lower, the CBO has estimated a higher level of outlays from prior year commitments. In order to match the outlay target if the bill is approved based on the Budget Committee recommendation, we will have to increase defense budget authority for 1987 to a level that I personally think is unachievable given the mood of the Senate now.

Several years ago and again last year we had differences between computers and we actually lost a continuing resolution because of the very great difficulty that the Senate and the House had because of this conflict. I perceive this conflict to be similar in the sense that I believe the House is relying on the Office of Management and Budget and the Senate is relying upon the Congressional Budget Office for their estimates. As a matter of fact, the Appropriations Committee advised the Budget Committee earlier this year that we realize this problem and we asked the Budget Committee to rely upon the Congressional Budget Office outlay projections in aggregate for defense.

Now we have a problem where I believe there is an $8 billion difference which between OMB and CBO because of the interpretation of prior years outlay projections. The purpose of my amendment is to direct that the scoring of prior year obligations be scored at a rate consistent with the Office of Management and Budget estimates.

If we do that—and I think there is great rationale for doing it—we will not have the $8 billion outlay gap that exists if we continue to use the Congressional Budget Office figures.

The Office of Management and Budget is authorized through its apportionment procedure to control actual outlays. This amendment would require the Office of Management and Budget to monitor the outlays of the Department of Defense in fiscal year 1987 so that outlay would not exceed the level of the final budget resolution. Consistent with approach the Office of Management and Budget outlay estimate should be used in interpreting this budget resolution.

If we are to get out of the problem that is going to come about because of the different computation of the impact of prior years' budget authority, we are going to have to do something like this. I had also suggested we might have an averaging procedure. I think we will have to get to some kind of averaging procedure, similar to the way we average income if we have a windfall income in any particular year. But I do believe that is something which will require an amendment to the Budget Act itself and I do not want to take that on at this time. I would like to take on just this year's problem. It is a different problem because this year the outlays are going up. Very frankly, we have to pay for some things that we authorized and appropriated in prior years. We are paying an increasing amount in terms of outlays for past years' budget authority. So even with a lower budget authority target this year, outlays will increase due to these prior year outlays stemming from enacted appropriations.

I believe that we should not have future budget authority driven by current outlay problems when those problems are the result of accumulating prior year outlays. This unnecessarily restricts our ability to choose among all programs in the defense request in order to achieve the budget resolution targets.

□ 1630

I hope that the Budget Committee realizes that the Defense Subcommittee, which I chair, is trying to be reasonable about this problem and to be responsible.

Last year, the defense authorization bill, for example, met the budget authority target for defense, but outlays were not taken into account. If the Appropriations Committee had recommended a bill consistent with the defense authorization bill, the outlays would have exceeded the budget resolution targets. This year, it is apparent to me that in the authorization process and in the appropriations process, we have to adhere to both the budget authority and the outlays limitations or we are going to be in severe difficulties.

I believe this amendment would go a long way toward avoiding the problems, because the Appropriations Committee will be permitted to adhere to the OMB's calculations as to outlays, and OMB will be required to assure that outlays be limited to their estimates. This amendment to this resolution would direct the Appropriations Committee to require OMB to do just that. I think it would be an ad hoc solution on a 1-year basis and would avoid the problems and misunderstandings we had last year. In large measure, the mismatch between budget authority and outlays was a significant factor in the appropriation of funds now claimed to be unauthorized.

I do not want to reiterate these problems, especially since we are still facing them. We still have daily negotiations with the Armed Services Committee, attempting to work out the problems on what they consider were unauthorized appropriations last year and what we considered were necessary deviations because of the outlay impact, because we were under the outlay limitation and they were not in the authorization bill.

I ask my good friend from New Mexico, the distinguished chairman of the Budget Committee, if he perceives the same problem I do about the two scoring techniques. I might say to him that our staffs have discussed that there is an alternative to this, and that would be a Budget Committee request to the Congressional Budget Office that would put CBO on notice that it is our desire that they use the OMB figures with regard to outlay calculations so far as prior-year budget authority is concerned.

Does the Senator from New Mexico wish to comment on my proposition?

The PRESIDING OFFICER (Mr. PRESSLER). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, first, I say to my friend, the senior Senator from Alaska, that he has as

difficult a job as any Senator. He chairs the subcommittee on appropriations that, for all interests and purposes, handles almost the entire defense budget of this country.

I, for one, want to say right up front that while he is a staunch advocate of defense preparedness, as is the Senator from New Mexico, there is no Senator who has been more cooperative in trying to understand the serious nature of this deficit, and no one who has been more helpful in trying to make this budget process work.

Despite the budget problems we have, and the serious deficiences that existed in the Defense Department that required us to increase and the fact that during the defense funding during the past 5 years, after a decade of neglect, the Senator from Alaska has continued to be supportive of us, trying to put some reasonable limitations on budget authority—that is, program level as well as outlays—in order to keep annual deficits within control. He is to be commended and complimented, and I do that.

I think that anyone who is familiar with the budget of the United States, knows it is complicated. It is a hybrid consisting of many different kinds of spending. It has entitlements, appropriated entitlements, forward-funded programs, and many other kinds of spending. When it comes to the Defense Department most of the spending is funded in appropriations bills, but it consists of many differing activities. Many of the programs purchase complicated, strategic and tactical hardware that takes a long time to get delivered. As a consequence, there is a constant job of estimating how much each of those things will spend-out during the year in terms of checks written on the U.S. Treasury.

This is nothing new. I can vividly remember the days of the very first Budget Committee chairman, Senator Muskie; we had cycles for a couple of years when the best estimates of how much defense would expend in actual checks written; would be much higher than anybody estimated.

Then, for some reason, it may have had to do with inflation or the level of contracts let during the year. We would go through cycles when we estimated high levels; and midway through a year, we would reestimate outlays downward.

What has actually happened, and what the Senator from Alaska is talking about now, is that the year before last, the estimate of what the Defense Department would write checks for was overestimated by those of us looking at the budgets. In other words, we thought they would spend more in paying for what they agreed to pay for.

I have heard some experts—in fact, I have heard some within the Defense Department—say, "Outlays don't mean anything. We'll just control them."

That might be the case for a year or two, but you cannot do that forever. The outlays are going to be determined by the programs approved by Congress in the appropriations bills that the senior Senator from Alaska sends them after those conferences.

However, we do have a situation where we had a history of low outlays versus low program level and now, this year they are substantially over what the administration predicted. The Senator is attempting to address that issue, because he is concerned that when we talk about the budget for the Defense Department, for the defense of our Nation, nobody—certainly not the budget resolution that is before us—intends that the total level of programs available, budget authority, will go down.

We can look at the resolution before us. We are all saying that there are certain things we have to budget for that are new, that are add-ons. In fact, that is the big fight. The resolution allows about 2.8 percent of that type of add-on, and the President is asking for 12.

The Senator from Alaska is worried, if I understand him correctly, that if the current short-term history of outlay upward movement remains for a couple of years, you would not even be able to accommodate any new budget authority, even the 2.6 nominal growth we have in the resolution. We would actually have to cut back on the programmatic authority that is already there. I understand that that is the nature of the problem he brings to the U.S. Senate.

Mr. STEVENS. It goes even further than that, because if we are to live within the limits of the budget resolution and the outlay limitations, I believe we will be forced to cut the higher spendout areas—readiness, the operation and maintenance accounts and personnel. As the Senator knows, the outlay percentage is much higher in those accounts in order to meet the outlay limitation. This would have the most serious effect on our defense, if we have to impose a limitation on readiness in order to achieve the outlay limitations. The reported resolution assures a budget authority cut of $25 billion and an outlay cut of $16 billion. In order to reach outlays savings of this magnitude, high spend-out accounts must be targeted hardest.

□ 1640

If we can have some understanding as to who is going to interpret the outlay impact of prior years' budget authority, and particularly to give it to the OMB, the problem may be more manageable. OMB has the authority year by year to control expenditures so that they will not exceed a certain limitation. I agree with the Senator, by the way, you could not do that on the basis of holding back expenditures. But every year we could have OMB tell us what is their estimate of apportionment and set these levels as the outlay target which could not be exceeded. Then perhaps we would not be in a position of being forced to reduce the high spend-out annual readiness accounts, such as, as I said, O&M and personnel, in order to meet outlay ceilings.

We should not be forced into personnel reductions in order to meet outlay ceilings is what I am saying.

Mr. DOMENICI. Let me say to my friend again, the Senator from Alaska, that I understand the problem clearly and clearly there is a problem. I am sure this comes as no surprise to the Senator from Alaska, when I say I could not agree today on even a sense of the Senate proposal that we are going to, that we are going to change the Budget Act in a very meaningful way without hearings and a thorough understanding. For years, we have been trying to firmly fix who makes the estimates of spending that are binding. Unless the Congress wants to change. What we did in the new Budget Reform Act, which says in section 311 that the Senate has to look to the Congressional Budget Office, and then the Budget Committee gives an answer to the other committees on the result of those findings, then this issue is now settled.

It is fixed and in statutory law. We worked hard on that. Obviously, everyone is worried about outlays around here. The checks written each year are what determine the deficits just as the taxes that come in each year determine the revenues.

So we could not agree here to change that, and I do not think my friend from Alaska expects that.

Second, let me say in all honesty to Senator STEVENS that I do not believe, if the Senate were prepared to change the guidelines and the rules, they would give that exclusively to the Office of Management and Budget.

I think the Senator knows the great respect I had for the previous Director and the great respect I have for the current Director. I think the Senator also knows about the Pentagon and its dispute with the Congress on how much is enough for defense and how much is left over and available for reprogramming, reprogrammed somewhere, because there are savings. There has been a dispute about how much is needed to maintain our defense growth that the Senator and I worked so hard to get.

So I do not believe we have hit on some new formula by putting that in OMB's hands.

I am willing to say to the Senator that we will work on the problem. We understand the problems. I am also,

willing to say that I did not intend that to cause a dramatic cut in budget authority beyond the $295 billion in budget authority because of the outlay number I attributed to it. That is my own personal view, and I can tell the Senator that I do not think it has to happen.

Mr. STEVENS. Mr. President, no one has greater admiration for the Senator from New Mexico and what he has done in the budget area than this Senator, but I want to make sure we understand each other.

By virtue of the CBO assessing the amount they do to prior years' budget authority, these outlays come through into 1987 and squeezes out a substantial portion of the new budget authority allocation for outlays. So, by bringing in that past year's outlays, let us assume there is a $20 billion difference between CBO and the OMB as to how much comes forward. OMB says there is $20 billion less and CBO says there is $20 billion more. That means when prior year outlays come into the allocation for us in 1987, there is $20 billion less that can be spent of the new budget authority in 1987. New systems, which spend out very low in the early period, have to move out, but there are not enough of those to significiantly offset the outlay cuts required.

It means that we would have to significantly pare back new programs in the 1987 appropriations bill. There are a whole series of things we would not start. Beyond more severely it would also mean we have to reduce troops, reduce steaming hours, and reduce flying hours. We would have to limit the use of battleships because of the high operations cost. We would have to cut down O&M and restrict readiness in a way that would be severe in order to get that $20 billion if it is taken away from 1987, because of the allocation to prior years' appropriations.

I know that the Senator from New Mexico understands that. I am not sure many other Members of the Senate do understand it. And what it means to have this difference and all I plead is that somehow or other we rely on similar baselines and scorekeeping because I see us coming back, as I told the Senator from New Mexico, with a continuing resolution sometime about the first or second day of October with the House saying "We are going to rely on one," and the Senate saying, "We are going to rely on the other," and we are somewhere $8 to $20 billion apart in terms of the baselines.

That is no way to run a Department of Defense, and I can tell you they could not operate under that hiatus.

We have to decide who is right. We have to decide whether the prior year's allocation of outlays applied to this budget resolution is divided from one source or the other.

I tell you if you rely on the basis of reported resolution you have to increase the outlays substantially to correct the imbalance. If we adopt the approach I've outlined, we do not have to have a substantial increase and we in fact can have an operating Department of Defense. Since outlays are enforceable on the appropriations bill, it's important to resolve this issue.

Mr. President, I ask that the Budget Committee, in deference to them, to come to the Senate and give us a recommendation as to how the impact of prior year outlay will be interpreted when the Appropriations Committee reports a Department of Defense appropriations bill for fiscal year 1987.

Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, let me once again thank the Senator from Alaska for the constructive discussion. I hope a number of Senators who should be as concerned as the Senator from Alaska will read this record and will begin to discuss this issue. I understand it exactly. He gave the exact closing remarks that this Senate needs.

Let me say to him, however, it is very interesting because we have had some people say to us, not the Senator from Alaska, "You do not have to worry about a budget resolution, you do not have to worry about restraining domestic spending, you do not have to worry about any new revenues; it is all going to work out."

Incidentally, I have seen one of the "it is all going to work out" worksheets that says, "we are going to make sure defense does not spend out as fast as people thought. We are going to make sure the outlays come down." The Senator from Alaska, however, is saying they are going up this year; they were underestimated.

I want to make the point that outlays, that is the checks written during the year, are now the whole ball game under Gramm-Rudman-Hollings. There is no sequester based on programs. It is on outlays. The Senator is correct. It is on estimates of outlays but we have established a procedure for estimating them. We have to get our heads together on this issue of estimating outlays on defense, to help the Senator solve his problem. I thank him for his efforts.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield 10 minutes to the junior Senator from Washington.

□ 1650

Mr. EVANS. Mr. President, I have listened with considerable interest to this most recent discussion which I think was useful and will help us in finally reaching a conclusion to this budget dilemma we are now in.

But as we approach the end of this discussion, I am disturbed by three trends which seem to be prevalent. First, the hero amendments, which in their explanation bear little resemblance to the amendments themselves. As the Senator from New Mexico has pointed out so many times, the amendments are merely dollars. They shift from one place to another. The arguments all surround some of the beneficial but most popular programs that people want in this country.

I have voted against virtually all of those amendments because I do not believe that is the way in which we ought to create a responsible budget. We ought to do it comprehensively and we ought to do it keeping in mind all of the needs and all of the expenditures we have.

The second disturbing trend is the demand to use potential future savings to calculate ourselves out of a deficit. And I fear that we will see, later on this evening or at some time, a modified proposal, which may even come from the Budget Committee itself. And that modified proposal, Mr. President, will very likely assume that there will be better times ahead between now and the August 15 date on which we must calculate the final economic figures for this budget. And I think that is a dangerous step indeed.

The third disturbing trend is the horrifying fear of taxes most Members of this body seem to have, even though the discussions revolve around something less than a 2-percent differential, a 2 percent of total revenues in terms of proposed taxes. And that is not between a zero presentation by the President and 2 percent by this Senate, but between a 1-percent increase in taxation which the President himself suggested in his budget and 3 percent which the Budget Committee recommended.

Mr. President, I do not think incumbents ever get defeated on the basis solely of taxation or of voting for a new taxation. They get beat because they do not take the case to their own citizens and to the people of their communities on the need for new taxes.

In past years we balanced our budget on the size of the deficit. That was the easy way to do it. We could add up all of our expenditures for either defense or nondefense. We usually ignored taxes, because that was the easy thing to do, and let the size of the deficit be the balancing figure.

Mr. President, if there is one good thing that happened under Gramm-Rudman, it ended that opportunity. We now must hew to a fixed target of $144 billion. And, as a result, we must honestly measure both expenditures and taxes.

Mr. President, for a long period of time in my political life, I have felt that working on a budget, determining the expenditure patterns and what service you would provide for your people and what taxes you would take from them, was the most fundamental effort we could do.

I think it might be useful to remind ourselves of the preamble to our Constitution, because what we are arguing here may come closer to meeting that preamble or figuring how we can meet the preamble than in any other act we pass in this Congress. And that, of course, says:

> We the people of the United States, in order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defense, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution of the United States of America.

That is precisely what we are attempting to do—to promote the common defense, to ensure the blessings of liberty to ourselves and our posterity, to provide for the common welfare. These are the elements of a budget and ultimately of the appropriation acts which will follow this budget.

So, Mr. President, between now and the end of this debate, we must honestly measure the economy as well as we can. Now those figures have been given to us at the beginning of the budget debate and they will be revised again in August. And that is the time we ought to review and perhaps change our own attitudes toward spending and toward taxation when that final figure is calculated in August.

We simply must ensure that we have provided efficiently and adequately for the domestic needs of our citizens—for those who need the help of welfare, for those who are ill, for those who need pensions, and the many ways we have become accustomed to providing adequately for the public welfare. It is important to continue to do that.

And equally, perhaps, even more important at the national level, to provide for the common defense. There has been a lot of argument about what is necessary, but there should be no argument that an adequate defense is primary among all of the expenditures we have in this Nation. This is because inadequacy—failure to provide for the common defense—ultimately could be terminal.

And after we have done all of that—after we have done the job of efficiently and well providing for domestic expenditures and for the common defense; after we have done those jobs, and after we have measured the economy as well as we can to determine what kind of revenues we are going to receive. Mr. President, then the difference is what we may be required to raise in terms of adequate taxation.

I think the Budget Committee, in the proposal they sent to us on the floor, has come very close to that appropriate balance. We have modified it to a degree especially on the domestic side. Some suggest that we are not quite there in terms of spending for national defense. But now it looks as though there are some who, in order to make it a little easier; to reject the idea that we might have to vote for a little additional revenue, now want to borrow from the future by assuming that we will spend less for the cost-of-living allowances, for Social Security recipients and for pensioners, because somehow inflation is lower than the original estimates on which the budget was built.

Well, I say, Mr. President, that we will find that out in August. We ought not to make those assumptions now. Because we are assuming the good half of a lowered inflation when there is a bad half that goes along with it. And let me explain.

If there is a 1-percent drop in inflation, the overall revenues of the Nation will drop by about $15 billion. Outlays will drop by $14 billion. That is virtually a wash, but it does mean that there will be no great bonanza if inflation drops by 1 or 2 percent.

Now, that is leaving aside for the moment the question of whether the gross national product will be as healthy as the original expectations or whether interest rates will be lower or higher. But if we are talking about COLA's, we are talking about inflation. And if inflation is lower and you take the benefits of that to reduce expenditures on COLA's and do not look at the other half of that equation, we are digging ourselves a hole which we will be forced to meet up with on August 15 of this year.

To explain it further, the $15 billion that will be reduced in terms of revenues comes from $8 billion lower individual income taxes and $2 billion in the corporate income tax rate.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GORTON. I yield 4 more minutes to the Senator from Washington.

□ 1700

Mr. EVANS. Mr. President, social insurance taxes will decrease by $4 billion, and others by $2 billion—rounding down to a total of $15 billion. On the other side, the outlays of automatically indexed programs will be reduced by $1.6 billion, indirectly indexed programs by $1.6 billion, discretionary appropriated programs by $2.2 billion, and interest savings $8.6 billion—adding up to $14 billion.

Mr. President, I think there is another and a better way to hope for these better economic times in August. Some say that interest rates will also go down along with inflation, and that we ought to use that as another measure of reducing our problem. They are correct. If interest rates go down by 1 percentage point, then the net deficit problem goes down by about $10 billion. But if our gross national product is not quite as healthy as some suggest, or as our estimates would propose, for every 1 percent that the gross national product is short we have a $19 billion bigger problem.

I think we should take advantage of the possibility of a better economic situation in August without the danger that comes from making optimistic assumptions today. I believe we ought to provide on a contingency basis that if the situation is better in August, if the deficit as a result is lower than $144 billion, that we provide the modest additional help necessary to ensure that national defense is adequately provided for, and use the remainder to reduce tax requirements.

That is really a challenge to those who think that we will have lower inflation, that we will have lower interest rates, and that we will have a booming economy. If they are correct, there would be virtually no tax increases required, and we would have adequate national defense as well as domestic programs. If they are wrong, and if the situation is no better than we now expect, then we have not put ourselves at risk. We have not created a hole for ourselves that will require more painful votes in August or September of this year.

I believe this contingency plan is safe. It is a response to a potentially better economy, and, Mr. President, it does one other thing that I think is terribly important. It says right now that if the economy is going to be better, if the deficit is going to be reduced, then we ought to reduce right along with it the need for new taxation.

Mr. President, I have voted against virtually all of the piecemeal changes which have been proposed during this budget debate because, for the most part, they have been political and they have all been meaningless in terms of actually specifying where budget moneys go.

I urge my colleagues to join in voting for a responsible package, perhaps any one of several which I hope will shortly be introduced. I intend to, even though I find that in some of them not all of it is to my liking. But there is one point beyond which I do not propose to go; that is, to borrow from our future by making new guesses about the economy, long before those guesses are translated into reality at the new measuring point we have in August this year.

I think it is important for the Senate to lead rather than follow. I think this budget could represent an initial

framework for negotiation. It certainly will not be the last.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. EVANS. Finally, Mr. President, such a budget is responsible.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. I suggest the absence of a quorum, and ask unanimous consent that the time be equally charged.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GORTON. I yield 10 minutes to the distinguished senior Senator from Oregon.

The PRESIDING OFFICER (Mr. McCONNELL). The Senator from Oregon.

Mr. HATFIELD. Thank you, Mr. President.

Mr. President, as we enter into what I hope will be the final stretch in these most important deliberations on the fiscal year 1987 budget, I want to spend just a few minutes of time and speak about the importance of the community service block grant to millions of low-income Americans.

During the last 2 weeks we have heard much discussion concerning the need for adequate funding for programs involved with health, education, job training, and drug abuse.

Every Member of this Chamber is also deeply concerned about the deficit spending in this country. No program epitomizes more the progress that can be made in reducing the deficit by moving people out of dependency and into self sufficiency than the Community Services Block Grant Program. It is because of that that I would like to remind my colleagues that the very success of many of the programs involved with health, education, job training, drug abuse, and others is dependent on full funding for the Community Services Block Grant. Therefore any budget resolution passed by the Senate must include, at a minimum, the level of funding currently approved in Senate Concurrent Resolution 120 for the Community Services Block Grant.

One of the principle reasons for the success and importance of the Community Services Block Grant is the unique ability of Community Action Agencies to bring a variety of resources from the public and private sectors together to develop comprehensive solutions to the problems of poverty. When President Reagan talks about public/private partnerships, local initiatives, local control, and local decisions, he is describing the very essence of what the community services block grant is.

These agencies provide irreplaceable support services for low-income Americans, most of these services would not continue in the absence of CSBG appropriations. The flexibility and accessibility of CAA's make them the frontline defense for low-income families facing emergencies. Further, CAA's unique role in the community makes them both the first and best place the needy can go to identify the resources and services available and also the central agency for generating local and private funds and volunteers. This means that the CSBG dollars are in fact the leverage for generating new resources and for coordinating assistance to the poor so that resources are used efficiently and without duplication.

I want to commend the Budget Committee for being sensitive to the importance of this program as they have demonstrated by recommending only 10 percent reduction because of its cost-effectiveness.

Community Action Agencies [CAA's] house and administer numerous Federal, State, and other antipoverty programs. Approximately 55 percent of Head Start programs are sponsored by CAA's; CAA's operate, almost exclusively, the Low-Income Weatherization Program and the Emergency Energy Assistance under the Low-Income Energy Assistance Programs. The Administration on Aging uses community organizations, chiefly CAA's, to operate its programs on behalf of the low-income elderly.

The Commodity Food Distribution Program which distributes surplus food to the many hungry poor in this country is administered to a large extent with community services block grant dollars. CSBG dollars are also being used by CAA's to provide housing and self-help services to homeless families and individuals.

□ 1710

CSBG dollars are also being used by community action agencies to provide housing and self-help service to homeless families and individuals. Other programs dependent upon the community service block grant include rural transportation, youth employment, Meals-on-Wheels, disaster assistance programs, WIC, subsidized or rehabilitated housing for the poor, day care for children and the elderly, employment and training programs for handicapped or disabled, economic development programs in depressed areas, and so on.

Mr. President, I ask unanimous consent that a list of typical CSBG-run programs be inserted in the RECORD following my remarks.

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

(See exhibit 1.)

Mr. HATFIELD. A General Accounting report recently showed community services block grant funds play an important role in supporting the administration of other Federal programs. For example, USDA's Surplus Commodity Food Program provides only 5 percent administration funds and the Department of Energy's Weatherization Program has a limit of 5 percent administrative cost. In these situations CSBG funds were used to pay the administrative costs that exceeded the allowed amounts. GAO found that the flexibility in CSBG enables CAA's to identify community needs, provide services not available under other Federal or State programs and support administrative operations.

The GAO's analysis also indicated that the CSBG supported services did not duplicate those provided by social service block grant funds. In the communities GAO visited, the CSBG supported services were targeted to fill specific unmet needs, which were not eligible for SSBG funding.

Finally, GAO addressed two factors related to loss of the community services block grant funds. They found that, in most instances, other grants were being charged the full amounts allowed for administrative expenses. CSBG paid additional costs necessary to operate programs. GAO also reported that States and local officials were generally supportive of Community Action activities, but none thought their State or local government would replace lost CSBG funds. The package of comprehensive programs operated by CAA's is entirely directed toward helping the truly needy to become self-sufficient and move out of poverty. A recent survey showed that with a community services block grant of $305,000 the average Community Action Agency was able to leverage more than $2.9 million, a ratio of $9.50 for every dollar of core funding. Agencies had an average salary cost of $8,230 per employee, an average administrative cost of 10.6 percent raised an average of over $530,000 in in-kind and local funding, and recruited an average of eight volunteers for every paid staff person. According to a similar survey sponsored last year by the National Governors' Association—which supports full funding for the community services block grant—Community Action Agencies served over 2 million persons in their communities.

Yet Community Action is more than dollars and cents. It is a program that sparks hope, courage and initiative so that people help themselves. It is a hand up, not a hand out. A hand up to lift oneself into the mainstream of modern America.

Finally, Mr. President, I point out that we heard repeatedly in this debate by the distinguished chairman

and ranking member that any assumption in the resolution does not restrict the Appropriations Committee regarding that individual program. In other words, an assumption by the committee that only 90 percent of community service block grant funding is available in function 500 will not restrict the Appropriations Committee from providing full funding to community service block grant programs.

I make this observation because I am committed to seeking full funding for this vital program.CSBG's are the lifeblood of the Head Start Program, for low income energy assistance, and a number of the programs which I have labored to insulate from haphazard budget cuts.

If you want to bring the Federal Government's involvement in the battle against poverty and hunger, you could not strike a more deadly blow than by hacking away at the appropriations for CSBG's. In fact, anyone wanting to isolate the folly of the Gramm-Rudman-Hollings meat-ax approach in deficit reduction need only look at the threat it poses to CSBG's. Block grant programs in general can be eradicated by across-the-board percentage cuts far short of program termination. And make no mistake about it, left to its current course of direction, Gramm-Rudman-Hollings will bleed the CSBG program to certain death. It will gouge it this fall and let it die and let many other vital programs flounder for administration and implementation.

So I seek recognition during this debate to make unmistakably clear how critical CSBG's are to our nationwide efforts to feed, house, and educate people in our country living in the shadow of first-class citizenship and first-rate opportunity.

Whatever budget consensus is reached, it will have to include funding for CSBG in an amount at least equal to the Domenici-Chiles proposal.

Mr. President, I ask unanimous consent that "A Tale of Survival" be printed in the RECORD following my remarks in addition to the aforementioned enclosure.

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

(See exhibit 2.)

Mr. HATFIELD. Mr. President, I again compliment the leadership on the Budget Committee, particularly the Senator from New Mexico, Senator DOMENICI, and the Senator from Florida, Senator CHILES. It has not been an easy task. I am very anxious to see their efforts succeed. Not only because of the quality of their product but because I will be liberated and my committee will be liberated to take action in an area vital to their country; namely, to appropriate money to keep the Government going. Until the Budget Committee resolution is adopted, we are imprisoned. The Appropriation Committee of this Senate cannot act.

The House committee is going to commence action of the fiscal year 1987 appropriations bills very shortly because they are free to act. The Gramm-Rudman-Hollings panacea saw fit to establish two sets of rules—one to govern the Senate Appropriations Committee and one to govern the House Appropriations Committee, because the Representatives of the House would not tolerate such an insane, unbelievably, and unconscionably stupid position to put any committee in this Legislature in as the Senate conferees permitted the Senate Appropriations Committee to be put in.

After having made that rather ambiguous statement about my feeling toward Gramm-Rudman-Hollings, and what it has done to paralyze further not just the budget process but now the appropriations process, we stand ready to act.

April 15 was the date of the first Gramm-Rudman-Hollings day of the new era for the Senate appropriations and budgetary process.

Well, they could not deliver on the first date, they will not deliver on the second date, they will not deliver on the third date and, I say to my colleagues, Gramm-Rudman-Hollings will not deliver on the deficit. It is another of those shams we go through to try to communicate to the public that we have done something significant.

I want to make clear that what is going out in the back room now to negotiate out an alternative to a quality product here on the floor, to placate some particular segment of this Senate, I would urge that activity to remember there is another segment of the Senate that is committed to basically human values, to deal with the matters of human poverty and human suffering in this country.

We are committed to life, to the enhancement of the quality of life. For those who seem to be so preoccupied with increasing the machinery of death in this country and this world; namely, the military machinery, and their demands on this budget resolution process, they may be in the majority but, remember, we, in the minority, can also use methods of parliamentary procedure to frustrate and block action as Gramm-Rudman-Hollings has done in the whole process of the Appropriations Committee and the budgetary process at this point.

I think it is absolutely reprehensible that we have let this legislative body come to this kind of paralysis where we cannot even deal with a supplemental appropriations measure, where we cannot even start to bring to the floor the appropriations bills for 1987. And then when we get to that August-September deadline, everybody is then faced with the one giant continuing resolution and then start complaining that this is no way to do the Nation's business. Bear in mind, where we are on May 1 is where we were on April 15, and where we were on that infamous day that Gramm-Rudman-Hollings passed this body as the cure-all, the quick fix.

I wanted to make these ambivalent comments today about my feeling, and I again want to thank the representative of the Budget Committee because I am sure he suffers some of the frustrations that I suffer, maybe from a little different perspective or for different reasons. We are all in this situation, I know, not because we want to be. Now is the time, of course, to work our way out.

I want to say as much as I have disdain for that Gramm-Rudman-Hollings action, it is the law and it is my responsibility, along with the responsibility of every Member of this body, to help make it work to the best of our ability. I am committed to that. That is why I have been supporting the Budget Committee throughout this laborious action of trying to get some conclusion. I will continue to support that process.

I am hopeful that one of these days we will have that wonderful, exhilarating, redeeming experience of repenting of our mistake about Gramm-Rudman-Hollings and repeal it and send it back under the wet rock from which it came.

EXHIBIT 1

EXAMPLES OF THE KINDS OF PROGRAMS OPERATED BY COMMUNITY ACTION AGENCIES NATIONWIDE

To secure and retain meaningful employment: In-school Employment; Job Training Partnership Act; Green Thumb; Senior Employment; Chore Providers; Youth Job Development; Part-time Employment for Low Income People, 55 years of age and older, at nonprofit organizations; Union Apprenticeship Training Programs; Support to Development Corporations; Economic Development and Assistance to Dislocated Workers.

To attain an adequate education: Head Start; GED Training, Education, Health, Social Services and Parent Involvement to Low Income and Handicapped Preschool Children; Health Education; Staff Training; Board Training (with emphasis on low income members); Legal Education; and Money Management.

To obtain, and maintain adequate housing and a suitable living environment: Outreach and Referrals for Weatherization, Self-Help Housing Construction, Housing Rehabiltation, Home Improvement Grant Referrals, Deferred Loan Programs, Assistance Program, and the Low Income Weatherization Program.

To make better use of available income: Budget Counseling, Income Tax Preparation, Organized Craftsmen's Fairs, Cottage Industries and Technical Assistance to Cottage Industries, Senior Discounts, Co-ops, Community Gardens and other sweat equity programs.

To obtain emergency assistance through loans or grants to meet immediate and urgent individual family needs, including

the need for health services, nutritious food, housing, and employment assistance: Energy Crisis Intervention, Food Pantries, Clothing Banks, Emergency Housing, Transportation Assistance, Emergency Loans and Rent Payments, Commodity Food Distribution, Temporary Food Assistance Program, Disaster Assistance, Child Abuse Prevention.

To remove obstacles and solve problems which block the achievement of self-sufficiency: Education, Employment, Health Programs, Institutional Change, Transportation Systems, Day Care Programs, Assistance to Refugees, Job Development and Placement.

To achieve greater participation in the affairs of the community: Placement of Low Income Members on Community Boards; Information on Activities and Meetings in the Community (often by newsletter); Provision of Transportation, particularly in rural areas.

To make more effective use of other programs related to the purposes of the community services block grant: Outreach to Find the Low Income and to Identify Their Needs; Referal to Programs That Can Meet Their Needs. The fact that many of the programs needed by the poor are housed within the CAA has made them much more effective.

To provide emergency food and related services to counteract conditions of starvation and malnutrition among the poor: Home Delivered Meals; Title III Meals; Women, Infants, and Children Feeding Program; Emergency Food and Shelter; Commodity Food Distribution; Canning Workshops and Projects; Gleaning Projects; Food Pantries; Food Stamp Referral; Congregate Dining.

To coordinate and establish linkages between governmental and other social service programs to assure effective delivery of such services to low-income individuals.

To encourage the use of entities in the private sector in efforts to ameliorate poverty in the community: Participation in Community Planning Activites, Publicity for the Plight of the Poor; Outreach to the Community; CAAs Tripartite Board Policy; Participation on Other Boards; Attendance at Meetings; Ombudsman Services; Joint Ventures; Coordination.

EXHIBIT 2

[From the National Journal, Apr. 19, 1986]

A TALE OF SURVIVAL

(By Julie Kosterlitz)

In mid-March, 650 supporters of the community services block grant—a small federal award to states to help finance a network of local antipoverty agencies—assembled in Washington for their annual meeting and were treated to a star-studded parade of speakers. Sens. Mark O. Hatfield, R-Ore., Lowell P. Weicker Jr., R-Conn., Patrick J. Leahy, D-Vt., Warren Rudman, R-N.H., Ernest F. Hollings, D-S.C., Carl Levin, D-Mich., and six Members of the House each took the podium, many of them praising the program or issuing another call to arms for a renewed battle against poverty.

That's not a bad lineup for any interest group. For the National Community Action Foundation, whose cause célèbre is the obscure community services block grant—a favorite target of the Reagan Administration budget cutters—the presence of congressional heavy hitters was particularly striking. "And the irony is we had to turn another half-dozen members away," said David Bradley, legislative director of the foundation.

The celebrity turnout is just one of a number of symbolic and substantive victories for the block grant program since President Reagan took office promising to eliminate federal support for community action agencies on the ground that they are inefficient and result in duplication of services. The numerous close calls for the program since it began as the centerpiece of President Johnson's War on Poverty make it 22-year history sound something like the "Perils of Pauline," but the program has managed to survive and, in recent years, perhaps emerge politically strengthened by the ordeals.

Key to its survival is the support of a few key Members of Congress who think the federal investment pays off handsomely and other Members who are increasingly tired of being asked to make cuts in social programs. Support for the community action agencies has increased among states and localities since 1981, when federal aid to the agencies began being funneled through the states rather than going directly to the local agencies. Also important is a well-organized grassroots lobbying campaign coordinated by the small but savvy National Community Action Foundation.

Despite their successes, supporters of the block grant are taking nothing for granted. The Administration has again proposed killing the program in its fiscal 1987 budget, and even wants to rescind half the block grant monies for fiscal 1986. The program is also up for reauthorizaiton in fiscal 1986. Still, the block grant's fortunes have been boosted this year by a favorable review from the General Accounting Office (GAO) and by the reluctance of many politicians to propose outright elimination of a social services program in an election year.

As a result, the Administration isn't holding its breath. "We've gone up there every year to ask them to terminate the program, and every year Congress has insisted on giving us money," said Jerrold B. Speers, who is acting director of the office of community services at the Health and Human Services Department (HHS). "We've threatened to go to [Defense Secretary Caspar W.] Weinberger and tell him how [we've accomplished that]."

CRITICISMS

The money at stake may seem trifling: only $372 million went last year to the block grant, which helps to underwrite approximately 900 local antipoverty agencies around the country. But ever since the federal community action programs (CAPs) were established as the crown jewels of President Johnson's Office of Economic Opportunity (OEO) in 1964, federal support for the CAPs has generated controversy greater than the dollars involved.

The idea was to create a network of grassroots offices not only to deliver services to the poor, but also to attack "the causes of poverty." But the program immediately ran afoul of state governments, which felt the federal government had bypassed them by creating a base for antipoverty activists who frequently challenged state policies.

The federal government also had second thoughts about underwriting liberal local activists. The conflict came to a head in 1974, when President Nixon tried to end the program. Despite a bitter fight waged by supporters of the CAPs, including six lawsuits, Nixon succeeded in breaking up OEO, dispersing many of the programs that were once part of the CAPs, such as Legal Services and Head Start, to other federal agencies. But Congress saved the CAPs and created a new Community Services Administration (CSA) to administer them.

The program continued, however, to be the subject of sharp criticism. A series of congressional reports on the CSA in the late 1970s found poor performance, low morale and inadequate controls on how the federal money was being spent. The criticisms helped set the stage for the Reagan Administration's efforts to abolish the agency. "Ronald Reagan didn't kill the CSA," Bradley said. "Jimmy Carter did"—with his lack of leadership.

But Reagan intended not only to do away with an inefficient agency, but also to end the separate federal appropriation that supported the community action agencies. The President wanted to roll a host of social services programs into a large block grant to the states, to spend as they saw fit. Congress turned the President's strategy against him, saving separate federal aid for community action programs by creating a special block grant for them. The $40 million, 935-employee CSA was replaced by a tiny office at HHS with only a 10th of the CSA's administrative budget and a mere 55 employees. But federal dollars continued to flow to local community action agencies, although they are now distributed first to the states.

CRAZY QUILT

Local community action agency directors think the Administration's continued dislike for the block grant stems from the program's link to 1960's activism.

"They think we're a bunch of liberal Democratic activists out there, and they're wrong," Bradley said. Agency staff are "more conservative than people think. Many are Republicans," he said.

The Administration sees those running the agencies "as a group out there that can rally support in opposition to the Administration's line," said Sen. Charles E. Grassley, R-Iowa. "There may be some truth to that," he said, but it doesn't outweigh "the over-all good they do." In fact, Grassley argued, the notion of giving seed money to attract state, local and private money "is a pretty good Republican policy that ought to be duplicated in other programs."

Speers of HHS denies that the opposition is motivated by ideology. "I know the feeling was antagonistic toward them by past Administrations," he said, "but there is no animosity from HHS." He said the Administration knows the agencies have changed since their early, controversial days and is only worried federal funds are being wasted.

Although the amount of money is small, Speers said the savings has a symbolic importance. Former Office of Management and Budget (OMB) director "David Stockman used to say that as long as [money for community action agencies] is in the budget, Congress cannot be said to be serious" about reducing the deficit, Speers said.

But supporters of the program say the tiny savings from eliminating it would not be realized. "One of the greatest distortions of [the President's fiscal 1987 budget] is the notion that money will be saved through the elimination of the community services block grant," Sen. Weicker told the foundation's meeting last month. He cited the foundation's survey of 800 agencies in 41 states, which concluded that without the block grant, more than 500 of the agencies would close within 18 months. "What about the outyear costs society will pay when it

disinvests in the nation's low-income communities?" Weicker asked.

What makes the debate hard for the uninitiated to follow is the difficulty in getting a fix on precisely what the block grant does. Community action agencies differ widely in how they are run, what they do, how much money they receive and how they spend those funds.

The block grant is a multipurpose pot of money for community action agencies that coordinate a crazy quilt of funds and services for the poor. The agencies help "identify problems and coalesce the resources to deal with them," said Marjorie Witherspoon, executive director of the National Association of State Community Services Programs, which represents state government offices that oversee the community action agencies. "That's different than a social welfare agency, which exists to send out a check."

The block grant itself is only a fraction of the agencies' financing—about 11 per cent nationwide, according to voluntary reports from the agencies. Most of the programs that the agencies operate or contract out for, such as weatherization, Head Start and meals for the elderly, are underwritten with other federal, state, local and private funds.

But by helping to finance a base of operations, say advocates, the block grant allows the agencies to apply for other government funds and go before state, local and federal governments to push for programs that will further benefit the poor. A 1983 study by the National Governors' Association found that for every federal dollar spent, the community action agencies raised another seven from other sources. The block grant money can also be used to fill gaps in existing social service programs or underwrite emergency programs for which no other funds are available.

Subject to state and federal guidelines, agencies can fashion a package of services to meet local needs, supporters say. They add that flexibility is the program's greatest asset. The nation is "so heterogeneous and geographically vast, it's difficult to pour [assistance to the poor] into one mold," Grassley said.

"The $1.3 million we get from [the block grant] gives rise to all the other things we're doing," said Isaac Withers, executive director of Miami's Metro-Dade County community action agency. "We provide 1,100 meals for the elderly, 3,100 Head Start meals and work with 100 foster grandparents." The block grant provides "the seed and glue money to hold things together and provide other activities," he said.

But the Administration says the crazy quilt of financing and service delivery results in duplication and inefficiency. CAPs don't need a special block grant to administer other federal programs that themselves have money set aside for administrative costs, the Administration contends. The block grant "is not essential to the safety net nor to the continuation of the CAPs," Speers said. "It's generally duplicative of other programs designed to help the poor." Eighty-six per cent of community action agency funds, Speers said, come not from the block grant but from other federal programs, whose financing could continue regardless of the block grant's fate.

But a recent survey by the GAO that looked at 16 community action agencies in eight states found that most of the agencies used only 30 per cent or less of the block grant money for administrative expenses. Seventy per cent or more of their 1985 block grants went to provide outreach and referral services, emergency food and shelter and nutrition services. The report said that the agencies also spent the funds on housing assistance, training day care workers and arranging transportation and home meals for the elderly, ill and handicapped. Perhaps more important, the report said that in all but one instance, the block grant money went for services that did not duplicate those offered by other local social service agencies.

The GAO report, Speers said, merely proved that a given service is not being paid for twice. But "you could still provide the same services with money you get from other programs," he argued. Speers conceded that because block grant money is used to supplement other program funds, some services might have to be trimmed or eliminated, "but they [the CAPs] have to prioritize. The whole point is to reduce the deficit."

ARRAY OF ALLIES

Time and again, the block grant program has survived both Administration and congressional efforts to do away with it.

In 1984, CAP supporters won an obsecure but important victory when they persuaded Congress to require states to give 90 percent of the block grant funds to community action agencies—rather than allowing the states to spend a greater share of the funds as they saw fit. Supporters also succeeded in guaranteeing that the block grant program would be up for reauthorization in the same year as the popular Head Start program—which the Administration supports—making it possible for the two programs to be linked.

Last year, key Senate supporters of the program—primarily Grassley and Hatfield—battled Majority Leader Robert Dole, R-Kan., and Administration officials behind closed doors over whether to include the block grant in the Senate's fiscal 1986 budget. At 2:45 A.M. on May 10, supporters prevailed, and the block grant was the last item to be included in Dole's budget proposal, which was narrowly approved on the floor.

This year, the program's future again seemed in doubt when Senate Budget Committee chairman Pete V. Domenici, R-N.M., left it out of his budget proposal. After some behind-the-scenes dickering, however, the block grant reappeared, albeit with a 10 percent cut, in the committee-approved budget.

That's not to say the program is home free. While its support has typically been strong in the House, the program could face more challenges in the Senate as the budget is taken up on the floor. In addition, the program is up for reauthorization in fiscal 1986 before the Labor and Human Resources Committee, whose chairman, Orrin G. Hatch, R-Utah, has not always been enthusiastic about the block grant in the past.

But there are signs that the program's supporters may again beat the Administration. The House Labor and Education Committee voted in early April to reauthorize the block grant, defeating a potentially lethal amendment by Rep. Richard K. Armey, R-Texas, that would have forbidden block grant monies to underwrite abortions, abortion counseling or referrals.

A bill to reauthorize the block grant has also been introduced in the Senate. Because of this year's elections, the program's list of visible supporters has expanded to include some moderates and conservatives—most notably Paula Hawkins, R-Fla., who chairs the Senate Labor and Human Resources Subcommittee on Children, Family, Drugs and Alcoholism. After holding a hearing on the block grant in late March, Hawkins, who is up for reelection, announced her intention to seek reauthorization of the program.

How has this tiny program, whose name is unknown to most Americans, been able to repeatedly buck both the prestige of the presidency and the budget cutting imperative?

Speers has some ideas. "The CAP organizations have a strong lobby," he said. "They're in every congressional district." While forbidden by law to engage in voter registration efforts or partisan politics, agency workers can nevertheless generate political support for candidates and causes. Members of Congress are reminded of the grass-roots connection when agency representatives visit them, as most did during the National Community Action Foundation's meeting.

But the grass-roots network would not be nearly as powerful without the efforts of the foundation to work the halls of Congress. Founded almost immediately after Reagan's election in 1980, the foundation raises money from private contributions of agency directors and staff to champion its cause in Washington.

With a budget of $200,000 and a six-person staff crammed into a tiny two-room office in northwest Washington, the foundation conducts research and public relations efforts, orchestrates hearings on the block grant and related federal programs and, of course, directly lobbies Members and their staffs.

The foundation also operates a 24-hour phone recording designed to keep agency staffers abreast of the latest political developments. Recently, the foundation started a political action committee, which last year gave nearly $15,000 to the campaigns of a dozen Members. "The name of the game is to help the Members who help you," Bradley said.

The block grant program has other important allies; the states. One-time foes of a program they considered a challenge to their authority, the states have gotten more protective of the agencies now that states handle the block grant monies. The National Governors' Association supports the block grant, as does the U.S. Conference of Mayors.

Supporters in state government and in Congress say they are genuinely pleased with the role played by the agencies in communities back home—particularly in states that are experiencing hard economic times. In Iowa, hard hit by the farm crisis, conservative Republican Gov. Terry Branstad recently wrote Congress to praise the program and warned that "given the economic deterioration in the rural Midwest, the state of Iowa has not been able to finance [community services block grant] activities at a time when the demand and need for these services is increasing."

While the program's link to an era of anti-poverty activism may have hurt its fortunes with the Administration, that link may work to the block grant's advantage in Congress. "It is looked upon as one of the last vestiges of the War on Poverty," Speers said.

In addition, the block grant's fortunes may benefit from increasing congressional frustration over the President's directive to seek more cuts in social programs each year, Grassley said, and the fact that "this is an

election year." Its chances for survival, he said "are pretty strong. Every program may take a little cut, but there will not be many terminations," he predicted.

Even though the Administration is actively seeking to eliminate the block grant, officials do not appear hopeful that Congress will finally go along. Where Stockman often inveighed against the block grant and made its elimination a pet project, new OMB director James C. Miller III is considerably more equivocal. "I don't know whether we'll make it or not; there's a lot of opposition to cutting that out," he said. But, the Administration plans to stick by its guns, Miller added.

Speers, who has been involved with the effort since 1981, admitted that the constant congressional rebuffs have taken some of the fire out of the campaign. "It's getting boring," he said.

□ 1720

Mr. GORTON. Mr. President, as is always the case, I am delighted at the eloquent remarks of my distinguished and learned senior colleague from the State of Oregon. I share many of his frustrations. I share his praises of the chairman of the Committee on the Budget and the distinguished ranking member. If only everyone who praised their efforts were willing to vote for those efforts, we would long since have cured this problem and passed a resolution.

We have had a great deal of oratory here, Mr. President, over the course of the last 2 weeks about its shortcomings and defects. It is all the more remarkable that we have yet to see the first alternative proposal to what the distinguished Senators from New Mexico and Florida have produced. As is the Senator from Oregon, I am ready to vote for it right now or for any acceptable alternatives to it right now. I hope that, quite soon, we get that opportunity.

Mr. President, how much time would the distinguished Senator from Iowa like?

Mr. GRASSLEY. Two minutes.

Mr. GORTON. I yield 2 minutes to the Senator.

Mr. GRASSLEY. I thank the Senator from Washington for yielding to me.

Mr. President, I rise to commend the Senator from Oregon [Mr. HATFIELD] for his remarks in support of the community services block grant and his efforts to save that program, not only this time but also a year ago when we were debating the issue and there was an effort to zero out the appropriation. Because of Senator HATFIELD's leadership and his strong position as chairman of the Committee on Appropriations, the program was saved last time I think we find a very good program there in which a little bit of Federal money serves to administer a program that invites in and encourages and elicits an awful lot of private funding, an awful lot of volunteer help, and even some State and local money.

I think we are getting a terrific purpose on that money through this program, particularly in my State of Iowa. Our Governor has written in support of that program and the great good that it does in our State, particularly in times of extreme depression caused by our economy being so dependent upon agriculture. Services provided by the community action programs in my State are very needed in a time of transition in agriculture. Without Senator HATFIELD's efforts last year, this program perhaps would not be available. I think he is to be commended.

I want to say that I enjoyed very much working with him last year on saving that program and I hope that the message is loud and clear so that, in this particular year, this program will not be in jeopardy as it was a year ago.

Mr. GORTON. Mr. President, I yield 10 minutes to the Senator from Texas.

Mr. GRAMM. Mr. President, I thank the distinguished Senator from Washington for yielding. I am sorry that the Gramm-Rudman-Hollings bill has set out a roadblock in the appropriations process. It is a simple roadblock. It says we have to adopt a budget which meets the targets of Gramm-Rudman-Hollings before we can pass appropriations bills.

That is a roadblock. It makes the committee process harder and those of us who labor within that process are obviously concerned about it. But I can assure the distinguished chairman that the American people are far more concerned about what the deficit is. They are far more concerned about the burden of debt on our children. They are far more concerned about sustaining a recovery that has put 10.3 million people to work in permanent, productive, tax-paying job for the future in the past 4 years than they are about the neatness of the committee process and what roadblocks may exist in our effort to force Congress to make hard choices.

The budget is about hard choices and because of Gramm-Rudman, we are going to be forced to make a hard choice. Since 1982, the President has routinely, under law, sent budgets to Congress and Congress has ceremoniously declared those budgets dead on arrival. That has been followed by a lot of rhetoric and little action.

We have a budget before us today that proposes to deal with this problem by setting out a program so as to achieve $144 billion of deficits, to achieve the first step toward balancing the budget by the end of the decade as prescribed by the Gramm-Rudman-Hollings bill. I do not agree with this prescription and I have risen to speak against it and I shall vote against it if no substitute is adopted. But I would like to say the fact that we are here talking about hard choices, the fact that we have before us a budget that now has 74 billion dollars' worth of tax increases in it to meet the target of Gramm-Rudman-Hollings is an indication that that bill is in fact affecting congressional behavior and brings us to a point of making a hard decision. It is $56 billion above the level proposed by the President.

I had hoped to wait and speak on a substitute which I hope will still be offered, and I commend that effort wherever there are those who are working on it. But in case there is no substitute, I did not want to simply vote against this budget without saying why. I would like to try to do that very briefly.

Let me first begin as a point of reference with the budget that the President proposed and compare this budget to it. As compared to the budget proposed by the President——

Mr. DOMENICI. Mr. President, would the Senator from Texas yield?

Mr. GRAMM. I am happy to yield.

Mr. DOMENICI. May I say to my good friend, the junior Senator from Texas, if he would at the conclusion of his remarks—how long does he intend to speak?

Mr. GRAMM. It depends. If the Senator would like the floor, I shall be happy to yield.

Mr. DOMENICI. I should like the Senator, in my behalf and the leader's behalf, when he completes his remarks, to ask that the Senate be in morning business for up to 30 minutes so we will no longer be using time on the resolution for that 30 minutes.

Mr. GRAMM. I shall be happy to do that.

Mr. DOMENICI. How long does the Senator propose to speak?

Mr. GRAMM. I have approximately 7 minutes left.

Mr. DOMENICI. That is fine with the Senator from New Mexico. If he would do that, I would appreciate it.

Mr. GRAMM. As compared to the budget proposed by the President, the budget currently before us raises taxes by approximately $56 billion. It raises domestic spending over a 3-year period by some $66 billion above the level proposed by the President. As compared to the President's proposal, it raises spending on domestic programs by roughly $66 billion. So that, as compared to the President's budget, this budget raises taxes by $56 billion and spends every penny of it on domestic spending increases above the level contained in the President's budget.

In terms of defense, the reduction as compared to the President's proposal is rather startling: $97 billion in budget authority, $76 billion in outlay reduction as compared to the President's proposal.

What I am struck by is not by how much this budget deviates from the President's budget. I am struck by how much it deviates from the budget that we adopted on this very floor last year at 3 o'clock in the morning in what I hoped at that time would become a historic hour.

□ 1730

It did not. That budget ended up dying in conference. But let me point out to my colleagues how startling the differences are. A year ago we adopted a budget on the Senate floor that over a 3-year period had $6.3 billion in new revenues. This budget has $74.3 billion in new revenues, or $68 billion over a 3-year period above the level that we adopted only a year ago.

It claims to save roughly $60 billion in domestic programs compared to $141 billion saved in budget last year, or an $81 billion difference. So as compared to a year ago we are voting today on a budget which raises taxes by $68 billion and raises domestic spending by $81 billion above the levels contained in last year's budget.

In terms of defense over a 2-year period in the 2 comparable years, in fiscal years 1987 and 1988, the budget before us today cuts defense budget authority by $66 billion and cuts outlays by $35 billion.

Last year we voted on a budget that terminated 13 programs. This budget today terminates the single program we claimed to have terminated last year and terminates Conrail which we have already voted to sell on the Senate floor.

Now, what happened over this year? It seems, if we look at this proposal, that the Senate has lost its will to control spending; that now there is a rush to raise taxes. I do not support that effort. I believe that we can meet the targets of the Gramm-Rudman-Hollings bill by controlling spending. Revenues are up by $72 billion under the President's budget proposals. To meet the requirements of the Gramm-Rudman-Hollings about $60 billion of that $72 billion has to go to reduce the deficit. That leaves about $12 billion of new spending authority. So in order to meet the requirements of the Gramm-Rudman-Hollings bill without raising taxes, we do not have to cut spending, but we do have to limit the growth of aggregate spending to about $12 billion. What is proposed here is to increase taxes so that the rate of growth can spend beyond that amount.

In the budget we are really choosing what kind of America we want, and I submit that the real question is do we want to raise taxes so that Government can go on spending as usual in Washington or do we want to control spending? Do we want a future dominated by Government or do we want a future dominated by opportunity? I want a future dominated by opportunity. The people in the 1984 elections in 49 of 50 States said very clearly that they did not want to raise taxes so that Government could go on spending as usual. The President has said very clearly in a letter to our majority leader delivered yesterday that he is opposed to this budget and will veto the tax increases that it contains. If the President vetoes the tax increases contained in this budget, this budget will be some $15 billion above the Gramm-Rudman-Hollings proposal.

The missing ingredient in this budget is a missing character in the whole negotiation process, and that is the President. I believe that basically is the fundamental weakness of this budget. I am hopeful that later tonight we can come to the floor with a substitute which meets the targets of Gramm-Rudman-Hollings within the constraints of the Reagan mandate from the 1984 election. If such a budget comes to the floor—I hope that it will; I worked for that objective—I will support it. If such a budget does not come to the floor, I find myself in the unhappy position of voting no on this budget, not choosing this budget over a sequestration process but choosing to go back to the Budget Committee, to have the Budget Committee reconsider the process and bring us a new budget.

I yield the floor.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I had theretofore asked the distingished junior Senator from Texas to put us in morning business because the leader had requested that. However, I did not understand that the Senator was going to deliver us a speech about the Budget Committee's resolution versus the President, so I would like to just take a couple of minutes, and then, unless the Senator from Florida desires to speak, I, at the leader's request, would put us in morning business for a half hour.

Let me say to my friend, the Senator from Texas, that he knows I appreciate and respect his knowledge of the budget. I know that he is an expert on the budget, and I know that 4 or 5 years ago he was part of putting together some very exciting uses of the budget process that were consistent with some of my ideas. I recognize that he did an excellent job. However, I say to my friend from Texas that it does not do a lot of good in the U.S. Senate to talk about what we ought to do. It does not do a lot of good to say what the President's budget proposed. What counts ultimately is that we do something and that we get enough Senators to support something so that we can get on with the business of the country.

Now, I did not hear the Senator's comments on the President's budget. I think he knows without my saying, the high esteem in which I hold the President, and I have many times succeeded in getting things done on the budget that he desired. As a matter of fact, contrary to former Budget Director Dave Stockman, who seems to indicate we failed, I have looked at the numbers and we have not failed at all. As a matter of fact, considering that we have had 2 years of recession, we have almost doubled defense up to 6.3 percent real growth per year in each of the past 5 years, and entitlement are coming down dramatically. On average they used to go up 11 percent a year. As a matter of fact, 5 years before this decade started they were going up an average 9 percent a year and they are now down to 3.4 percent. And lo and behold, to those who say, "Let's just get more out of this budget," I have said I would sure do that. Most of those people say, however, "Let's get a lot more in defense." I have tried to get as much as I can. But the domestic appropriated accounts in that period of failure of accomplishing the so-called revolution that David Stockman referred to, those accounts have declined on average for the 5 years of this decade by 3.4 percent. The 5 years before that and the 5 years before that on average, those same accounts went up 4 to 6 percent each and every year.

Now, I think that is good performance. As a matter of fact, there was not one single new program put into effect in this Congress in the midst of a recession. We cut taxes which was the right thing to do. We did not put in any jobs programs. We used to put them in and they would trigger about the time the recession was over. We did not do that. As a matter of fact, during that same period we got rid of CETA, the Comprehensive Employment Training Program, which was about a $9 billion program at its fullest. I think we have done pretty well.

I have a very simple response to my friend from Texas, whom I hold in great esteem. The proof of the pudding is let the Senate vote. I urge that if you do not like what we have, bring a budget down here. That is the way things are done in the Senate. If you have a budget that is better than this one, if you have a budget that is closer to the President, I urge you to offer it. You cannot offer his; you know that. You cannot offer his because it is out of order, because it does not meet your maximum deficit requirement under Gramm-Rudman-Hollings, and you know that. So you cannot do that. However, you can offer another budget and I urge you do it. We have about 5 hours left. We will yield you as

much time as you desire. I only know of two other amendments, maybe three and they will not take much time. So acutually I know you did a good analysis and I compliment you for it, and I know how seriously you feel about it. I really think that the way to find out whether we come reasonably close to what really counts around here, is to have 51 Senators who will vote for something. So I urge that the Senator do that. It could help us all.

□ 1740

Mr. GRAMM. Mr. President, will the Senator yield me 2 minutes?

Mr. DOMENICI addressed the Chair.

Mr. GRAMM. Will the Senator yield me 2 minutes for my response?

Mr. DOMENICI. I will. I wonder if I could do it this way.

Pursuant to the previous request of the majority leader, I ask unanimous consent that we go into morning business for 30 minutes.

Mr. WEICKER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOMENICI. I yield 2 minutes to the Senator from Texas.

Mr. GRAMM. I thank the distinguished chairman of the Budget Committee.

Let me begin by saying that I agree with him that our efforts have not failed. In fact, I think our efforts have succeeded greatly.

Inflation was the No. 1 problem in 1980. We brought the inflation rate to a standstill. When it reached a 17-year low in January, that did not make the front page of any newspaper in America. That is how common our success has been.

We have cut taxes, provided incentives for people to invest and to save; 10.3 million people have gone to work, and we are collecting more taxes than when we cut the rates. We put Social Security back in the black. We rebuilt national defense. We rekindled pride and confidence in America. I think our program has worked, not failed.

Our program is not complete. The distinguished chairman of the Budget Committee and I worked to put binding constraints on the House and the Senate and the President to make it complete by gaining control of spending.

Let me also say to our distinguished chairman that there is nothing I would like better than to see us work out a substitute that would give people a choice, and that is what the whole process is about, and I understand that.

As the distinguished chairman is aware, I have worked probably harder than anybody else in the Senate to try to develop a viable alternative. Whether or not such an alternative will evolve, I do not know. It certainly will not be for my lack of effort if it does not.

I commend the distinguished chairman for his effort. He has brought us a budget that meets the targets of Gramm-Rudman. I do not support it. I do not like the way it does it. I think the President will veto the tax increase. But he is correct, that whatever I think of it, that is no substitute for having a viable alternative, and I will continue to work and hope that we will.

Mr. DOMENICI. I yield myself 2 additional minutes.

Mr. President, I say to my friend, the junior Senator from Texas, that he speaks frequently, as I have in the past, about the fact that we should not have any taxes in this budget resolution. There is a very nice sounding phrase around here: 19 percent of GNP is about the traditional level of taxation we have imposed on the American people. I do not know of any empirical formulas that say 19 percent is right and anything above that is wrong. I agree that taxation should be reduced if possible.

Some Senators may wonder: "What does that 19 percent of GNP mean? How come Senator DOMENICI, who does not like taxes and wants to cut spending, says we cannot live with taxes at that level and still have a balanced budget? Why is he saying that?"

Somebody like Senator GRAMM would question me on the need for taxes. He would say, "We should be able to do it without taxes. We used to spend a much bigger percentage on defense than we do now."

However, here is the difference, I say to my friend from Texas. When you look at taxes as a percent of GNP in 1970, which incidentally were at 19.5 percent, please take a look at Social Security taxes. You can see how much they were then and how much they are now. I am not complaining. We want to do right. It is our policy to get seniors out of poverty and we have succeeded. But only 4.5 percent of GNP went to Social Security in 1970. Fully 15 percent of GNP went to the military and other programs. We now have over 2 percent more in GNP that goes for Social Security than we did then. That is $100 billion which is not available for other programs or for reducing the deficit.

Let's work it out: 2 to 3 percent of GNP at $40 billion per percentage point; 2 times 40 is 80: $80 billion is taken out of that tax pot—$80 to $120 billion—and we put all that in Social Security now. It cannot be used for defense or deficit reduction because it is being used for Social Security.

Therein is the dilemma of our day. Some would say: "Leave taxes alone. Leave them at 19 percent. Get defense back to its historic average, don't touch Social Security, and you can't touch interest and now cut nondefense spending for the rest." That cut is a startling number; because, if you add up the arithmetic to balance the budget, you have to take about $165 billion out of this budget. That comes to the entire discretionary budget. This means that you would have to eliminate all of the discretionary programs of Government to balance the budget.

If you could solve that riddle, you would not need any more taxes. But I guarantee that you are not going to solve it by running around saying, "Use the historic level of taxes," until you start telling the American people the truth. The truth is that we took a whole bunch of that historic level of taxes and dedicated it to Social Security and Medicare. Where do we get the extra for the rest of the programs? Do Americans want to get rid of them all? I do not believe so.

Mr. President, I yield the floor, and I ask unanimous consent that the Senate go into morning business for 30 minutes, as I previously indicated.

The PRESIDING OFFICER. Is there objection?

Mr. WEICKER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum, and I ask that the time be charged equally.

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

The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DOMENICI. Mr. President, I renew my request that the Senate go into morning business for 30 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DOMENICI. I thank my friend from Connecticut.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1750

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

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

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. Are we in morning business?

The PRESIDING OFFICER. The Senate is in morning business.

Mr. DOMENICI. I yield myself 5 minutes.

THE BUDGET RESOLUTION

Mr. DOMENICI. Mr. President, I was talking a while ago about the fallacy of talking about the way it used to be, the fallacy of equating the level of revenues as a percent of GNP 15 years ago with the level today. I alluded to the fact that a lot of people talk about maintaining the historical level and say that is the way it ought to be. I suggested that Senators are interested in why revenues cannot stay at that level and still get us to a balanced budget, and why it is so difficult to reduce that gap between revenues and expenditures.

In that brief discussion I forgot to mention something. As I left the floor it dawned on me what that was.

So let me see if I can just supplement my earlier discussion so that anyone who alludes to my remarks will know that I knew what I was talking about and that I had the right thing in mind.

We are trying to reach a $144 billion deficit. That is what our new law told us we ought to do. Since Lyndon Johnson's time we have had Social Security on this unified budget. Some people think that was Lyndon Johnson's way of getting around a big deficit, by using Social Security taxes to pay for spending on other programs. I thought so, too, but you may be interested to know who suggested the unified budget. He is one of the most reknowned conservative economists we have ever had, a former chairman of the Federal Reserve Board, and an adviser to Richard Nixon. It was Arthur Burns who suggested it. In fact, I believe he suggested it 5 years before we did it.

Unifying the budget made great sense. It still makes sense. We still use Social Security to calculate the maximum deficit amount for the Gramm-Rudman-Hollings targets.

Now let me suggest to you what I said a while ago. I was talking about why we are never going to get where we have to be and still have defense growing, which we want, and still leave Social Security and the big entitlements alone unless we agree to some additional revenues. I gave you an explanation of the dilemma by describing what happen to the makeup of the tax revenues from 1971 to this year. When we had 19.5 percent of GNP in 1971, a much smaller share of that was for Social Security. Now a very big piece is. But I forgot to mention that this year, if and when we get to the $144 billion target, we will be using $15 billion of excess from the Social Security fund to do it.

So, was my reasoning right when I said that revenues of 19.0 percent of GNP would not get us to a balanced budget? Well, instead of $144 billion, the problem is really 144 plus 15, because we have $15 billion that we have borrowed from the Social Security fund. Interestingly enough, the next year, when we get to Gramm-Rudman-Hollings' second year total, we are going to have to take $36 billion more off the deficit. That is the goal. Well, if we do it—and I hope we do—we will not be making much headway because $30 billion of the $36 billion will be borrowed from Social Security that year.

And then the next year, the problem gets worse. We will have to take another $36 billion off the deficit that year in our third installment. Lo and behold, we are going to be borrowing $39 billion from Social Security, because that is the excess in that fund then.

Now that should complete the discussion I started a while ago, of why it does not do a lot of good to run around telling the American people, "We have lived with 19 percent of GNP in taxes over the years and, by George, we are going to continue doing it." I would point out that we are getting defense built back up. Even more important to the budget, we dramatically switched the taxes that were available for other things to the specific trust fund used for Social Security.

Now we are going to maintain Social Security, so it would appear to me that we have two options: One is a rhetoric option. We can continue to run around and say the deficit indeed will be solved by cutting. You can see from the discussion that it will not be done, because the level of taxes available for discretionary programs and defense is much less than the 19 percent we are accustomed to because we are using a whole bunch of those taxes for Social Security. That is one option. Keep talking like it might happen; keep talking like 15 years ago is relevant to today in terms of a budget and fiscal policy.

Or, second, we cut as much as we can, then reform as much as we can, and decide that we ought to add a little revenue in this time of a strengthening economy.

Now there is another interesting thing. We can just close the discussion by saying, if not now, when? Shall we wait until we are in another part of the business cycle where we are not growing? We surely would not want to raise taxes in bad times, the exact opposite of what we ought to do. When is it going to be the right time to do it? When will times be good enough to do it?

For some, as economic times get better, they would not have us touch the taxes because that is what makes the economy better. But we already know it cannot get better enough to take care of the deficit. I will give you my hunch. We will have to have about 6 percent real growth for about 3 years, in order to meet our deficit targets, and we will not get that.

So we cannot raise revenues when the economy is getting better because the economy is going to keep on getting better. So we are going to wait around until times are not so good, when it will be impossible to adjust revenues and the deficits will be $250 billion or more and we will wonder why.

I am confident that we are going to begin to solve the problem. I am confident that before the night is over we will make a real giant step in that direction. And I do think there will be some cognizance by the U.S. Senate—whether anybody agrees with the discussion during the last 35 or 40 minutes—there will be some kind of a sense that there is no other way to make real headway. So we will make a nice stab at reducing the deficit before we are finished this year and part of that reduction will come from revenues of one type or another. I am hopeful we will get that done with a very bipartisan and large vote.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1820

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

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

AGENDA

Mr. SIMPSON. Mr. President, I ask unanimous consent that morning business be extended until the hour of 6:45 p.m. this evening.

The PRESIDING OFFICER. Is there objection?

Mr. MELCHER. Reserving the right to object, might I ask the distinguished assistant majority leader what we are to anticipate this evening?

Mr. SIMPSON. Mr. President, I cannot give a full recitation of what will be. The purpose of this request is from the Democratic leader and the Republican leader so that time will not run while there is further discussion of a potential compromise. I believe there are some 3 hours remaining. That compromise or some version thereof or another measure will be submitted to us for a vote this evening.

It is the leader's intention, I still believe, to go forward tonight to try to get a time agreement, a unanimous consent agreement, on three measures for Monday, which would then allow us not to be in session tomorrow.

That is the present intent, to pursue this this evening, hopefully to conclude it, and then get agreement for Monday's activities dealing with three or four items, and then no session on Friday. Of course, that is all very tentative.

Mr. MELCHER. If the assistant majority leader will yield, might I further inquire if it is the intention at 6:45 to return to the budget resolution?

Mr. SIMPSON. Mr. President, that is the intent.

Mr. MELCHER. I have no objection.

Mr. DOMENICI. Mr. President, will the acting majority leader yield for an observation?

Mr. SIMPSON. I yield.

Mr. DOMENICI. Everyone knows that discussions are taking place on all sides. I do not know that it is fair to say we are discussing a compromise. I wish we were. I think it is fairer to say that with the discussions there are still five or six people with amendments. I know the distinguished Senator from Idaho has been waiting with one. Time would be running off the resolution while the discussions occur. I cannot be on the floor and things cannot get done with reference to those kinds of amendments. It is in that context that both the majority leader, the minority leader, and myself have asked the acting majority leader to seek the extension of morning business.

The PRESIDING OFFICER. Without objection, the request is agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1830

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

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

NAUM AND INNA MEIMAN

Mr. DECONCINI. Mr. President, I would like to take a few minutes to once again address the tragic fate of Naum and Inna Meiman. Naum, a prominent Soviet human rights activist whom I have had the pleasure of meeting on several occasions, has waged a tireless and courageous effort for more than a decade to be reunited with his daughter in Israel. Many of my colleagues are familiar with the Meiman's situation and have spoken often on their behalf on this floor.

Recently, Naum provided me with a copy of his appeal to Ambassador Michael Novak, the chief U.S. delegate to the Bern Human Contacts Experts Meeting, which convened on April 21. Representatives from the 35 nations who signed the Helsinki Accords in 1975, including the Soviet Union, are attending this conference to discuss specific human contacts commitments contained in this international document. Since Naum's own words best describe the tremendous adversity he and his wife have encountered in their pursuit of freedom, I would like to share with my colleagues the letter Naum addressed to the delegates at the Bern meeting.

I ask unanimous consent that the full text of Naum's letter be printed at this point in the CONGRESSIONAL RECORD.

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

NAB. GORKOGO 4/22, APT. 57,
113127 Moscow, USSR,
April 9, 1986.

CSCE CONFERENCE IN BERNE: I appeal to you in view of actions of the Soviet authorities that constitute a crime against humanity. They have doomed my wife to a torturous slow death.

I. I am a professor of mathematics, 75 years old, fighting since 1975 for permission to go to Israel to reunite with my only daughter.

My wife, Inna Kitrosskaya, 53, a teacher of English, first applied to go to Israel together with her son's family in 1979. This was before she and I married in 1981.

In 1983 my wife was stricken by sarcoma on the back of the neck. The turmor lies close to her spine, so that treatment called for extremely sophisticated equipment and skill in using it. Neither the equipment nor the skill in using it is available in the Soviet Union. The only treatment provided was repeated surgery. In less than two years, my wife had four hazardous operations, the last in July 1985. When the tumor appeared again in the fall of 1985, the doctors found it inadvisable to risk another operation. Since then, Inna has been left to her fate. The tumor continues to grow, bringing ever more pain.

Right after the disastrous first operation, in October, 1983, it was clear that there is no adequate treatment in the Soviet Union. She was magnanimously invited to receive treatment at oncological centers in Sweden, the United States, Israel, and France. She received personal invitations from former Ministers of Health of Sweden and France Karin Ahrland and Simone Veil. Mrs. Veil came to Moscow specially to see my wife.

All that was required of the Soviet authorities was not to hamper others in curing my wife, to grant her at least a temporary exist visa. The Soviets refused.

I have addressed Communist Party General Secretaries Andropov, Chernenko, and Gorbachev. My letters to them are not considered, but simply passed on to the Visa Office (OVIR).

Last summer, in reply to one of my letters to Mikhail Gorbachev, we were phoned by OVIR and told to reapply for visas to the local visa office, to begin the rounds all over again, as if there had never been all the past ten years of waiting.

The application process in itself is an extremely difficult, humiliating procedure. Many cannot take the hurdle. We were fortunate, being able to submit all the documents required last July. The city Visa Office called me in on August 23 to announce that we were once again refused permission to leave. The day before, the same office called in Inna's son, brother, and mother, and told them to reapply, since their case was being reconsidered. Usually, this leads to permission to leave. My wife and I thereupon felt inspired to apply on September 4 to the National OVIR Chief, Col. Kuznetsov, to let Inna leave with the other members of her family, without me.

On September 18, Kuznetsov told my wife that she was refused permission to leave with her son because her departure would be a security risk for the Soviet Union after her having lived with me too long.

II. I am refused permission to leave the Soviet Union on the pretext of so-called classified work done. More than 30 years ago, at the dawn of the Atomic Age, I did do certain classified calculations for the late Academician Landau at the Institute of Physical Problems (IPP) of the USSR Academy of Sciences. Those calculations, done so long ago, even then were merely conventional; they have long been neither secret nor of any interest or significance to anyone anywhere.

In 1955 I transferred to work in another institute, and according to an official document have had nothing to do with classified work since then. Upon applying to go to Israel in 1975, I had to retire on pension.

President Alexandrov of the USSR Academy of Sciences, former Director of the IPP when I worked there, certified in 1976 that I possess no classified information. How can anyone talk seriously about scientific, and in my case, merely calculatory, secrets more than 30 years old? It is absolute nonsense.

Yet that absurd fabrication was enough not only to deny me my inalienable right to emigrate, to reunite with my only daughter. It denies my wife her only chance of survival.

In January 1980, I was called in to a local Prosecutor's Chief of Investigation and told officially that because of my former classified work, it had been decided never to let me emigrate. I asked who had decided, and was told that no one had the right to tell me. It had been decided by a competent body.

Can you imagine the like in any law-abiding state? My life sentence is so secret that they cannot tell me who passed it, or when. It's an echo of medieval secret trials, of the nightmares of Kafka and Orwell. But this is not history, nor is it fiction. It's like today for the refusenik. More than that, judging by the cruel, senseless treatment of my wife, my secret life sentence covers her too.

III. Refusal to let my wife receive treatment abroad is especially repulsive in view of a letter to Mr. Gorbachev from the prominent Prof. Douglas P. Zives of Indiana about two recent American breakthroughs in cancer therapy that offer some hope that my wife can be cured. Prof. Zives also sent an appeal to Gorbachev by cable.

Meanwhile, U.S. Senator Grassley informed former Soviet Ambassador to the United States Dobrynin that my wife has been accepted for the Sloan-Kettering Experimental Program in New York.

Some time ago, Inna received an invitation from Mrs. Max Kampelman to visit her as a guest for three months. The invitation is endorsed by U.S. Senators Gore, Pell, Stevens, Wallop, Moynihan, Rudman, Warner, Hart, and Nunn and Ambassador Zimmerman, as well as by Ambassador Kampelman himself.

Col. Kuznetsov refused to even read the invitation. He said my wife would be refused permission to visit abroad. He knew, he said, that the real reason for any trip would be to

get medical treatment. Kuznetsov was repeating numerous previous such statements of his. But this came shortly after Gorbachev said in Pravda on March 15 in reply to Professor Marois that human life was the highest value. Doesn't Kuznetsov take Mr. Gorbachev seriously?

Two months ago, my wife's condition deteriorated sharply. She now has to stay in bed practically all the time, suffering a difficult course of chemotherapy. She is in need of constant doctors' and nurses' attention. A new misfortune has complicated my wife's conditions last week, our telephone was cut off. This aggravated the barbarity, since I am not well myself, and my wife and I live alone. Back in 1977, I was expelled from the Academy Polyclinic, to which I had a right. This was totally unlawful after more than 35 years work in various Academy institutes.

IV. Since you are dealing with Contacts, let me inform you that I have received invitations to work as visiting professor from several universities in the United States, Stockholm University, and Oxford. I did not receive several other invitations sent to me by mail. I am prevented from accepting any of these invitations. I have been informed that hundreds of ordinary letters have never been delivered to me.

NAUM MEIMAN, *Professor.*

NAUM AND INNA MEIMAN: IN NAUM'S OWN VOICE

● Mr. SIMON. Mr. President, I commend the attention of my colleagues to the letter which my good friend, Senator DECONCINI, received from Naum and Inna Meiman, a Soviet Jewish couple who have been refused permission to emigrate to Israel. This letter is reprinted in the RECORD.

Naum's letter confirms our worst suspicions of Inna's physical condition. Inna has had four cancer operations and has another tumor growing on her neck. Naum's plea must be heeded. We must redouble our efforts to obtain permission for the Meimans to seek medical treatment in the West.

I commend my colleague for his work on behalf of the Meimans and strongly urge the Soviets to allow the Meimans to emigrate to Israel.●

GOLDEN GAVEL AWARD FOR SENATOR PRESSLER

Mr. DOLE. Mr. President, today Senator PRESSLER has qualified for the Golden Gavel Award for presiding over the U.S. Senate for 100 hours. Senator PRESSLER is thus the first Senator to win the Golden Gavel Award in this 99th Congress.

Presiding over the U.S. Senate is a task that is shared by Senators in the absence of Vice President BUSH, who is President of the Senate. Senator PRESSLER is to be congratulated for his diligence, fairness, and hard work in carrying out the duties of the Presiding Officer.

I might add two notes of historical interest: Senator BAKER recognized Senator PRESSLER as the first Senator to preside over the Senate in January 1981, after our party took control; and Senator PRESSLER was the first Senator to be awarded the Golden Gavel Award in the 97th Congress. At that time Senator BAKER cited him for his accomplishment. I am happy to congratulate him again today for his continual excellent service to the U.S. Senate.

TV IN THE SENATE

Mr. MATHIAS. Mr. President, today marks the official beginning of "in-house" coverage of the proceedings of the U.S. Senate by television. Today, all over Capitol Hill, Senate staffs and even Senators themselves, while working in their offices, will be able to see as well as hear their colleagues in action.

What will they learn from this new experience? I believe they will learn that seeing Senators in the Chamber while listening to the debates brings a clearer understanding of the issues.

They will learn that television enhances the Senate as an institution, rather than diminishes it.

They will learn that the business of the Senate continues to be carried on in a dignified and professional manner.

And surprisingly enough, they will learn that to watch the Senate on television is to witness good debate and good theater.

"In-house" television is another historic first toward the goal of opening the Senate to the American public. I don't believe the point can be made too often that deliberations on the Senate floor and the decisions we make on legislation touch every American.

But not only is televising the Senate proceedings informative, it also provides an accurate record of what actually happens on the Senate floor. Such a documentary record will be invaluable to future historians and students in trying to understand the temper, the politics and the issues of our times.

I am proud of the Senate for taking this giant step toward openness in government. I feel confident that once we've tried television, we'll like it and I look forward to the day when, not only those of us who work on Capitol Hill, but the whole Nation, will be able to see the greatest deliberative body in the world in action.

I would also like to commend the Architect of the Capitol, Mr. George White, and his staff for their work in getting the video equipment in place and operating.

Mr. President, I ask unanimous consent that a notice from the Radio-Television Correspondents' Galleries on television broadcasts and a letter on the use of radio broadcasts appear in the RECORD.

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

COMMITTEE ON RULES AND ADMINISTRATION,
Washington, DC, March 11, 1986.

Mr. MIKE RUSSELL,
Office of Senator Riegle,
U.S. Senate, Washington, DC.

DEAR MR. RUSSELL: Thank you for your letter requesting clarification of certain aspects of the pending radio coverage of Senate deliberations.

Guidelines and regulations relating to television and radio broadcasts of the Senate will be developed by the Rules Committee in the near future in accordance with the provisions of S. Res. 28. As you know, S. Res. 28 prohibits the use of audio recordings of Senate proceedings for "political purposes"; what constitutes "political purposes" will have to be determined by the Rules Committee in conjunction with the Ethics Committee. In the meantime, those who wish to record their Senator's voices from their Senate FM receivers should limit such recordings to their own Member's comments and use the tapes for legitimate news purposes. In other words, the content and use of audio recordings should equate with those of press releases and/or newsletters.

Senate staff are not authorized to use the radio broadcast "mults" which will be provided only for accredited members of the Senate Radio—Television Gallery. However, the Rules Committee will study the feasibility of alternative methods of getting a "clean" recording of the Senate floor action.

Again, thank you for writing. Your offer of assistance is much appreciated.

With best wishes,

Sincerely,

CHARLES MCC. MATHIAS, Jr.,
Chairman.

IMPORTANT NOTICE

This is to officially notify all Gallery members and Bureau Chiefs that until June 1, 1986, the television transmissions from the Senate floor will be for Senate internal use only and not for broadcast usage.

This means that no one will be allowed to tape or film Senate floor proceedings from a monitor in any office on Capitol Hill. Members of Congress and staff will have no authority to grant exemptions to this rule. Bureau Chiefs, producers, and editors will be expected to help prevent any violation of the Senate rule prohibiting use of television before June 1.

Everyone is now on notice and violators will be subject to loss of gallery credentials and privileges.

MAX BARBER,
Superintendent.
PHIL JONES,
Radio-Television Executive Committee.

THE CHERNOBYL TRAGEDY

Mr. CHAFEE. Mr. President, for the past several days the world has been witness to a nuclear accident of extraordinary proportions.

By nearly all accounts, the violent chemical explosion and subsequent core meltdown at the Chernobyl nuclear powerplant near Kiev is probably the worst nuclear disaster in history. As swirling winds indiscriminately blow nuclear "death clouds" around the Soviet Union and Europe, the ramifications of this tragedy grow more and more frightening.

71-059 O-87-14 (Pt. 7)

I rise today to express my profound sympathy and concern for the unfortunate victims of this case of man's technology gone awry, the ordinary people of Russia and Europe.

Mr. President, disasters—natural, technological, or other—seem to happen with such regularity in today's world that their effects are numbing; 500 people die in plane crash; 2,000 people perish in an earthquake. Victims conveniently become statistics. Numbers—staggering numbers—are bandied about without regard, and we are dehumanized. We lost focus of the meaning of a human life.

Chernobyl is no different. Already estimates are being made as to how many hundreds might die, how many thousands might be adversely affected for life.

Mr. President, we should try to bear closely in mind the "human" aspect of this tragedy over the next few days. It is not "Russian" people that are dying, it is that "people" who are dying. Children—just like ours are dying. Nationality or ethnicity has nothing to do with it. A disaster of this scope is indiscriminate in choosing its casualties.

John Donne best described my feelings when he said nearly 400 years ago:

> No man is an island, entire of itself; every man is a piece of the continent, a part of the main; any man's death diminishes me, because I am involved in mankind; and therefore never send to know for whom the bell tolls; it tolls for thee.

UNITED STATES RELATIONS WITH LIECHTENSTEIN

Mr. PRESSLER. Mr. President, I would like to share with our colleagues some correspondence I have had with Hans-Adam, the Hereditary Prince of Liechtenstein.

I initiated the correspondence as part of a study of small nations' relations with the United States which the European Affairs Subcommittee is conducting. The very positive and thoughtful response from Prince Hans-Adam is encouraging. Other Members of the Senate may wish to be aware of the high regard in which his country holds the United States. Too often we forget the value of smaller nations such as Liechtenstein. We should all work for broader American recognition of the strong bonds of friendship and commerce which exist between our two countries.

Mr. President, I ask that the correspondence to which I have referred be printed at this point in the RECORD. I also understand that our distinguished colleague from Rhode Island, Senator PELL, may have some pertinent comments he may wish to make on the subject of Liechtenstein.

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

VADUZ CASTLE,
March 12, 1986.

Hon. LARRY PRESSLER,
Chairman, Subcommittee on European Affairs, United States Senate, Committee on Foreign Relations, Washington, DC.

DEAR SENATOR PRESSLER: Thank you very much for your letter of February 20 and your interest in the relations between the United States and the small nations of Europe. We, here in Liechtenstein, are very thankful for the interest you and the Subcommittee on European Affairs have for the small nations. Although we are small, we feel very much as being a part of the large community of nations in the world.

I discussed with our government the questions you have asked me.

The government, too, will send you a separate letter concerning this matter.

I take the liberty to answer in the same order as you have asked the questions:

1. Liechtenstein's relations with the United States are excellent. Any small problems which might have emerged in the past, were quickly solved in a very informal way.

2. Considering the excellent relations between the two countries, we have difficulties to identify any area where the relations could be further improved.

3. Our existing treaties with the United States have served the interests of both countries, as far as we can judge it. We do not see here in Liechtenstein the need for any changes.

4. If we consider the excellent relations between our two countries, probably very little can be done from the authorities. In this situation, private initiative seems to work best. Private initiative has also led to the largest art exhibition, Liechtenstein has ever made, abroad. This exhibition has opened at the Metropolitan Museum in New York in October 1985 and will last until end of April 1986.

In the table on the smallest states of Europe, you have sent to me, there is a small mistake. It is said that Switzerland handles also our defence which is not the case.

There is just one other area which I would like to mention. We would very much appreciate the support of the United States should Liechtenstein apply for a membership at the United Nations. The question is currently discussed here in Liechtenstein and we might decide to apply for a membership, whatever the outcome of the popular vote in Switzerland on this question. I have personally always supported the idea of our membership in the United Nations. I believe that also a small nation has some obligations towards the world. Liechtenstein could support in the United Nations the nations who are in favour of human rights, democracy and free trade.

It would be a pleasure for me to provide you with further information or whatever assistance you wish. I hope to see you again, either here in Liechtenstein or in the United States.

With all the best regards,

Sincerely,

HANS-ADAM,
Hereditary Prince of Liechtenstein.

Mr. PELL. Mr. President, I congratulate the Senator from South Dakota, Mr. PRESSLER, on his interest in smaller nations and his insertion in our CONGRESSIONAL RECORD, of his correspondence with crown Prince Hans Adam of Liechtenstein.

In this regard, I am very glad to say that both he, some 20 years ago, and his son Prince Louis, just this past week, served as interns right here in our Senate.

I have known and have had huge affection for Liechtenstein and the Liechtenstein family for almost 40 years. It is truly a country of balance where each citizen takes great independent pride in his or her own work and status and life in the communities that compose Liechtenstein.

When I first used to visit there, it was basically an agrarian economy with some cash revenues from a few manufactured goods. Now it has a thriving industrial economy with its own service related activities and with agriculture far down the list. Its government and its people are basically conservative and of a very religious nature. If more countries like Liechtenstein were members of the United Nations the world would be very much the better for it.

I look forward to many more years of friendship between the United States and Liechtenstein.

□ 1840

THE HART-CHILES-BYRD AMENDMENT: A LOOK TO THE FUTURE

Mr. DECONCINI. Mr. President, I would like to take a few moments to reflect on the action the Senate took Tuesday afternoon in defeating an amendment offered by the distinguished senior Senator from Colorado [Mr. HART], the Democratic leader [Mr. BYRD], the ranking member of the Budget Committee [Mr. CHILES], and others. Unfortunately, after just a few short hours of debate, the Senate turned aside not just another amendment to the budget resolution, but perhaps a national blueprint for where this country should be going for the next decade and beyond.

Mr. President, since President Reagan took office in 1981, the entire focus of the Congress, OMB, the President, and, to a certain extent, the country has been on the present—the present only. We have been focusing on how to bring down the deficit and properly so. We have been examining old programs to see which ones work and which ones no longer serve their original purpose. We have examined new budget procedures to bring order to the way the Government does its budgeting business. And we have examined ways to put the brakes on Government programs and do more with less. This reexamination of our current policies, programs, and procedures has been healthy and probably long overdue.

However, during the same 5-year period we have lost something that the amendment of the Senator from

Colorado has tried to recapture: The vision of this country to look beyond the present and start building for the future. We have spent the last 5 years in a defensive posture, reacting to the most devastating attack on the social infrastructure of the country in modern history. We have spent the past 5 years in fiscal combat with a President who has attempted to throw the Nation in "reverse" rather than examine what we need to do to guarantee a productive, innovative future for our children and their children. We have spent the past 5 years trying to reverse the largest accumulation of debt in the history of the Nation. And we have dropped any attempt to look to the future, while we broke our backs to tackle the largest peacetime deficits in our history.

The amendment of the Senator from Colorado has, if nothing else, forced the Senate for a few brief hours to take off the blinders and green eyeshades, rub our eyes, and look ahead to where we should be putting our scarce Federal resources in order to build for the future. For that, Mr. President, we owe the Senator and the Democratic leader a great debt of gratitude.

Mr. President, the amendment of the Senator from Colorado was not some wild-eyed, antidefense proposal to scale back national defense to accommodate more unbridled social spending. On the contrary, I would not have supported the amendment if that had been the case. What the amendment did do was tell the country and the Senate that we should put out scarce dollars: into rebuilding investment in basic sciences so that we can take innovation and productivity off the back burner and make it a high priority; into developing new technologies in health, industry, and commerce that will put Americans back to work and make our lives safer and more productive; into programs that will invest in resource development in energy, agriculture, and natural resources; and into programs that will invest in the education and training of our children and our work force. Those are priorities and visions of the future that this body and this administration have lost sight of over the past 6 years because of the deficit.

Mr. President, to be completely fair to the administration, not all of the blame for our loss of vision can or should be laid totally at their doorstep. In fact, a good argument can be made that our current cycle of good economic news has lulled the general public and the Congress into resting on our collective laurels and focusing our time and energies on the present—not the future. The amendment of the Senator from Colorado forced us to think beyond our present good fortune, beyond temporary lower oil prices, beyond a booming stock market, and beyond our current unemployment levels, and to start putting our scarce dollars into science, technology, education, and other infrastructure-building programs that will assure that economic good fortune and progress will be available for our children and their children.

Mr. President, the amendment of the Senator from Colorado would have paved the way for a comprehensive program for economic growth, expansion of international trade opportunities, and the rebuilding of our educational and technological underpinnings as we approach the end of this century. By putting our resources into basic research, health, industry and commerce, energy research, agriculture technology, and education and training, the Senator's amendment would be investing in our future without mortgaging our future.

Let me conclude by saying that, as a member of the Democratic Leader's Budget Task Force, I have spent months wrestling with the Senator from Colorado and others over budget plans, the matter of revenues, and the pay as you go concept that is the backbone of the Hart-Chiles-Byrd amendment. I must say that I have serious reservations about any increase in revenues, whether it be user fees, oil import fees, or any other type of revenues. However, at my request, the amendment initially offered by the Senator from Colorado and cosponsored by this Senator included a proviso that none of the unspecified revenues addressed in the amendment would come from low- or middle-income taxpayers who are already shouldering a disproportionate share of the tax burden. Unfortunately, the proviso was challenged on germaneness grounds and dropped. I have nonetheless supported this amendment and the idea that we should pay as we go in order to establish the funding priorities that are assumed in the Hart-Chiles-Byrd amendment.

Major corporations of this country or the uppermost income citizens of this country, who currently pay little or no taxes whatsoever, may have to chip in a few bucks to guarantee the future of our children, the future of our economy, the future of our natural resources, and the future of our agricultural industry. This is a small extra burden to bear when so much is at stake for this great Nation.

Mr. President, the amendment of the Senator from Colorado should have been adopted. Nevertheless, it is not too late for the Senate and the administration to take a long look down the road and begin to reassess our priorities to address the problems of today but, more importantly, the problems facing our future.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

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

EXTENSION OF ROUTINE MORNING BUSINESS

Mr. RUDMAN. Mr. President, I ask unanimous consent that the period for routine morning business continue not to extend beyond 7 p.m.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1900

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

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

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

Mr. EXON. Mr. President, what is the parliamentary situation at this moment? It was my understanding, and I would like to be corrected if my understanding was wrong, that the morning business was to be concluded at 7 o'clock and that at that time we were to go back on the resolution before us. Is the Senator from Nebraska correctly informed?

The PRESIDING OFFICER. The Senate will now return to the consideration of Senate Concurrent Resolution 120.

Mr. EXON. Mr. President, I ask unanimous consent that as to any other time under quorum calls that the time be equally charged.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Will the Senator withhold that?

Mr. EXON. I am glad to yield to the majority leader.

Mr. DOLE. Mr. President, a number of us have been working all day on both sides, and we are not there yet. We may get there yet. But it seems to me that it is in the interest so nobody thinks we are trying to run the clock on anyone. I ask unanimous consent that there be an additional period of 2 hours allotted in consideration of Senate Concurrent Resolution 120.

Mr. EXON. Mr. President, reserving the right to object, could the majority leader be good enough to inform this

Senator and probably the Senate as a whole as to what the situation is planned for this evening? If we accept the unanimous-consent request that has just been proposed that would take us up until about 9 p.m. this evening, is that correct?

Mr. DOLE. It could be longer. I doubt we would use it.

The Senator from Florida has suggested and so has the distinguished chairman of the committee, there are some Members who feel we are trying to run the clock and then will come in with some big substitute. I want to allay that fear. That is not my purpose. My purpose is to get something we can get 60 or 70 votes for.

I know the distinguished minority leader indicated earlier the concern. I know the Senator from New Mexico has 40-some minutes remaining. The distinguished Senator from Florida has a couple hours.

Again, if we had a substitute that took 2 or 3 hours plus and we still have three amendments pending, we might need that time.

So, I am just trying to satisfy concerns, and I think the Senator from Florida would agree that it would be a good idea.

Mr. EXON. Mr. President, reserving the right to object, let me see if I can clarify this a little bit. The majority leader asked unanimous consent for another 2 hours delay with no time to be charged to either side; is that correct?

Mr. DOLE. No. I am asking for additional 2 hours for debate. I do not believe we will need it. I do not want people to have a feeling we are trying to run the clock out.

Mr. EXON. That being the case, then can the majority leader please bring us up to date as to when in his best judgment are we likely to proceed with any action on the floor of the Senate, a half-hour from now or 3 hours from now?

Mr. DOLE. There are still three amendments. I think they are on our side. We are prepared now to accept, if those who want to offer amendments will do so.

We have a couple of things we are trying to do. We are trying to complete action on this evening, trying to avoid a session tomorrow, and trying to work out some business to do on Monday.

I just suggest that to facilitate the managers, if we had this little cushion, hopefully we are not going to need it, but I think it would dispell a lot of fears, at least the perception that some have that we are tying to run the clock down and at the last minute are going to send up a big substitute and vote on it. That is not the intent of the leadership, I do not have a substitute at this point.

But again if it is going to take time, I will withdraw the request.

Mr. CHILES. No. I just would like to say to the majority leader I think it would be helpful to have the additional 2 hours because I think there are people on our side who have a fear that we are going to run down to the wire and then a substitute would be dumped on the last minute, and no one will have a chance to look at it and they would just be required to vote. Hopefully, we may not need the time. I think it would be useful. I think it would help even toward trying to do something this evening.

Mr. EXON. Further reserving the right to object, let me ask my friend and colleague from Florida what the situation would be if the unanimous-consent request is granted and each side has an additional 1 hour? We could find ourselves in a situation, could we not, where we have the continuing delays, delays, so that we may be back here 3 or 4 hours from now asking for an additional hour on each side in addition to that, is that not a possibility.

Mr. DOLE. I intend the clock to start running immediately. I hope Members will call up the amendments. We have been trying all afternoon to get amendments called up. There are still three floating around.

Mr. EXON. If the two leaders have agreed on this, I will not object.

Mr. BYRD. I have not agreed on anything.

The PRESIDING OFFICER. Is there objection to the request?

□ 1910

Mr. BYRD. Mr. President, reserving the right to object.

Mr. President, I remove my reservation.

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

The clerk will report.

The legislative clerk read as follows:

A Senate concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the United States Government for the fiscal years 1987, 1988, and 1989.

The Senate resumed consideration of the concurrent resolution.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum to be equally divided.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

□ 1940

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

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

AMENDMENT NO. 1818

(Purpose: To require committees which are required to report changes in law to reduce budget authority and outlays to submit, with such changes, a statement specifying, with respect to each program for which such changes are reported, the budget authority which would have been provided, and the outlays which would have been made under such program if such reductions had been made below the current law baseline and below the 1986 expenditures baseline.)

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE] proposes an amendent numbered 1818.

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

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

The amendment is as follows:

On page 44, between lines 8 and 9, insert the following:

(2)(1) It is the sense of the Senate that each committee of the Senate or the House of Representatives which, pursuant to subsection (a) through (y) of this subsection, is required to report changes in law to reduce budget authority or outlays, or both for one or more fiscal years shall submit, as feasible, to the Committee on the Budget of its respective House with such changes a statement specifying, with respect to each program for which such changes are reported—

(A) an estimate (utilizing the baseline upon which the levels and amounts set forth in this concurrent resolution are based) on the total amount of budget authority and outlays for such program for each such fiscal year after such changes are made; and

(B) an estimate (utilizing the current law baseline) of the total amount of budget authority and outlays for such program for each fiscal year after such changes are made.

(2) For purposes of this subsection the term "current law baseline" means, with respect to budget authority and outlays for a program, the amount of budget authority which would be provided for such program for a fiscal year and the amount of outlays which would be made under such program for a fiscal year under the laws in effect on the date of adoption of this concurrent resolution, without any change in policy.

(3) It is further the sense of the Senate that the Committee on the Budget of the House and the Committee on the Budget of the Senate shall include, as feasible, in the report accompanying a reconciliation bill or resolution reported to its respective House under subsection (a) of this section the statements received by such Committee under paragraph (1) of this subsection.

Mr. McCLURE. Mr. President, the purpose of my amendment is to require, to the extent feasible, that the substantive committees reporting legislation pursuant to the reconciliation process compare their reported savings not only to the baseline underlying

the reconciliation instructions, but also to the current law baseline.

Although this sounds esoteric, the reason behind it is relatively simple: At the beginning of the year, the Budget Committee selects a baseline of anticipated revenues and spending from which further increases and cuts in spending and revenues are to be judged. This baseline embodies what the Budget Committee expects taxes and spending to be.

In the past, the committee has selected a baseline which is very similar to what used to be called current policy. This means that the baseline anticipates spending and taxes which are generally somewhat above what is authorized by current law. In a case of a rapidly expanding program such as Superfund, for instance, the baseline could anticipate spending as must as five times the level of spending in previous years.

When compared to the expanding spending and taxes envisioned by this baseline, even spending and tax levels considerably in excess of previous years may appear to be spending cuts and tax cuts. This is because these spending and tax increases over previous years' spending and taxes nevertheless represent less money than anticipated by the baseline.

Mr. President, by comparing spending and taxes not only with the Budget Committee baseline, but also with what is currently being spent and taxed, we can get a more accurate picture of how budget targets are being achieved.

It is my understanding that the managers of the bill are prepared to accept my amendment, so I yield the floor.

Mr. SYMMS. Mr. President, I am authorized on behalf of the majority and the minority on the committee to accept the amendment. We thank the Senator from Idaho for his contribution to this process.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1818) was agreed to.

Mr. McCLURE. I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I thank the staff of the committee for their assistance with the language in which the amendment was prepared and adopted.

Mr. SYMMS. Mr. President, I yield 5 minutes to the Senator from Maryland off the majority's time.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. MATHIAS. Mr. President, the proposed resolution on the budget would reduce by 11 percent the funds that would be utilized to implement and promote the foreign policy of the United States. The substantial reduction in foreign assistance recommended by the Senate Budget Committee would have a very serious effect on meeting our foreign policy goals and our foreign policy commitments. In some cases, it would affect solemn commitments that we have entered into under treaties; in some cases, it would affect promises that we have given and hopes that we have raised by our actions in previous years.

The Senate, earlier this week, slashed another $168 million from the function—$168 million beyond the cut that had been recommended by the Senate Budget Committee. I suggest that this will further cripple our efforts in the field of foreign policy—not just, Mr. President, in the field of foreign aid but in the field of foreign policy. It will cripple our efforts to implement foreign policy, to promote those goals that the United States feels are important for stability and peace in the world.

I recently had occasion to travel to the Middle East—to Saudi Arabia, to Syria, to Jordan, to Israel, and to Egypt. During that trip, I became convinced that American influence in the region has suffered a net loss in recent years. We are perceived as being less interested and less vigorous in pursuing efforts to revitalize the peace process. This lessening of our traditional role is due to more than one factor, but certainly diminishing aid levels to some of the nations in that region will be seen as only one more step in the direction of a weaker U.S. influence in the Middle East.

Perhaps it will also be seen as an invitation to our adversaries to play a more active role in the Middle East. I suggest that the Senate should weigh that consideration as it looks at this particular item in the budget.

In this regard, I am much more concerned about the smaller countries and projects which are going to recieve bigger cuts—larger than the 11 percent which is projected by the committee—than about the major recipients who may not even be touched. This year, we will spend only $109 million on bilateral development assistance for all the Caribbean, which is literally on our front doorstep. One hundred nine million dollars for food, for clothing, for shelter, for machinery for this small but vitally important area for American security and for our future.

I note just in passing that the Congress will spend nearly 1½ times that amount for mass mailing compaigns, telling our constituents about all the cuts that we have made and the budgetary commitments that we have kept.

This year we will spend more on covert military aid in Angola than on development assistance to the West Bank and Gaza. And in all probability one cost overrun on a weapons system will cost us more than our developmental assistance to all of Africa, where there is such potential for doing positive things and clearly such potential for suffering as well. Large cuts in programs such as these will have a devastating effect on the economies of these areas and toward our foreign policy goals as well.

□ 1950

My second immediate concern relates to the tragic role that terrorism has come to play in international relations. While it is, of course, necessary to take a strong stand against state-supported terrorists, we must realize that as long as there are thousands of people who feel thwarted in political expression, who are displaced from their homes, denied hope and opportunity in life, then the seeds of terrorism will surely exist. We must deal with the causes of the disease as well as the symptoms; we should not take a substantial cut, over one-tenth, from our programs that address some of the root causes of terrorism.

I do not believe this is the way the people of the United States want to move. I do not believe it is the way we should move. To retreat from our commitments and to withdraw the peaceful hand of international cooperation is the wrong course. Currently, the United States only contributes two-tenths of 1 percent of its gross national product for foreign assistance. As a percentage of total economic activity or GNP, that is less than one-half of the average for most of the industrialized countries.

In the course of this debate on the budget, I think it is absolutely necessary that we focus carefully on this consideration. I would be prepared to offer an amendment which would restore this item at least to the current level, if not to the level of the President's request, which, of course, is in excess of current expenditures. But before I offer such an amendment, I want the Senate to think carefully about the subject and to decide whether we can muster the kind of support which this vital program demands.

At a time of growing political economic and military problems throughout the world, our foreign assistance priorities should not be undermined by short-term budgetary considerations. For if they are, the United States will pay a higher price to preserve our long-term interests.

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

The PRESIDING OFFICER. On whose time?

Mr. MATHIAS. To be evenly divided.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 2140

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

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

30-MINUTE RECESS

Mr. SIMPSON. Mr. President, after conferring with the Democratic leadership, I ask unanimous consent that the Senate stand in recess for 30 minutes, and that the time be charged equally against the resolution.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Thereupon, at 9:46 p.m., the Senate recessed until 10:16; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. TRIBLE].

□ 2210

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

20-MINUTE RECESS

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I ask unanimous consent that the Senate stand in recess for 20 minutes and that the time be charged equally against the resolution.

There being no objection, the Senate recessed at 10:17 p.m. until 10:40 p.m.; whereupon, the Senate was called to order by the Presiding Officer (Mr. TRIBLE).

□ 2240

The PRESIDING OFFICER. The deputy majority leader is recognized.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum with the time to be equally divided between the parties.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum with the time not to be charged to either party.

The PRESIDING OFFICER. The clerk will call the roll to ascertain the presence of a quorum.

The assistant legislative clerk proceeded to call the roll.

□ 2300

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

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

The Senate will be in order.

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. How much time do we have and how much does the minority have?

The PRESIDING OFFICER. The Senator from New Mexico has 5 minutes remaining. The Senator from Florida has 1 hour 35 minutes remaining.

Mr. DOMENICI. Mr. President, would the Senator from Florida agree to yield 10 minutes to the Senator from New Mexico? I have 5 minutes.

Mr. CHILES. Yes.

Mr. DOMENICI. Mr. President, I ask unanimous consent that 10 minutes of the minority's side be transferred to the Senator from New Mexico.

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

The Senate will be in order.

Mr. DOMENICI. Mr. President, Senator McCLURE, the Senator from Idaho, has an amendment. We have worked it out with a colloquy. I ask if he would submit it at this point.

The PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 1819

(Purpose: To provide that contributions from recoupment of petroleum overcharge funds are reflected in the budget resolution as undistributed offsetting Receipts, and not as an offset against those programs in functions 270 and 600)

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE], for himself, Mr. RUDMAN, Mr. WARNER, Mr. RIEGLE, Mr. HEINZ, and Mr. ROCKEFELLER, proposes an amendment numbered 1819.

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

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

The amendment is as follows:

On page 9, increase the amount on line 16 by $172,000,000.

On page 9, increase the amount on line 17 by $43,000,000.

On page 9, increase the amount on line 25 by $172,000,000.

On page 10, increase the amount on line 1 by $158,000,000.

On page 10, increase the amount on line 9 by $172,000,000.

On page 10, increase the amount on line 10 by $164,000,000.

On page 19, increase the amount on line 18 by $900,000,000.

On page 19, increase the amount on line 19 by $900,000,000.

On page 20, increase the amount on line 3 by $700,000,000.

On page 20, increase the amount on line 4 by $700,000,000.

On page 20, increase the amount on line 13 by $500,000,000.

On page 20, increase the amount on line 14 by $500,000,000.

On page 28, decrease the amount on line 6 by $943,000,000.

On page 28, decrease the amount on line 7 by $943,000,000.

On page 28, decrease the amount on line 15 by $858,000,000.

On page 28, decrease the amount on line 16 by $858,000,000.

On page 28, decrease the amount on line 24 by $664,000,000.

On page 28, decrease the amount on line 25 by $664,000,000.

On page 2, increase the amount on line 19 by $129,000,000.

On page 2, increase the amount on line 20 by $14,000,000.

On page 2, increase the amount on line 21 by $8,000,000.

On page 5, increase the amount on line 10 by $129,000,000.

On page 5, increase the amount on line 11 by $14,000,000.

On page 5, increase the amount on line 12 by $8,000,000.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. On behalf of myself, and Senators RUDMAN, WARNER, RIEGLE, HEINZ, and ROCKEFELLER, I have sent the amendment to the desk.

Mr. President, I wish to express my appreciation to the Senator from New Hampshire for his cooperation in working out an amendment that meets our mutual concerns regarding funding for the energy conservation programs of the Department of Energy and the Low-Income Home Energy Assistance Program.

This amendment adjusts the budget resolution assumption regarding these programs so as to provide full funding. In addition our amendment provides that any recoupment of the State share of any petroleum overcharge funds will be treated as an undistributed offsetting receipt in function 950.

By comparison, Mr. President, the budget resolution currently reduces the totals for the energy function (270) and the income security function (600) by the amount of the State share of the petroleum overcharge funds that is assumed to be available for recoupment. These moneys arise from an assumed settlement of pending litigation on the so-called stripper well case and from future oil overcharge settlements.

For the benefit of my colleagues, I would like to briefly review the background of this amendment. A number

of cases are still proceeding under the now expired Emergency Petroleum Allocation Act. These cases involve compensation of individuals adversely affected by overcharges that arose from the entitlements program created by that act. However, in some instances the victims of such violations cannot be identified, and the question arises as to what to do with those overcharge funds deposited in the current escrow account.

Under such circumstances, current administration policy is that the affected funds will be deposited in the general fund of the Treasury. This policy is set forth in the Federal Register of July 2, 1985.

In other words, Mr. President, if nothing were to occur—that is the court did not act nor the Congress enact legislation—all of these moneys would be automatically deposited in the Treasury. Legislation would not be required to achieve this result. However, a settlement is proposed that would provide a 50-50 split.

What the budget resolution does intend is that the Congress intervene in pending legal proceedings to prevent the proposed 50-50 split of these funds between the Federal Government and the States. The budget resolution assumes that all these moneys would be deposited in the general fund of the Treasury.

For years the Department of Energy has been seeking to settle these cases. The proposed settlement is intended to resolve the payment of funds collected in all outstanding litigation. As such, the settlement would include the so-called stripper well exemption litigation; the entitlements case Texaco, Inc. et al., versus DOE et al., before the Temporary Emergency Court of Appeals; and distribution of future funds by the Department. OMB currently estimates a total of $4.5 billion would become available, with $2.25 billion going to both the Federal and State government under the 50-50 split in the proposed agreement.

Final resolution of this litigation is in the national interest. Congressional consideration of the assumption in the budget resolution is creating uncertainty at a most inopportune time—just when this matter is about to be resolved by the courts. On the current schedule, settlement is expected before the Congress could enact such legislation.

A purpose of this amendment is to insure that, whether or not there is a settlement and notwithstanding the report language on Senate Concurrent Resolution 120 regarding the recoupment of these funds, this assumption is not crosswalked to the Appropriations Committee so as to automatically reduce appropriations ceilings for energy conservation and low-income security programs.

Mr. President, a second purpose of our amendment is to assure that resolution of this litigation can occur expeditiously. The amendment would reflect these recoupment moneys in the Federal budget as undistributed offsetting receipts.

If settlement is achieved prior to action by the Energy and Natural Resources Committee on its reconciliation instruction, these funds would not be available for recoupment as assumed in the budget resolution. Should this occur, the assumption no longer would be valid and it would be unrealistic to require the committee to meet this assumption. Therefore neither the Appropriations Committee nor the Energy Committee would be required to achieve the required savings.

I therefore would like to address a question to the distinguished chairman of the Budget Committee. Is it correct that it is not the intention of the budget resolution to require the Energy and Natural Resources Committee to comply with this reconciliation assumption should the funds no longer be available for recoupment due to court settlement of this matter?

Mr. DOMENICI. That is correct, Mr. President.

Mr. RUDMAN. Mr. Chairman, it is my understanding, therefore, that our amendment will restore full funding for the Low-Income Energy Assistance Program and the weatherization and energy conservation programs. The Budget Committee's assumed savings from recoupment legislation are shifted to function 950 as an offsetting receipt and reconciliation instructions are still directed to the Energy Committee to enact reconciliation legislation to recoup the States' share of oil overcharge restitution funds. Consequently, the amendment severs the link in the Budget Committee's original resolution between the low-income energy programs and the oil recoupment reconciliation instructions.

In the event, however, that a court settlement is achieved prior to action by the Energy Committee on reconciliation legislation, the Energy Committee is not expected to meet this portion assumed in the reconciliation instruction. Furthermore, neither the Appropriations Committee nor the Energy Committee would be obliged to achieve comparable savings. Is this your understanding of the amendment offered by the distinguished Senator from Idaho and myself?

Mr. DOMENICI. Yes; that is my understanding of the amendment. The need to possibly relieve the Energy Committee from a portion of its reconciliation instruction arises from unique circumstances. The Energy Committee's and Congress' ability to achieve the overcharge savings is dependent on a possible judicial settlement, something that is outside of Congress' control. If there is no settlement or a settlement does not occur by the time the Energy Committee is expected to meet its reconciliation instruction, the Energy Committee would be expected to do so.

Is that also the understanding of the ranking minority member of the Budget Committee?

Mr. CHILES. Yes, that is also my understanding of the amendment. The amendment would ensure that the resolution provides for full funding of the Low-Income Energy Assistance Program and the energy conservation programs of the Department of Energy. This will help protect vulnerable low-income elderly citizens and low-income families and assist them in paying for the energy costs in their homes. It will help pay for the weatherization of homes of low-income people which is so desperately needed in many cases. It will continue funding for other valuable energy conservation programs administered by the States. I would hope that the Senate Energy Committee would be able to produce legislation to recoup all of the remaining overcharge moneys and bring them into the Federal Treasury. I would hope such legislation could be enacted before any final settlement—of the pending cases—by the Department of Energy.

Mr. McCLURE. I would like to address another inquiry to my colleague from New Mexico regarding the intent of the budget resolution pertaining to the treatment of petroleum overcharge funds flowing directly to the States from court settlements.

The reason that I ask this question is to clarify a misconception in this regard. As you are aware, funds have recently become available to the States through the settlement of the Exxon oil overcharge case and these funds, over $2 billion, must be used within the same five programs.

Regardless of the source of funding, the Federal programs must continue to operate so as to assure that both the Federal and State administrative direction and regulatory framework that defines the programs are maintained. In other words, if these alternative sources of State funds are to be spent on these programs, not only must the Federal programs necessarily continue to administer and regulate the programs but they must address the necessary State administrative capabilities to administer and regulate these programs.

Mr. DOMENICI. If I may make a brief comment—I thank my colleague from Idaho for making this important point. This budget resolution is not intended to affect the continued administration of these programs. It is intended that each of the Federal administering agencies continue in their current role and that they maintain sufficient program capabilities to mon-

itor the use of any alternative funds that may become available to, and expended by, the States. In this regard the Federal agencies should monitor alternative funds as if they were Federal funds.

Mr. McCLURE. I thank my colleague for his comments. I appreciate his emphasis that alternative funds for these programs are to be treated by the States and Federal agencies as if they were federally appropriated funds. This necessarily requires continuation of basic program capabilities by both Federal and State government.

Mr. RUDMAN. Mr. President, the amendment that my colleague, the distinguished Senator from Idaho, and I are offering is intended to protect the Low-Income Energy Assistance Program and Department of Energy conservation programs. The amendment has no outlay impact. Rather, it revises the Budget Committee's accounting so that these programs are not potentially subject to crippling cuts.

The budget resolution reported by the Budget Committee recommends $1.919 billion for low-income energy assistance and $0.5 billion for energy conservation programs. However, the Budget Committee made $943 million of this amount in fiscal year 1987, and $1.522 billion the following 2 years, effectively contingent upon enactment of unrelated legislation to recoup the States' share of oil overcharge restitution funds. The committee did this by scoring the savings to be achieved from the proposed recoupment legislation as increased outlays in functions 270 and 600 where the energy programs are located. Thus, if the legislation is not enacted and the savings are not accrued, functions 270 and 600 are reduced by a corresponding amount. Normal accounting practices under the budget process would require these savings to be scored as an undistributed offsetting receipt in function 950.

As a realistic matter, it is possible that the appropriations process and the reconciliation process will be moving simultaneously. The assumption that recoupment legislation will be enacted before the relevant appropriations bills begin to move cannot be counted on. Therefore, under the Budget Committee's scenario, there is no realistic prospect of providing the critical low income energy assistance, weatherization, and State energy conservation programs with the funding levels assumed in the budget resolution in a timely manner. The result would be a nearly 50 percent reduction in energy assistance and significant reduction in weatherization programs in fiscal year 1987.

Mr. President, this is an acceptable result for the millions of people dependent on these programs, and, in particular, the elderly. Furthermore, this result is inconsistent with the procedures established under the Gramm-Rudman-Hollings Act. Under Gramm-Rudman-Hollings, the penalty for failure of Congress to comply with reconciliation instructions is supposed to be sequestration. Here, the Budget Committee is proposing reconciliation instruction on an unrelated matter is not complied with.

Our amendment does not change the Budget Committee's individual programmatic assumptions. It merely severs the link between the funding levels for the energy programs and the savings from recoupment legislation. The assumed savings from the recoupment legislation would be shifted from functions 270 and 600 to function 950. The amendment therefore restores to functions 270 and 600 the amounts necessary to accommodate the Budget Committee's full funding levels for the low-income energy programs. The anticipated offsetting receipts in function 950 are increased to account for the Budget Committee's expected savings from recoupment legislation. Our amendment preserves the reconciliation instructions to the Energy Committee and crosswalks the savings to Energy Committee unless a settlement of pending petroleum overcharge cases is reached prior to enactment of reconciliation. The Appropriations Committee would therefore have the authority to appropriate full funding for the energy programs without being dependent on the Energy Committee's action on reconciliatin legislation.

I urge the Senate to act favorably on our amendment so that funding for these critical programs is not held hostage to unrelated legislation.

Mr. WARNER. Mr. President, I rise today to join with the chairman of the Energy and Natural Resources Committee to protect the original intent of the Warner amendment.

Originally, I offered what has become known as the Warner amendment to the 1983 Further Continuing Appropriations Act, Public Law 97-377, to provide restitution to consumers, especially the low income, the elderly, and the handicapped, who were overcharged during the period when petroleum allocation and price controls were in effect.

My amendment required a one-time distribution of funds recovered through petroleum pricing regulation enforcement actions held by the Department of Energy in escrow accounts. The Department placed these funds in escrow because it was virtually impossible to identify the overcharged parties.

The funds available under the Warner amendment supplemented existing fuel assistance, weatherization, and other energy conservation programs. I believe this program was successful in assisting those persons least able to afford the pricing overcharges assessed against them.

While my amendment was only a one-time distribution of funds, I am proud that in subsequent overcharge cases where awards have been made, the court has directed the Warner amendment be used as a model for the disbursement.

Mr. President, the most recent of these cases, United States against Exxon, requires the distribution of $2.1 billion along the lines of the Warner amendment.

Fortunately, today we are not faced with the emergency situation of rising fuel bills and a severe winter that caused the shortfall in funding in 1983.

This year, I concurred in the budget recommendations of the Energy and Natural Resources Committee to the Budget Committee to allow for a decrease in Federal funding for those five energy conservation State grant programs should the Appropriations Committee decide to do so.

I believe the Exxon moneys which have been distributed to the States will be able to supplement the energy conservation funds without any disruption in the services offered by the State governments. We also achieved the added benefit of reducing Federal spending for these programs.

I do not support the recommendations in the budget resolution requiring the Federal Government to recoup the State share of these funds in upcoming petroleum overcharge cases.

While I would prefer to simply strike all reference in Senate Concurrent Resolution 120 to the court-ordered oil overcharge awards, I have joined with Chairman McCLURE to show the recoupment as an undistributed offsetting receipt. The amendment also would not require the Energy and Natural Resources Committee to report such legislation, as directed by the Budget Committee's reconciliation instruction, if there is a settlement of a court case.

By adopting this amendment, the Senate will be preserving the status quo of the Warner amendment and ensuring that those persons who suffered the most from the pricing violations will be compensated.

Mr. President, I urge my colleagues to support this amendment.

● Mr. HEINZ. Mr. President, I strongly support the amendment to the budget resolution, Senate Concurrent Resolution 120, offered by my distinguished colleagues, Mr. McCLURE, Mr. RUDMAN, and Mr. WARNER. Simply stated, this amendment will ensure that the several important Energy and Weatherization Assistance Programs can be fully funded and will meet the needs of millions of poor and older Americans.

This amendment is necessary because under the budget resolution full funding for these programs depends on the timely recoupment of $943 million from the oil overcharge restitution funds in fiscal year 1987. Unfortunately, when the Appropriations Committee reaches the point when it is prepared to provide funds for the Energy and Weatherization Assistance Programs, the oil overcharge funds are not likely to be available. There may be a gap in time between the appropriations process and reconciliation which is needed to obtain those funds. These programs are too important to have this happen.

Mr. President, I have long been a strong supporter of the Low-Income Home Energy Assistance Program [LIHEAP] and the Department of Energy Weatherization Assistance and State Energy Conservation Programs. By decoupling funding for these programs from the oil overcharge legislation, this amendment will allow the Appropriations Committee to go ahead and appropriate funds regardless of the recoupment action. This amendment is extremely important to the poor and elderly whom these programs serve.

As chairman of the Senate Special Committee on Aging, I am particularly aware of the importance of energy assistance programs which serve so many older Americans. We must make every effort to ensure that their funding is not delayed or drastically cut. Although States estimated that almost 8 million households received some form of LIHEAP assistance during fiscal year 1985, this is far short of the 23.4 million households that the Congressional Research Service estimates meet the income eligibility requirements for LIHEAP benefits. That estimate excludes individuals who may be categorically eligible for benefits because they receive certain other income assistance programs.

Mr. President, there is clear evidence that Federal Energy and Weatherization Assistance Programs have been successful in providing emergency relief and basic energy needs to millions of poor Americans. These programs have also reduced the energy expenditures for many poor households through weatherization. We should not jeopardize their excellent work by tying their funding or the funding levels of other programs to the recoupment of oil overcharge funds. I urge my colleagues to support the amendment that we offer today to rectify this situation.●

Mr. McCLURE. This amendment has been worked out with the parties on both sides. It deals with the manner in which the accounting is done for the petroleum overcharge fund distribution.

Mr. BRADLEY. Will the Senator yield for a question?

Mr. McCLURE. Yes.

Mr. BRADLEY. Will the Senator explain it a little more than that?

Mr. McCLURE. Yes. I would be happy to. It is about as complex as anything you can get into in detail between the Budget Act and the Gramm-Rudman-Hollings Act.

The question is, How do you handle the direction that we have been given from the Budget Committee that the half of the money which has been identified to be distributed directly from the courts to the States shall be treated in a reconciliation resolution that directs us to recover that and channel it through the Federal Treasury? In effect, the change that is made moves this from the energy function of the budget, function 950 of the budget, and it also provides that if the courts act to distribute that money before the Congress acts, it is not charged back against the energy function for failure to have achieved the reconciliation instruction.

Mr. BRADLEY. So that the effect of this would be that there would not be a reduction in the assistance program pending the outcome of the overcharge case, is that correct?

Mr. McCLURE. That is part of what it does. The Senator is correct.

Mr. BUMPERS. Will the Senator from Idaho yield for an additional question?

Mr. McCLURE. I am happy to yield.

Mr. BUMPERS. Has the court allocated the money by States? Can the money go directly from the court to States without going through the Federal Treasury?

Mr. McCLURE. The court has not yet made an order distributing future revenues. They have dealt with one portion of the recovery of such overcharge.

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They are in the process of dealing with other alleged overcharges and expect to repay money. We expect when the court gets to that point, they are likely to allocate in the way they have already done in the past. We do not know that for sure.

What they did in the past was allocate to the States on the basis of the amount of gasoline or product that was purchased in the States which is a different distribution formula than the statute that we have. Half of it would go to the States directly from the court. The other half goes to the Federal Government and is channeled through the Federal program.

The reconciliation instructions in the resolution direct the Energy Committee to amend the statute to recapture all of that so that all of it flows through the Treasury rather than half of it going to the States. My amendment simply says that if the court makes the distribution directly to the States, we are relieved of the obligation to come up with that statute.

Mr. BUMPERS. Half of the money still goes to the Treasury?

Mr. McCLURE. In any event.

Mr. BUMPERS. Are there no constraints on the States when they get their half as to how they use it?

Mr. McCLURE. That is a separate question. The Senator is correct, although it is not involved in the budget resolution or in this amendment.

Mr. BUMPERS. I thank the Senator.

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

The amendment (No. 1819) was agreed to.

Mr. McCLURE. I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1820

Mr. SYMMS. Mr. President, on behalf of Senator SPECTER, Senator MURKOWSKI, Senator ABDNOR, and myself, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Idaho [Mr. SYMMS], for himself, Mr. SPECTER, Mr. MURKOWSKI, and Mr. ABDNOR, proposes an amendment numbered 1820.

At the end of the concurrent resolution, add the following:

It is the sense of the Senate that over the next three fiscal years the cash balance in the Highway Account of the Highway Trust Fund should be reduced toward a minimum level of reserves, in a manner consistent with sound financial practices.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, this resolution will put the Senate on record in support of a Federal-aid highway program funded at a level which keeps our promise to the Nation's highway users to spend their fuel tax dollars on the construction and maintenance of our highway system. I am pleased to offer this resolution with the cosponsorship and support of my friend from Pennsylvania, Senator SPECTER, and my friend from Alaska, Senator MURKOWSKI, and my friend from South Dakota, Mr. ABDNOR, and I hope the full Senate will take this opportunity to offer its strong, continued support for the most valuable and technologically advanced public works program undertaken in the Nation's history.

As the chairman of the Environment and Public Works Subcommittee on Transportation, I want to take just a minute to remind my colleagues of the tremendous highway needs which are

unmet today. For instance, the 1985 Bridge Needs Report shows that $48.3 billion is needed immediately to repair and replace deficient bridges. Twelve to fifteen billion dollars is required to complete the Interstate and Defense Highway System. There remains a backlog of over $20 billion in Interstate 4R needs, and in the next 15 years, over $50 billion will be required to maintain the current level of service on the Interstate System.

Over 230,000 miles of the primary highway system will need capital investments during the next 15 years, and maintaining the primary system will take $4.5 to $5 billion per year. Current funding for this system is $2.9 billion per year.

Maintaining existing conditions on the urban and secondary systems will require another $6 to $6.5 billion per year. This amount would not address any of the urban congestion problems.

Mr. President, I think these figures adequately illustrate the fact that significant needs continue to exist in the highway program, despite the increased revenues and funding levels authorized in the Surface Transportation Assistance Act of 1982. It is a simple fact that our highway revenues fall short of our needs, but the current shortfall in funding is not solely a result of insufficient revenues.

In fact, the highway account of the Highway Trust Fund has a current cash balance of $9 to $10 billion, most of which cannot be obligated by the States because of spending restrictions imposed by Congress. Annual revenues to the account, including interest, are approximately $12.8 billion.

Mr. President, I believe we have an obligation to our constituents, most of whom are highway users and all of whom benefit from a strong economy which depends on a good highway system, to fund the highway program at a level that spends the tax revenues and interest and draws down the balance in the highway account. I urge the Senate to adopt this resolution.

Mr. SPECTER. Mr. President, the distinguished Senator from Idaho [Mr. SYMMS], and I are offering an amendment to the budget resolution to urge help in funding highway projects without increasing taxes. We propose to accomplish this by expending a reasonable portion of the approximately $10 billion excess that exists in the Highway Trust Fund over the years 1987, 1988, and 1989. By the end of fiscal year 1989, obligations from the Trust Fund would be required to be equal revenues deposited in the Trust Fund. In this way, an excess reserve does not build up and the highway program receives necessary funding.

We realize that some reserve must be maintained against unexpected obligations, but $10 billion is far in excess of what is required. Reportedly, a $3 to $4 billion reserve is all that is needed. Our amendment recognizes the need for the retention of appropriate reserves in a manner consistent with sound finanical practices.

The need for these funds is great in this country. The Nation has invested over $100 billion in the Interstate Highway System which is 86 percent complete. It would be unconscionable to let this investment fall into disrepair, but that is what is occurring.

My home State of Pennsylvania is illustrative. Highway funding is simply not keeping pace with requirements in Pennsylvania. The State estimates a requirement of $1.4 billion for interstate restoration between now and 1990. Given present funding projections Pennsylvania could only mount a $500 million effort against this requirement, leaving a $900 million shortfall. For example, Interstate 80, which is a vital link between the East and the West, requires $50 million per year to finance necessary reconstruction, but receives only $15 million per year through the regular apportionment of Federal funds for interstate restoration.

The cause for this buildup of a highway trust fund reserve and a partial cause of the shortfall in Federal highway dollars to the States is that the States are not allowed to obligate at a rate that equals their apportionment. Again, my home State is an example of this. Pennsylvania's federally mandated obligation ceiling versus its apportionment was only 93 cents on the dollar in 1985 and is 84 cents on the dollar in 1986. Pennsylvania now reportedly has a $460 million unobligated balance because of these low mandated obligation ceilings. I find this situation to be irrational considering the needs that I have mentioned.

Given the need for these funds and the fact that they would be drawn out of an existing trust fund surplus, with no imposition of new taxes, I believe that passage of this amendment would be a very responsible action indeed.

I urge my colleagues to vote for this measure and send a clear signal to those currently in the process of developing authorizing language on the Highway Trust Fund.

Mr. DOMENICI. Mr. President, the Symms-Specter amendment sets forth the principle that the cash balance in the highway account of the Highway Trust Fund should be declining over the next 3 fiscal years, without bleeding the Trust Fund dry. I agree with the principle and support the Symms-Specter amendment.

There are many different highway spending plans that fulfill this principle. One plan that fulfills this principle is the Senate-reported budget resolution, which assumes enactment of the administration's highway block grant proposal. Although the principle embodied in this amendment is consistent with the resolution's assumptions for fiscal year 1987, if a specific plan draws down the cash balance too quickly, it could result in an increase in the deficit in the outyears, compared to the budget resolution.

My colleagues may have other highway spending plans that are also consistent with this principle. As the Senate considers a highway reauthorization bill this year, we will have an opportunity to discuss these highway spending plans in greater detail. We will discuss how fast the cash balance should be brought down.

We are not going to resolve today what the highway reauthorization bill is going to look like. But we can express our sense that we would like to see the current $10 billion cash balance in the Highway Trust Fund decline over the next 3 years. The highway spending plan in the reported resolution is one way to accomplish this goal.

Mr. President, I agree with the theme and the premise of the amendment. That is why I have no objection to it. I think we ought to move as rapidly as we can to expending that trust fund.

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

The amendment (No. 1820) was agreed to.

Mr. DOMENICI. I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from New Mexico has 12 minutes remaining. The Senator from Florida has 1 hour and 21 minutes remaining.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that it be charged to the minority side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 1821

(Purpose: To make technical corrections)

Mr. DOMENICI. Mr. President, in behalf of myself and Senator CHILES, I send to the desk a technical amendment. This is not a substitute, this is a technical amendment. I ask for its im-

mediate consideration. I shall explain it quickly once it is pending.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself and Mr. CHILES, proposed an amendment numbered 1821.

Mr. DOMENICI. I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 29, decrease the amount on line 24 by $70,000,000.

On page 29, decrease the amount on line 25 by $70,000,000.

On page 29, decrease the first amount on line 26 by $230,000,000.

On page 29, decrease the second amount on line 26 by $230,000,000.

On page 30, decrease the amount on line 1 by $290,000,000.

On page 30, decrease the amount on line 2 by $290,000,000.

On page 30, decrease the amount on line 11 by $16,000,000.

On page 30, decrease the amount on line 12 by $16,000,000.

On page 30, decrease the first amount on line 13 by $57,000,000.

On page 30, decrease the second amount on line 13 by $65,000,000.

On page 30, decrease the amount on line 14 by $123,000,000.

On page 30, decrease the amount on line 15 by $123,000,000.

On page 30, line 17, strike out "(A)" and insert in lieu thereof "(1)".

On page 30, line 21, strike out "(B)" and insert in lieu thereof "(2)".

On page 30, line 24, strike out "(C)" and insert in lieu thereof "(3)".

On page 30, decrease the first amount on line 25 by $840,000,000.

On page 30, decrease the second amount on line 25 by $383,000,000.

On page 31, decrease the amount on line 1 by $823,000,000.

On page 31, decrease the amount on line 2 by $1,003,000,000.

On page 31, decrease the first amount on line 3 by $615,000,000.

On page 31, decrease the second amount on line 3 by $535,000,000.

On page 31, decrease the first amount on line 14 by $58,000,000.

On page 31, decrease the second amount on line 14 by $63,000,000.

On page 31, decrease the amount on line 15 by $68,000,000.

On page 31, decrease the amount on line 16 by $71,000,000.

On page 31, decrease the first amount on line 17 by $68,000,000.

On page 31, decrease the second amount on line 17 by $69,000,000.

On page 32, decrease the first amount on line 3 by $377,000,000.

On page 32, decrease the second amount on line 3 by $377,000,000.

On page 32, decrease the second amount on line 5 by $21,000,000.

On page 32, decrease the second amount on line 7 by $36,000,000.

On page 32, decrease the first amount on line 18 by $81,000,000.

On page 32, increase the second amount on line 18 by $69,000,000.

On page 32, decrease the amount on line 19 by $87,000,000.

On page 32, increase the amount on line 20 by $63,000,000.

On page 32, decrease the first amount on line 21 by $92,000,000.

On page 32, increase the second amount on line 21 by $58,000,000.

On page 33, decrease the first amount on line 7 by $5,491,000,000.

On page 33, decrease the amount on line 8 by $7,777,000,000.

On page 33, decrease the second amount on line 9 by $8,499,000,000.

On page 33, decrease the amount on line 13 by $2,500,000,000.

On page 33, decrease the first amount on line 14 by $2,800,000,000.

On page 33, decrease the second amount on line 14 by $2,900,000,000.

On page 33, decrease the first amount on line 25 by $310,000,000.

On page 34, decrease the amount on line 1 by $48,000,000.

On page 34, decrease the second amount on line 2 by $79,000,000.

On page 34, decrease the first amount on line 13 by $175,000,000.

On page 34, strike out the comma immediately following the first amount on line 13.

On page 34, decrease the second amount on line 13 by $170,000,000.

On page 34, decrease the amount on line 14 by $270,000,000.

On page 34, strike out the comma immediately following the amount on line 14.

On page 34, decrease the amount on line 15 by $265,000,000.

On page 34, decrease the first amount on line 16 by $182,000,000.

On page 34, strike out the comma immediately following the first amount on line 16.

On page 34, decrease the second amount on line 16 by $192,000,000.

On page 34, decrease the first amount on line 23 by $41,000,000.

On page 34, decrease the second amount on line 23 by $42,000,000.

On page 34, decrease the amount on line 24 by $42,000,000.

On page 35, decrease the amount on line 11 by $644,000,000.

On page 35, decrease the amount on line 12 by $758,000,000.

On page 35, decrease the first amount on line 13 by $948,000,000.

On page 35, decrease the second amount on line 13 by $1,020,000,000.

On page 35, decrease the amount on line 14 by $660,000,000.

On page 35, decrease the amount on line 15 by $819,000,000.

On page 35, decrease the amount on line 20 by $1,005,000,000.

On page 35, decrease the amount on line 21 by $1,079,000,000.

On page 35, decrease the amount on line 22 by $1,125,000,000.

On page 36, decrease the amount on line 6 by $356,000,000.

On page 36, decrease the amount on line 7 by $356,000,000.

On page 36, decrease the first amount on line 8 by $473,000,000.

On page 36, decrease the second amount on line 8 by $473,000,000.

On page 36, decrease the amount on line 9 by $512,000,000.

On page 36, decrease the amount on line 10 by $512,000,000.

On page 36, decrease the amount on line 20 by $70,000,000.

On page 36, decrease the amount on line 21 by $70,000,000.

On page 36, decrease the first amount on line 22 by $230,000,000.

On page 36, decrease the second amount on line 22 by $230,000,000.

On page 36, decrease the amount on line 23 by $290,000,000.

On page 36, decrease the amount on line 24 by $290,000,000.

On page 37, decrease the amount on line 7 by $16,000,000.

On page 37, decrease the amount on line 8 by $16,000,000.

On page 37, decrease the first amount on line 9 by $57,000,000.

On page 37, decrease the second amount on line 9 by $65,000,000.

On page 37, decrease the amount on line 10 by $123,000,000.

On page 37, decrease the amount on line 11 by $123,000,000.

On page 37, line 13, strike out "(A)" and insert in lieu thereof "(1)".

On page 37, line 17, strike out "(B)" and insert in lieu thereof "(2)".

On page 37, line 20, strike out "(C)" and insert in lieu thereof "(3)".

On page 37, decrease the first amount on line 21 by $840,000,000.

On page 37, decrease the second amount on line 21 by $383,000,000.

On page 37, decrease the amount on line 22 by $823,000,000.

On page 37, decrease the amount on line 23 by $1,003,000,000.

On page 37, decrease the first amount on line 24 by $615,000,000.

On page 37, decrease the second amount on line 24 by $535,000,000.

On page 38, decrease the amount on line 9 by $175,000,000.

On page 38, decrease the amount on line 10 by $170,000,000.

On page 38, decrease the first amount on line 11 by $270,000,000.

On page 38, decrease the second amount on line 11 by $265,000,000.

On page 38, decrease the amount on line 12 by $182,000,000.

On page 38, decrease the amount on line 13 by $192,000,000.

On page 38, decrease the amount on line 18 by $41,000,000.

On page 38, decrease the amount on line 19 by $42,000,000.

On page 38, decrease the amount on line 20 by $42,000,000.

On page 39, decrease the first amount on line 8 by $139,000,000.

On page 39, decrease the second amount on line 8 by $1,821,000,000.

On page 39, decrease the first amount on line 10 by $155,000,000.

On page 39, decrease the second amount on line 10 by $2,920,000,000.

On page 39, decrease the first amount on line 12 by $160,000,000.

On page 39, decrease the second amount on line 12 by $3,750,000,000.

On page 39, decrease the first amount on line 23 by $3,524,000,000.

On page 39, decrease the amount on line 24 by $4,452,000,000.

On page 40, decrease the second amount on line 1 by $4,477,000,000.

On page 40, decrease the first amount on line 12 by $377,000,000.

On page 40, decrease the second amount on line 12 by $377,000,000.

On page 41, decrease the amount on line 1 by $5,000,000.

On page 41, decrease the second amount on line 2 by $3,000,000.

On page 41, decrease the second amount on line 3 by $1,000,000.

On page 41, decrease the amount on line 14 by $158,000,000.

On page 41, decrease the second amount on line 15 by $163,000,000.

On page 41, decrease the amount on line 17 by $169,000,000.

On page 42, decrease the first amount on line 2 by $8,000,000.

On page 42, increase the second amount on line 2 by $142,000,000.

On page 42, decrease the amount on line 3 by $8,000,000.

On page 42, increase the amount on line 4 by $142,000,000.

On page 42, decrease the first amount on line 5 by $9,000,000.

On page 42, increase the second amount on line 5 by $141,000,000.

On page 42, decrease the amount on line 15 by $644,000,000.

On page 42, decrease the amount on line 16 by $758,000,000.

On page 42, decrease the first amount on line 17 by $948,000,000.

On page 42, decrease the second amount on line 17 by $1,020,000,000.

On page 42, decrease the amount on line 18 by $660,000,000.

On page 42, decrease the amount on line 19 by $819,000,000.

On page 42, decrease the amount on line 24 by $1,005,000,000.

On page 43, decrease the amount on line 1 by $1,079,000,000.

On page 43, decrease the amount on line 2 by $1,125,000,000.

On page 43, decrease the amount on line 11 by $356,000,000.

On page 43, decrease the amount on line 12 by $356,000,000.

On page 43, decrease the first amount on line 13 by $473,000,000.

On page 43, decrease the second amount on line 13 by $473,000,000.

On page 43, decrease the amount on line 14 by $512,000,000.

On page 43, decrease the amount on line 15 by $512,000,000.

On page 43, decrease the first amount on line 25 by $2,019,000,000.

On page 44, decrease the amount on line 1 by $2,716,000,000.

On page 44, decrease the second amount on line 2 by $2,928,000,000

On page 44, increase the amount on line 6 by $16,780,700,000.

On page 44, increase the first amount on line 7 by $24,772,400,000.

On page 44, increase the second amount on line 7 by $26,870,200,000.

Mr. DOMENICI. Mr. President and Members of the Senate, the Committee on the Budget reported out the pending resolution on March 19. The reconciliation bill that we passed here was signed by the President after we reported the budget resolution that is pending. What this technical amendment does is nothing more, nothing less than to take into account the reconciliation which has been signed into law, which needs to be filtered into the resolution that is before us because, in fact, it has been done. Therefore, all numbers in the budget resolution, all functions, all levels of revenue, will reflect the state of the law postreconciliation rather than prereconciliation.

Mr. CHILES. Mr. President, I agree with that explanation. I think it is something of an afterthought. We want to put it on the budget resolution at this time just to confirm where we actually are in regard to the law we passed.

Mr. DOMENICI. I yield back any time we have on the amendment.

Mr. CHILES. I yield back my time.

□ 2325

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1821) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. I yield. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 1822

Mr. DOMENICI. Mr. President, I send to the desk an amendment, on behalf of myself and the Senator from Florida [Mr. CHILES], and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself and Mr. CHILES, proposes an amendment numbered 1822.

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

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

The amendment is as follows:

On page 2, decrease the amount on line 3 by $5,962,000,000.

On page 2, decrease the amount on line 4 by $7,941,000,000.

On page 2, decrease the amount on line 5 by $9,893,000,000.

On page 2, decrease the amount on line 8 by $5,962,000,000.

On page 2, decrease the amount on line 9 by $7,941,000,000.

On page 2, decrease the amount on line 10 by $9,983,000,000.

On page 2, increase the amount on line 19 by $2,405,000,000.

On page 2, decrease the amount on line 20 by $1,483,000,000.

On page 2, decrease the amount on line 21 by $1,738,000,000.

On page 2, decrease the amount on line 24 by $3,750,000,000.

On page 2, decrease the amount on line 25 by $2,879,000,000.

On page 3, decrease the amount on line 1 by $3,486,000,000.

On page 3, increase the amount on line 5 by $2,282,000,000.

On page 3, increase the amount on line 6 by $5,330,000,000.

On page 3, increase the amount on line 7 by $6,894,000,000.

On page 3, increase the amount on line 10 by $4,610,000,000.

On page 3, increase the amount on line 11 by $10,470,000,000.

On page 3, increase the amount on line 12 by $17,957,000,000.

On page 3, increase the amount on line 15 by $2,782,000,000.

On page 3, increase the amount on line 16 by $5,860,000,000.

On page 3, increase the amount on line 17 by $7,487,000,000.

On page 4, increase the amount on line 2 by $14,500,000,000.

On page 4, increase the amount on line 4 by $12,400,000,000.

On page 4, increase the amount on line 9 by $3,700,000,000.

On page 4, increase the amount on line 11 by $4,600,000,000.

On page 4, increase the amount on line 16 by $5,300,000,000.

On page 4, increase the amount on line 18 by $7,000,000,000.

On page 5, decrease the amount on line 5 by $5,962,000,000.

On page 5, decrease the amount on line 6 by $7,941,000,000.

On page 5, decrease the amount on line 7 by $9,893,000,000.

On page 5, increase the amount on line 10 by $2,475,000,000.

On page 5, decrease the amount on line 11 by $1,215,000,000.

On page 5, decrease the amount on line 12 by $1,251,000,000.

On page 5, decrease the amount on line 15 by $5,862,000,000.

On page 5, decrease the amount on line 16 by $5,782,000,000.

On page 5, decrease the amount on line 17 by $6,418,000,000.

On page 5, increase the amount on line 22 by $100,000,000.

On page 5, increase the amount on line 23 by $2,159,000,000.

On page 5, increase the amount on line 24 by $3,475,000,000.

On page 6, increase the amount on line 10 by $5,900,000,000.

On page 6, increase the amount on line 11 by $2,000,000,000.

On page 6, increase the amount on line 19 by $3,200,000,000.

On page 6, increase the amount on line 20 by $1,300,000,000.

On page 7, increase the amount on line 3 by $3,600,000,000.

On page 7, increase the amount on line 4 by $2,182,000,000.

On page 7, decrease the amount on line 12 by $278,000,000.

On page 7, decrease the amount on line 13 by $108,000,000.

On page 7, decrease the amount on line 21 by $50,000,000.

On page 7, decrease the amount on line 22 by $63,000,000.

On page 8, decrease the amount on line 7 by $40,000,000.

On page 8, decrease the amount on line 16 by $720,000,000.

On page 8, decrease the amount on line 17 by $503,000,000.

On page 8, decrease the amount on line 24 by $715,000,000.

On page 8, decrease the amount on line 25 by $732,000,000.

On page 9, decrease the amount on line 7 by $552,000,000.

On page 9, decrease the amount on line 8 by $598,000,000.

On page 9, decrease the amount on line 16 by $406,000,000.

On page 9, decrease the amount on line 17 by $431,000,000.

On page 9, increase the amount on line 25 by $100,000,000.

On page 10, increase the amount on line 1 by $90,000,000.

On page 10, increase the amount on line 9 by $100,000,000.

On page 10, increase the amount on line 10 by $90,000,000.

On page 13, increase the amount on line 2 by $4,000,000.

On page 13, decrease the amount on line 3 by $753,000,000.

On page 13, increase the amount on line 7 by $14,500,000,000.

On page 13, increase the amount on line 9 by $12,400,000,000.

On Page 13, increase the amount on line 11 by $3,000,000.

On page 13, decrease the amount on line 12 by $7,000,000.

On page 13, increase the amount on line 16 by $3,700,000,000.

On page 13, increase the amount on line 18 by $4,600,000,000.

On page 13, increase the amount on line 20 by $8,000,000.

On page 13, decrease the amount on line 21 by $6,000,000.

On page 13, increase the amount on line 25 by $5,300,000,000.

On page 14, increase the amount on line 2 by $7,000,000,000.

On page 14, decrease the amount on line 5 by $5,000,000.

On page 14, decrease the amount on line 6 by $5,000,000.

On page 14, decrease the amount on line 14 by $7,000,000.

On page 14, decrease the amount on line 15 by $7,000,000.

On page 14, decrease the amount on line 23 by $8,000,000.

On page 14, decrease the amount on line 24 by $8,000,000.

On page 15, decrease the amount on line 9 by $9,000,000.

On page 15, decrease the amount on line 10 by $4,000,000.

On page 15, decrease the amount on line 18 by $9,000,000.

On page 15, decrease the amount on line 19 by $8,000,000.

On page 16, decrease the amount on line 2 by $10,000,000.

On page 16, decrease the amount on line 3 by $8,000,000.

On page 16, increase the amount on line 13 by $1,018,000,000.

On page 16, decrease the amount on line 14 by $116,000,000.

On page 16, decrease the amount on line 22 by $1,733,000,000.

On page 16, decrease the amount on line 23 by $558,000,000.

On page 17, decrease the amount on line 6 by $1,734,000,000.

On page 17, decrease the amount on line 7 by $1,266,000,000.

On page 17, increase the amount on line 16 by $526,000,000.

On page 17, increase the amount on line 17 by $271,000,000.

On page 17, increase the amount on line 24 by $305,000,000.

On page 17, increase the amount on line 25 by $238,000,000.

On page 18, increase the amount on line 7 by $339,000,000.

On page 18, increase the amount on line 8 by $295,000,000.

On page 19, decrease the amount on line 18 by $450,000,000.

On page 19, decrease the amount on line 19 by $950,000,000.

On page 20, decrease the amount on line 3 by $637,000,000.

On page 20, decrease the amount on line 4 by $1,167,000,000.

On page 20, decrease the amount on line 13 by $590,000,000.

On page 20, decrease the amount on line 14 by $1,183,000,000.

On page 21, decrease the amount on line 23 by $156,000,000.

On page 21, decrease the amount on line 24 by $140,000,000.

On page 22, decrease the amount on line 8 by $191,000,000.

On page 22, decrease the amount on line 9 by $191,000,000.

On page 22, decrease the amount on line 17 by $195,000,000.

On page 22, decrease the amount on line 18 by $195,000,000.

On page 24, decrease the amount on line 2 by $20,000,000.

On page 24, decrease the amount on line 3 by $20,000,000.

On page 26, decrease the amount on line 3 by $764,000,000.

On page 26, decrease the amount on line 4 by $764,000,000.

On page 26, increase the amount on line 12 by $253,000,000.

On page 26, increase the amount on line 13 by $253,000,000.

On page 26, increase the amount on line 21 by $463,000,000.

On page 26, increase the amount on line 22 by $463,000,000.

On page 27, decrease the amount on line 5 by $1,383,000,000.

On page 27, decrease the amount on line 6 by $1,375,000,000.

On page 27, decrease the amount on line 13 by $2,464,000,000.

On page 27, decrease the amount on line 14 by $2,489,000,000.

On page 27, decrease the amount on line 21 by $3,913,000,000.

On page 27, decrease the amount on line 22 by $3,966,000,000.

On page 28, decrease the amount on line 6 by $852,000,000.

On page 28, decrease the amount on line 7 by $852,000,000.

On page 28, increase the amount on line 15 by $462,000,000.

On page 28, increase the amount on line 16 by $462,000,000.

On page 28, increase the amount on line 24 by $754,000,000.

On page 28, increase the amount on line 25 by $754,000,000.

On page 29, increase the amount on line 24 by $500,000,000.

On page 29, increase the amount on line 25 by $500,000,000.

On page 29, line 7, strike "May 15" and insert "May 30".

On page 30, increase the second amount on line 25 by $289,000,000.

On page 31, increase the amount on line 2 by $257,000,000.

On page 32, increase the first amount on line 3 by $1,886,000,000.

On page 32, increase the second amount on line 3 by $1,886,000,000.

On page 33, decrease the amount on line 13 by $5,962,000,000.

On page 33, decrease the first amount on line 14 by $7,941,000,000.

On page 33, decrease the second amount on line 14 by $9,893,000,000.

On page 33, increase the first amount on line 25 by $632,000,000.

On page 34, increase the amount on line 1 by $1,314,000,000.

On page 34, increase the second amount on line 2 by $2,029,000,000.

On page 34, increase the second amount on line 13 by $289,000,000.

On page 34, increase the amount on line 15 by $257,000,000.

On page 36, increase the amount on line 20 by $500,000,000.

On page 36, increase the amount on line 21 by $500,000,000.

On page 37, increase the second amount on line 21 by $289,000,000.

On page 37, increase the amount on line 23 by $257,000,000.

On page 38, increase the amount on line 10 by $289,000,000.

On page 38, increase the second amount on line 11 by $257,000,000.

On page 40, increase the first amount on line 12 by $1,886,000,000.

On page 40, increase the second amount on line 12 by $1,886,000,000.

On page 41, increase the amount on line 14 by $632,000,000.

On page 41, increase the second amount on line 15 by $1,314,000,000.

On page 41, increase the amount on line 17 by $2,029,000,000.

On page 44, decrease the amount on line 6 by $5,962,000,000.

On page 44, decrease the first amount on line 7 by $7,941,000,000.

On page 44, decrease the second amount on line 7 by $9,893,000,000.

At the end of the concurrent resolution, add the following new section:

NASA SPACE SHUTTLE PROGRAM

SEC. . Upon the enactment of legislation authorizing up to $976,000,000 in fiscal year 1987, $915,000,000 in fiscal year 1988, and $752,000,000 in fiscal year 1989 for the NASA Space Shuttle program, and upon the enactment of legislation increasing revenues in an amount equal to the amount authorized and in addition to amounts of increased revenues required to be reported pursuant to section 2 of this concurrent resolution, the authorized amount of budget authority and outlays shall be allocated to the Senate Committee on Appropriations, and that same amount will be added to the total amounts of budget authority and outlays provided for in this concurrent resolution.

The PRESIDING OFFICER. The Senate is not in order. Those Senators conversing are asked to retire to the Cloakroom.

Mr. DOMENICI. Mr. President, this is the amendment we have been working on yesterday and most of today. Senator CHILES and I offer it after having discussed it with a number of Members. On our side, we just had a Republican Conference with reference to it, and many Members already know its general content. I will explain it briefly, and then I will be delighted to answer questions anyone might have.

Mr. BOSCHWITZ. Vote. [Laughter.]

Mr. DOMENICI. I have no objection to voting.

The PRESIDING OFFICER. Is there further debate?

Mr. DOMENICI. The distinguished majority leader wants me to yield to him whatever time I have remaining.

Mr. President, a parliamentary inquiry. How much time remains?

The PRESIDING OFFICER. There are 86 minutes remaining.

Mr. DOMENICI. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, let me indicate in general terms what we accomplish in this statement, and then, as I said, I will be glad to answer any questions.

We have reduced nondefense spending from the reported resolution by $7.5 billion in 1987; and over the 3 years, we have reduced nondefense outlays by $25 billion. That is accomplish in a number of ways, but let me indicate a number of them:

Thirty-five percent pay absorption, since there is a pay increase provided. In previous budget resolutions, we have provided for absorption by the agencies of up to 50 percent. This amendment says they will find 35 percent of the increase throughout the year by way of absorption.

Two-and-a-half percent travel cut across the board by Government.

We assume $289 million in asset receipts by selling some education loan portfolios. The resolution contemplated selling half of them. This says sell them all, consistent with the President's recommendation.

We assume that the limit for FHA mortgage insurance will increase by about $60 billion in fiscal year 1986, which will yield $750 million in receipts in the next fiscal year.

We assume an additional savings in the Civil Service retirement bill for new employees—not the major Roth "early out" reform which he is working on—but there will be a $200 million savings.

Export-Import Bank, SBA, accelerated Philippine aid, and the like, combined, will spend out less in 1987 than we estimated.

Then there are two very large items, and I will state them quickly.

The budget resolution before the Senate contemplates that the cost-of-living index will rise by 3.4 percent. It is almost universally accepted that the cost of living will not be 3.4 percent, but we will assume that it will be about 2 percent. There is little doubt but that will be the case. Some would even say inflation will be lower. Lower inflation affects all cost-of-living indexes, I want to make it clear that the resolution assumes that all COLA's will be paid at the actual inflation rate. It does not assume any reduction.

Conversely, it assumes that we will actually vote to pay them at whatever the rate of inflation is. Across the board, for all items, that will save $3 billion.

We assume that all pay increases also will be consistent with inflation.

Then we have one item that is a carryover from this year. The OCS provisions of COBRA that we passed about 2 months ago says that the State of Louisiana will not get their share until fiscal year 1987. This amendment takes credit for the Federal Government's share in 1987, because that is when the Department of the Interior will actually transfer it to Treasury.

There are a number of other smaller items amounting to $60 million, $70 million, or $80 million in total. Those are the essential items.

I am quick to admit that the OCS estimate of $1.9 billion is a one-time accounting saving, but I am also certain that it will occur in fiscal year 1987. If we do not take credit for that, it will be eventually credited for in both CBO's and OMB's accounting, because that is when it will occur. When you add these items, you get $8.3 billion in reductions over the resolution before us.

All the amendments that were adopted by the Senate—education, WIN, and all other—are left intact. We do not change them.

We add another $600 million in various domestic programs, NSF and the like, and that accounts for all nondefense activities.

On the defense side, the budget resolution came out of the Budget Committee with $295 billion in budget authority. This resolution says that we add $6 billion in budget authority. It is $301 billion. We have added $2 billion in outlays for defense to bring outlays to $282 billion. That is part of the savings we just talked about.

Finally there is revenues. This resolution says: "Finance Committee and Ways and Means Committee, if and when the resolution comes out of conference, you are charged with either taxes or law changes that save money. You are charged with raising $10.6 billion in the first year." It is $17 billion in each of the outyears. It says: "You will either do that by raising revenue or, under the law, up to 20 percent of that can be by saving money in programs that are within the jurisdiction of the Finance Committee.

□ 2335

Incidentally, they have $477 billion worth of programs but in any event they can get that 10.6, 17 and 17 through raising revenues or 20 percent of it can be by saving from existing programs in that portfolio that I have just enumerated.

They can take credit for such things as expanding coverage for Social Security and Medicare to public servants at the local level.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. DOMENICI. I yield 1 additional minute.

The PRESIDING OFFICER. The Senator is recognized.

Mr. DOMENICI. When you add all of that up you basically produce a budget resolution that assumes the same economics that were assumed when we came to the floor, no changes in it. Programmatically, we have changed the COLA's to reflect more current information, as I indicated, and pay to reflect more current information. We have increased defense, as I have just described it. And we met target of $144 billion in 1987, as required by Gramm-Rudman-Hollings.

I want to say two things before I close.

I am not certain that all of the economics that we contemplate will remain intact for the next 3 years. Anybody that could give the Senate that assurance has more wisdom and clairvoyance than I have.

But I can assure you that if this budget resolution as amended by Senator CHILES and myself is adopted and implemented, absent some kind of catastrophe that I do not think any of us could plan on, we will not have a sequester at the end of this year. We may be off, but we are not going to be off by $10 billion, and we have a $10 billion float and we will not have a sequester. We will have a planned budget cycle. If it is adopted by both bodies, appropriations can proceed in due course, and I believe we would have a real chance of getting almost all appropriations bills through here one at a time and debate them properly.

Last, I am convinced that we either do this or we do nothing. I wish there were three or four alternatives. I do not know of any. I have talked with Senators about budget resolutions that have no revenues, in them. I have talked with some who want to have more defense in the budget and a lot more domestic cuts. I myself might have done it differently. But I believe this is a fair approach to a serious problem.

I believe good economics for 2 or 3 years could very well leave us in a position where we meet the targets each year without major changes, domestic or defense policy, and that would be a rather welcome reprieve for most of us. It surely would be for the Senator from New Mexico. I hope we adopt it.

Clearly it is more complicated than I have described, but in its simplest terms I have described it.

I thank too many Senators to name for their help but in particular I thank the distinguished majority leader for his help and the ranking minority member of the Budget Committee, Senator CHILES.

I hope we will adopt it here in the next 30 or 40 minutes.

I yield the floor.

PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, I have listened to the explanation of the Senator from New Mexico. I think in his brief description he has described the plan well.

I want to make just several remarks. One, this is a change from the bipartisan budget that came out of the Budget Committee. As far as the Senator from Florida is concerned, that budget was a good budget. It represented the work of the Budget Committee and I think Members on both sides worked long and hard, and I think it came up with a fair budget.

□ 2340

We realized as we went through the process—and we have been on the floor now into the second week—that there were not sufficient votes on the majority side so that that budget could pass. One of the concerns of the Senator from Florida, and I think many on our side of the aisle, was that if this was going to be a meaningful budget and have an opportunity to have a bipartisan, bicameral budget, that we could say that the Congress had met its duties and its responsibilities under Gramm-Rudman-Hollings and met the targets without having to sequester. We knew that that would have to have new revenues in it and we knew for that to be able to be viable and have a chance there had to be a majority of Republicans in the Senate vote for that budget.

So one of the the things we on our side, I think, worked for and stressed and said that we were going to require both in the Budget Committee and on the floor was that we try to adopt a resolution and a budget that would have bipartisan support that would attract a majority of the votes of the Republican side.

As we started into the compromise, there were, once it was clear that the budget as has been presented by the Budget Committee would not be able to command that majority of Republican votes, we started trying to determine what could we do in order to do that. And we did find certain savings, as the Senator from New Mexico has described, many of which came to our attention some 6 weeks ago, after the time that we were actually in our markup in the Budget Committee.

One of the concerns of the Senator from Florida was that, as we made any changes, we would make sure that we looked at the 3-year totals to make sure that with those totals at the end of 1988, we were still on the glide path of meeting the Gramm-Rudman-Hollings targets and that we were not going to pass a budget that would simply be an election year budget and get us by the 1 year but we find ourselves coming back, as we found so often, cutting programs again in the next year only to find that you had to cut those programs again in the next year.

Overall, the revenues level will be reduced $5.5 billion in fiscal year 1987, but there will still be a 3-year revenue reconciliation at a level sufficient to meet the Gramm-Rudman-Hollings targets and to protect us against further cuts in the domestic program.

One of the other provisions that I felt, and many on our side felt, was key to the compromise was that, as we went up in the defense number on the defense side, we have a similar sharing of savings that we had discovered for programs on the domestic side. And that has been done in this proposal.

One other thing I would point out is, as we reestimated the amount of money that would be necessary to pay the COLA's, we felt that it would not have to be 3 or 3.4 percent, it could be done in 2 percent. I will point out that we have provided that Congress will repeal the 3-percent minimum threshold on Social Security COLA's and give a COLA in keeping with the anticipated inflation rate. That means, in spite of the fact that the law now says if you do not have inflation of 3 percent or more Social Security recipients will not get a COLA, the provisions that we made in here allow for that COLA to be paid even though it will be probably at a rate of 2 percent. The same thing will be for other retirees and for our civilian and military retirees. And we provide a 2-percent raise for civilian and military pay raises.

Mr. President, one of the key problems on our side was a feeling that we needed to have some recognition to the need for growth initiatives. We had the one major amendment that came in addition to the budget package on our side, the Hart-Chiles-Byrd amendment, that would provide for growth. That amendment was not adopted but, as we talked about shared savings in this, we have provided from those savings money in science and technology, additional money in education, additional money in job training, some additional funds in trade promotion and in child health and immunization, and in law enforcement, all areas of critical concern to Members on our side of the aisle, all of which we felt were major problems and major areas we wanted to express our concern for. So I think you can say that there is a growth initiative in this feature and I think that is very good.

Mr. President, again, this is not a budget that the Senator from Florida would have drafted, as many of us would not have if we could have done that entirely by ourselves. I anticipate that this is going to command a strong majority now. I anticipate that there will be a strong majority from the Republican side of the aisle, as well as from the Democratic side of the aisle. I think that is the healthiest thing we could do to respond to the people that we are going to comply with Gramm-Rudman-Hollings, we are going to be able to meet those targets.

I think it is also the strongest signal that we can send to the White House that we are serious about deficit reduction; that we think it is the most important thing that we should be dealing with. We have expressed that in a sense-of-the-Senate resolution before, now we have a chance to express it into law.

I think by doing that we are saying we do not think that can be done just on the spending side. It is going to take some additional revenues. We do not think that that is too much in the way of additional revenues. But I think this strong vote would evidence that.

I hope the House would take that as a signal that the Senate strongly believes that, with a commanding vote from both the majority and the minority parties in the Senate, and that the House would then work to put together their bipartisan budget and that we could have truly a bipartisan, bicameral budget that would go to the President and say to the President:

> This Congress finds that deficit reduction is one of the most important areas or probably the most important area that we can deal with and we need your help. We need you to get on board. We need you to work with us in trying to present that plan.

So I urge my colleagues to support this provision. I think that it would be to our benefit and I certainly hope that we will support it.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator from New Mexico has 30 minutes total time remaining at this point.

Mr. DOMENICI. Mr. President, I yield to the Senator from Virginia.

Mr. WARNER. Mr. President, many of us have concerns with this budget but wish to show a spirit of cooperation about it. My concern is the defense number is low, very low.

I wonder if the distinguished Senator from New Mexico would enter into a brief colloquy here with me concerning the question I raised in our caucus, in response to points made by the distinguished Senator from New Hampshire, Mr. RUDMAN, namely, that this figure on defense, 301 BA and the approximately 282 outlay figure would be held to and not acceded to in the House for a lower figure.

Mr. DOMENICI. Well, let me say to my friend from Virginia and to all Senators, I do not think there is any doubt here in the Chamber about my position on defense. I would have had yet a higher number. I offered a

budget twice in the committee to have more than the $301 billion in budget authority, and we have now settled in this resolution for $301 billion.

□ 2350

It is very difficult for me as chairman going to conference to say absolutely, unequivocally, unalterably, I will not change from what the Senate passed. But let me tell you it is not my intention to reduce the defense number in conference. I believe it is about at the right level. I am actually more worried about the outlay target than I am the budget authority target. That is unique and different. But true.

I believe we are in an outlay bind more than a budget authority bind. But I am going to do my very best to correct this problem in conference. I hope we have support.

I do not intend to go there and lower it. I do not want to tell the U.S. Senate here, tonight, that under no circumstance would I agree to a lower number. But I will go to conference with the U.S. House if we pass the resolution tonight, with no intention of lowering the $301 billion budget authority target or the outlay target in conference.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. DOMENICI. I am pleased to yield.

Mr. WARNER. I thank the distinguished Senator from New Mexico.

Perhaps we should invite the distinguished Senator from Florida, if he might wish to enter into this colloquy with respect to the approach we take in conference on the defense figure.

Mr. CHILES. I do not believe you want to invite me. But you are welcome to. [Laughter.]

Mr. DOMENICI. Do not forget, Senator, that the Senator from Florida will be in the minority on conference on the Senate side.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. DOMENICI. I yield to the Senator from Alaska.

Mr. STEVENS. This afternoon the Senator from New Mexico and I had a discussion with the problem in regard to the difference in the estimates of the impacted prior year budget authority on the outlays for 1987.

I perceive this to be the most difficult problem to comply with Gramm-Rudman-Hollings in 1987. And I wonder if the Senator now after having reflected on it, and in view of some of the conversations we have had, and I know the Senator from New Mexico has had today, could tell the Senate. Is there any leeway at all that is possible in terms of this outlay figure? The $2 billion increase in outlays helps. But it really would not meet the problem of the increased outlay requirements if the CBO figures are to be adhered to.

I would hope that he might indicate a willingness to try to find some balance at least between the CBO and OMB or to get them together and require them to come to some agreement. If that was the case and they blended the $8 billion difference, and we have this $2 billion increase, we then would only be $2 billion short in outlays. I think we could live with that and the 301 budget authority figure. But I do not think we can live with a $6 billion difference even with the $2 billion increase here in the outlay figure.

Mr. DOMENICI. I thank my friend, the senior Senator from Alaska for that question.

Let me say to him and to the Senate that normally the big concern with defense is programmatic authority, budget authority. The Senator who does the appropriating is asking the question, and I think he is implicitly saying he is not as worried about the $301 billion budget authority level as he is about an apparent outlay squeeze that may be occurring because of the way CBO estimates outlays, versus the way OMB estimates outlays. In both instances, I use the word "estimate." But as he knows, and you all must know, under Gramm-Rudman-Hollings outlays must be estimated almost a year in advance and then become binding. And then there is a trigger to determine whether there will be a sequester based upon those outlays estimates. There is a big difference between OMB and CBO on how much outlays are resulting from past programs.

I can only tell the Senator that I understand his concern, and I understand there is a very big difference in the two estimates. I have no solution here tonight.

I do not believe the Senator is suggesting that we add $6 billion in outlays to this budget resolution for defense. I note that he is not. All I can say is we ought to work together. I pledge that we will work together to see if we can find out what is the best estimate. If we have been wrong in terms of using CBO or if we can adjust, then we will be able to report back to the Senate that we have made progress. If not, we are going to have a very serious problem. I do not think we can fix it here tonight.

Mr. STEVENS. Mr. President, I thank the Senator.

I want to make sure we understand this now because if that $6 billion figure, that CBO difference, that remains is carried through into 1987, it affects immediately the readiness items in the new budget authority for 1987. If by any calamity we face the Gramm-Rudman-Hollings sequester in order to achieve that $6 billion, we would have to affect budget authority in the vicinity of $20 billion. I think the Senate ought to be aware of this difference between the CBO and the OMB, and I urge the Budget Committee to find some way to resolve that difference.

Mr. ARMSTRONG, Mr. GRASSLEY, Mr. JOHNSTON, and Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. Who yields time? The Senator will suspend. The Senate is not in order.

Who yields time?

Mr. JOHNSTON. Mr. President, will the Senator from Florida yield?

The PRESIDING OFFICER. The Senators from Florida and New Mexico control the time.

Who yields the time?

Mr. GRASSLEY and Mr. JOHNSTON addressed the Chair.

Mr. DOMENICI. I yield to Senator GRASSLEY, and Senator ARMSTRONG has been seeking recognition. I will give them as much time as they want.

Mr. GRASSLEY. Mr. President, until now there has not been any debate on defense. I am mightily disappointed in that. Yet, I want to commend Senator DOMENICI and Senator CHILES for the number in defense that was reported out of the Budget Committee under their leadership. If we would have had a debate on defense, we would not be budgeting $301 billion for defense.

Understand that there is not one penny saved from defense in this budget off the baseline. The Budget Committee level of $295 billion was reasonable, and a very good compromise.

There is absolutely no analytical basis for the $301 billion in this budget for defense. It is purely political. And, of course, it flies in the face of the revelations that have been made over the last several months about excess defense spending. For instance, just recently, the $2.2 billion savings in fiscal year 1986, and that is after the March 1 sequester. We have another $5.2 billion appropriated last year but not authorized or reprogrammed. And the Comptroller General says that over the last 4 years we have had $45 billion of excess funds for inflation—$12 billion last year in unobligated balances higher than were projected.

Understand that—$12 billion higher than was projected, using the Defense Department's own figures. We have been budgeting at rates higher than can be obligated. I hope you understand that we are making a decision to spend here money faster than what the Defense Department can execute in the way of a budget.

Let me just give you some percentages. In 1984, they came 3.7 percent short of executing the entire available authority. In 1985, it was 4 percent; and in 1986, it was 1.2 percent even after the March 1 sequester. We have been throwing money at the defense

budget, and what we have really ended up with is defense stagflation.

□ 2400

I want to say to you that I guarantee as a result of what we are doing here tonight that the extra $6 billion for defense is going to end up in the DOD mattress just like it has for the last several years.

That is not a responsible way for us to make budget policy, giving money faster than it can be expended, not even considering the fact that what will be spent may not be spent very wisely.

Mr. President, I am very curious about the rationale for supporting a budget with an increase in defense spending above the resolution level in the face of strong public sentiments for holding the line, and especially when it will simply wind up under DOD's mattress. Why, DOD has been unable to obligate its funds even with a 4.9-percent sequester last March.

This budget substitute contains a defense budget level that is most extensive and excessive. It means we have saved not one penny in defense off the fiscal year 1987 baseline. Out of $38 billion of required savings, not 1 cent is from defense.

As far as the defense number is concerned, it is purely a political number. There is no basis for it in analysis; in necessity; in evidence. It is purely political.

The number arrived at in Budget Committee, $295 billion, was well reasoned to; it was negotiated in a bipartisan manner, and in consultation with OMB and CBO. It reflected a full inflation adjustment for the fiscal year 1987 defense budget program.

Putting all opinion aside, it is undeniable empirically that $295 billion for fiscal year 1987 is more than enough to fund the program.

There are plenty of unused funds from previous years still lying around, despite efforts by Congress to squeeze some of it out and reprogram it.

This political defense level of $30 billion flies in the face of a steady drumbeat of revelations, in recent weeks, of defense overfunding.

For instance, we just discovered that DOD has identified $2.2 billion in excess funds for the current year, after the sequester. And that was just 5 months into the fiscal year.

Last May you recall that DOD suddenly found $4 billion, and by the end of the year it was $6.3 billion. Who knows how much larger that $2.2 billion "savings" this year will grow by September? All signs indicate it will get larger.

Let us look at some of these signs. First, there is the issue of unobligated balances and unexpended balances. I have just released a paper called "Understanding Unobligated Balances," which I have made available to my colleagues and would like to submit for the record. This paper is useful in determining the extent to which we have overfunded the defense budget in recent years.

The tables in this paper show conclusively, when taken together, that DOD is awash in excess funds. For example, in the fiscal year 1985 budget request, DOD predicted unobligated balances at year end of $50.5 billion based on a program with total budget authority of $305 billion, and investment authority of $148.7 billion.

One year later, in the fiscal year 1986 request, the fiscal year 1985 year-end unobligated balances were estimated as $51.5 billion, $1 billion more, but total budget authority had declined by more than $20 billion, and investment had declined by $15 billion.

Now that the figures are firm for fiscal year 1985, unobligated balances have risen by another $10 billion. The data indicate the same phenomenon is being repeated for fiscal year 1986.

Obligated balances have also risen dramatically in recent years, Mr. President, and are at an all-time high both in absolute terms and relative to total and investment budget authority. Much of the excess inflation funding finds its way in these balances.

Some analysts have indicated that the rapid increase in the size of the DOD investment accounts has strained the capacity of both DOD and industry to perform, and thus slowed the rate of execution.

The trend, Mr. President, of simultaneous rises in both unobligated and obligated balances despite levels of budget authority far lower than requested makes it clear the Defense Department has had great difficulty executing its programs.

To put that in layman's terms, there is a lot of unused defense money kicking around.

I would defer making any additional and corroborating points about overfunding for inflation to my colleague from Arkansas, Mr. PRYOR, who has done tremendous work tracking and measuring the defense windfall. I would like to commend him for his work because it has helped focus the debate on just how much, or little, defense spending we really need to execute the entire defense program.

Now, DOD has a clever comeback for most of these arguments, Mr. President—the inflation overfunding argument; the excess unobligated balances argument; and the slush fund arguments.

But the one point DOD cannot respond to is that they have failed to execute their program, that Congress appropriates too much money.

Let me lay out the facts, Mr. President. In the fiscal year 1984 defense program, 3.7 percent of availability authority failed to be obligated. In fiscal year 1985, it was 4 percent. This year, even after Gramm-Rudman, an additional 1.2 percent will not be obligated.

It is not as if DOD has not been obligating. Goodness knows they have. And at a constant rate the past 5 years—all those unpriced orders; all those end-of-year spending sprees; even last December's "Operation Obligation," the largest monthly increase in obligations in history in an effort to obligate funds before the March sequester.

Despite these acts of desperation, DOD still has not been able to execute its program. Unwittingly, Congress has simply appropriated too much money for the requirements of the defense program. It is an age-old bureaucratic game, Mr. President, to pad your budget to cushion against cuts.

I would like to point out an additional $5.2 billion of available money that will not be used in fiscal year 1986 and that could be used for the fiscal year 1987 budget.

First, there is the very confusing and complicated issue of the $6.3 billion of prior-year balances made available for the fiscal year 1986 military pay raise, certain O&M readiness activities, the Mariner fund, payments to the military retirement trust fund, and coastal defense agumentation. These changes are required to go through the normal reprogramming processs. However, it has become clear, based on the House Armed Services Committee's markup of the fiscal year 1986 supplemental defense authorization bill, as well as testimony at recent hearings concerning the reprogramming of the transfers, that a least $2.5 billion of the total will not be reprogrammed.

Second, $6.5 billion of appropriated funds that have not been authorized were contained in the fiscal year 1986 DOD appropriations bill. These funds are required to be approved through the supplemental authorization process. However, only $3.8 billion of the total was authorized in the Senate Armed Services Committee's March markup, leaving $2.7 billion available.

When taken together, both the reprogramming and authorizing actions, it appears that up to $5.2 billion may be available in the fiscal year 1986 DOD budget to fund high-priority items in the fiscal year 1987 budget request.

To begin with, these are bad budgeting practices on the part of DOD. They are not unusual practices, only bad. If left to their own vices, bureaucracies will always engage in such shenanigans. And if we catch them, it is up to us to squeeze all that mattress money out of there. Back in the early 1970's, when Congress found just $1.7 billion of unused money, we raised the roof right off this building. Last year, DOD had $10 to $16 billion in unused funds. This year, we already know of $2.2 billion, and that was after the se-

quester. We ought to be raising the dome right off the Capitol.

Far more than just bad budgeting practices, Mr. President, there is a much more adverse consequence for our negligence in overfunding the defense budget. We have saturated an already small defense industry with excess demand. Defense capacity is full to the brim. During the first years of the buildup, prices were skyrocketing to absorb the available money.

Now, despite the leveling off of prices, we are still budgeting as if prices were skyrocketing. It is creating an enormous backlog of unexpended funds. It is a form of pent-up demand. Sooner or later this backlog will find its way into the market and shoot prices upward again.

That, Mr. President, will make national security much more expensive than even present unprecedented levels. It would perpetuate contract inefficiency and guarantee business as usual.

That is not the message we want to send to the American people during troubled fiscal times, and it certainly would impede our ability to provide for an adequate national defense.

This whole problem of excess "demand" and its adverse impact on defense "supply" is the subject of a recent paper I published called "Supply-Side Defense."

Now, whether you believe in supply-side or not is not the point. It is still a demand-pull inflation problem we have in defense, the kind we all read about in high school economics.

The term "supply-side defense" is for the benefit of some of my Republican brethren who, for some reason, still think throwing money at defense will buy more defense.

The problem, however, is that we have got stagflation in defense. We have got too much money. And not enough goods. We have been running the Defense Department like Jimmy Carter ran the economy. How many times did we hear that to solve the stagflation problem we needed a combination of better incentives to produce and a money policy that did not increase prices?

Well, that is what our solution for defense should be. We need to restructure the incentives in the defense industry to reward efficiency and production instead of rewarding high costs and shrinking output.

The last thing we want to do to end stagflation is spend our way out, just like we do not get a higher GNP by printing more dollars. There is so much artificial demand out there already that more money would worsen the stagflation. We need to put that money that is out there to work before we start pumping more money in. We need to squeeze demand and build up supply through competition and "should-cost" standards. At all costs, we have to get away from this notion that more money equals more defense. It would mean more defense if DOD's incentive structure were right side up. But it is not. It is biased to an extreme toward demand. And we are paying a steep price because of it.

We have a real problem here, Mr. President, and we will have an even worse public relations problem if we elect to grant another excess inflation walnut for the squirrels in DOD.

Now, what I would like to know, Mr. President, is why in the world, in light of all this, would we want to arbitrarily increase the defense budget by $6 billion?

We do not need a political number for the defense budget. We need a reasonable number, both on national security grounds and on budgetary grounds. We need a reasonable number that will force more efficiency and cut down on overhead and labor inefficiency, and will encourage better contract pricing. There is virtually no empirically based rationale for $301 billion for defense.

We also need to send a message to the country that in these times of budget constraint, we are going to ignore politics and make the defense budget contribute its fair share to the $40 billion of cuts required to meet next year's deficit target, especially when the Defense Department enjoys a handsome savings account to help it survive hard times ahead.

I would like my colleagues to view this defense budget problem from another point of view.

All the excess money, Mr. President, has turned the defense budget into a "blivet." For those of us unacquainted with the term, a "blivet" is 5 pounds of manure in a 4-pound sack.

Think of all that manure oozing out of the sack. That is what all these indications of excess funds represent. It is coming out all over the place. We have seen DOD's inability to obligate; we have seen the rise in unobligated balances; we have seen the unprecedented levels of unexpended balances; we have seen excess funding for inflation.

All of this points to one thing, Mr. President. If it walks like a "blivet," and talks like a "blivet," and smells like a "blivet," it sure as heck is a "blivet."

In conclusion, Mr. President, I reiterate my concerns about this budget.

I believe it lacks balance because there are no savings from defense.

I do commend the efforts of the chairman of the Budget Committee and the ranking member for fighting the good fight, and maintaining a bipartisan and balanced package up to the end. I commend them for working out a reasonable and responsible defense compromise in committee. I hope they will work in conference to return the defense number back to the $295 billion level. I regret, Mr. President, that I cannot support this budget resolution.

Thank you, Mr. President.

Mr. President, I ask unanimous consent that an overview be printed at this point in the RECORD.

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

(I) OVERVIEW

The rapid increases in unobligated and obligated balances in FY 1983, FY 1984 and FY 1985, despite levels of budget authority far lower than requested, seems to indicate there is either a serious problem with program execution, or that a significant portion of the unobligated balances may be in excess of needs, despite efforts by the Congress to remove those funds.

Obligated balances have risen dramatically in recent years, and are at an all-time high both in absolute terms and relative to total and investment budget authority.

Despite the simultaneous rises in unobligated and obligated balances, DOD has continued to project increases in the rate of obligations, which have failed to materialize. DOD has maintained a relatively constant rate of obligations over the past five years. Thus, the increase in unobligated balances does not appear to result from a slowdown in obligations, but rather from an inability to achieve DOD's optimistically projected increase in obligations.

Some analysts have indicated that the rapid increase in the size of the DOD investment accounts has strained the capacity of DOD and industry to perform, and thus slowed the rate of execution.

Additionally, lower prices for oil and spare parts plus management improvements may also have increased the level of unobligated balances. It is difficult, if not impossible, to isolate the impact of each particular factor.

In any case, the trend of simultaneous rises in unobligated and obligated balances despite levels of budget authority far lower than requested makes it clear the Department of Defense has had great difficulty in executing its programs. Current data indicates the same phenomenon is being repeated for FY 1986.

(II) DIMENSIONS FOR THE PROBLEM

Table 1 in Appendix C provides a history of obligated and unobligated balances. Because these balances are generated by the budget authority made available to the Department of Defense, data on total budget authority is also shown. Table 2 shows the composition of unobligated balances within the procurement account. As can be seen, these balances are not uniformly distributed across the accounts, which means that the mix of these programs has a large impact on the amount of unobligated balances.

Table 1 reveals that both obligated and unobligated balances have risen dramatically in recent years. Obligated balances are at an all-time high, both in absolute terms and relative to total and investment budget authority. A final table (Table 3) is provided, and it shows these balances as they were estimated in the various budget documents. The difficulty DOD has had in executing its programs is evident in these tables. For example, in the FY 1985 budget request, DOD predicted unobligated balances at year-end of $50.5 billion based on a program with total (051) budget authority of $305 billion and investment budget authority of $148.7

billion. One year later, in the FY 1986 budget request, the FY 1985 year-end unobligated balances were estimated as $51.5 billion, one billion more, but total budget authority had declined by over $20 billion and investment had declined by $15 billion. Now that the figures are firm for FY 1985, unobligated balances have risen by another $10 billion. The data indicates the same phenomena is being repeated for FY 1986.

(III) CAUSES

There are many causes for the increases in obligated and unobligated balances. Obviously, the most direct cause is the amount of budget authority enacted by the Congress. As budget authority rises, it is only logical that both obligated and unobligated balances will rise. For example, over the past decade (FY 77-FY 86) unobligated balances have tripled, from $20 billion to $50 billion. But the size of the procurement account has more than tripled, from $28 billion to $93 billion. A second factor that affects the level of these balances, is the program mix. In FY 1976, the procurement account comprised 22 percent of the enacted budget authority. In FY 1986, it comprises over 33 percent. By shifting to a mix of programs that contains more of the slow-spending accounts, one would expect the rate of obligation and expenditure to slow down. A third reason is the significant decrease in inflation compared to the assumptions built into the budget. As the cost of goods and services end up costing less than anticipated, funds which are in excess of the needs of the program simply build up in the accounts. The most notable example of this is fuel, where costs have fallen dramatically over the past year.

Funds in excess of needs occur for other reasons as well. One reason is that good management, economic production rates, increased competition and other management techniques have produced savings. Much of these funds have been reclaimed by Congress within the appropriation process, but additional excess funds obviously remain. Funds also accumulate in these accounts because of bad management, technical problems and political problems. Any program that is delayed because of technical or management problems or political problems generally falls far behind its schedule and accumulates large unobligated and/or obligated balances. For example, when the DIVAD was canceled, approximately $0.5 billion was made available for other uses.

There are other factors that affect the rate of obligations and expenditures of the various accounts. Recent initiatives to break out spare parts for separate procurement, to increase audit activity, and increase competition have generally slowed the procurement process. These initiatives are all directed at saving money, and if one accepts the premise that they are working, then the savings are likely to increase the level of unobligated balances. Some analysts have indicated that the rapid increase in the size of the DOD investment accounts has strained the capacity of DOD and industry to perform and thus slowed the rate of execution. At the same time, DOD projected an increase in the rate of obligations, which for whatever reason, did not materialize. DOD has maintained a relatively constant rate of obligations over the past five years. Thus, the increase in unobligated balances does not appear to result from a slowdown in obligations, but rather from an inability to achieve DOD's projected increase in obligations. Table 4 shows the recent history of DOD's optimistically projected obligations in contrast to actual obligations.

Undoubtedly, all of these factors have contributed to the rise of unobligated balances. It is difficult, if not impossible, to isolate the impact of each particular factor. The rapid increase in these balances in FY 1985 and FY 1986, despite levels of budget authority far lower than requested, however, seem to indicate that there is either a serious problem with program execution or that a significant portion of the unobligated balances may be in excess of needs, despite efforts by the Congress to remove these funds.

APPENDIX

APPENDIX A: DEFINITIONS

The balances that are discussed in this paper are defined as follows:

Unobligated: Any funds that are available for obligation, but against which no obligation or commitment has been made.

Obligated: Any funds that have been obligated for a specific use or purpose but have not been disbursed.

Unexpended: Any funds, obligated or unobligated, that have not been disbursed. Unexpended balances can also be defined as the sum of unobligated and obligated balances.

APPENDIX B: CHARACTERISTICS OF THE BALANCES

The Congress has a number of ways to make spending authority available to a department or agency. Examples are a direct appropriation from the general fund, creation of an entitlement, a loan, or loan guarantee, contract authority and others. In the Defense Department, the vast majority of the spending authority is the result of a direct appropriation of federal funds. These appropriations fund the pay of people, the operations of the forces, and the capital programs necessary to replace equipment and facilities of the department.

The Congress insists on the concept of full funding for the budget programs of the Department of Defense, which means that if the legal authority and funds are provided to start a program, that full funding for that program must also be provided. Many of the programs that are capital in nature such as construction of facilities, ships, aircraft, and other weapons, often take years to complete. Recognizing this, the Congress funds these programs with appropriations that have a multiple-year life. This means that these appropriations are available for a specific period to be obligated, that is, legally committed. If they are not obligated within the specified period, the funds lapse and are returned to the Treasury. As a general rule, the appropriations to the Department of Defense are for the following periods:

	Years
Military personnel	1
Operations and maintenance	1
Procurement (except ship constr.)	3
Ship construction	5
Military construction	5

The length of viability of each account is usually specified in the legislation and can be varied.

As the department begins to execute its program, after funds are made available, obligations are recorded against the available funds. These obligations are legally binding commitments and derive from actions such as signing a contract. The process of registering an obligation against a fund balance is very important because it measures the amount of outstanding commitment made by the government and prohibits improper dual use of funds. Once the contract is signed, and the obligation is recorded, the contractor begins work and may bill for work in process. When DOD issues a check in payment for the work, an expense in the amount of the check is registered against the contract and the account. At the end of the life of each appropriation, the amount of funds that remain unobligated lapse and are returned to the Treasury. Those funds that are obligated remain on the books for a period of time to pay for the goods and services for which they were obligated. Excess funds, if any, are deobligated. Funds may also be deobligated at any time they are determined to be in excess of funding needed to complete a given contract.

Normally the process of budget execution is measured at yearend. Funds that are available but have not been obligated show as unobligated balances. Funds that are obligated but not expended, show as obligated balances. Funds that have been obligated and for which checks have been issued show as expended balances. The percentage of new budget authority that makes it all the way through the process in the first year is also referred to as the "first-year outlay rate."

Those accounts that have a one-year life (Military Personnel and Operation and Maintenance), reflect the fact that all the program activity funded in these accounts can be contracted for (obligated) within the fiscal year. Those funds not obligated within the year, lapse. In fact, the vast majority of these accounts are also expended within the fiscal year in which they are enacted. Only 2 percent of the Military Personnel Account is expended (outlayed) beyond the first year. The Operations and Maintenance Account also spends at a fast rate but it is slightly slower than the Military Personnel Account. Overall, 73 percent of this account is outlayed in the first year and 21 percent in the second year. Because this account has a one-year life, all unobligated balances would expire at year end. Both accounts generate obligated balances although they tend to be small.

The so-called "investment accounts," procurement, research, development, test and evaluation, and military construction, are the major contributors to both unobligated and obligated balances. The Military Construction account is quite slow spending, but is comparatively small ($5.3 billion in FY 1986).

The RDT&E account is much larger ($33.7 billion in FY 1986), but is a relatively fast-spending account. The procurement account clearly is the major source of both unobligated and obligated balances. It is a large account ($92.6 billion in FY 1986) that is slow-spending. In fact, the procurement account contains over 75 percent of all unobligated balances.

The Department of Defense also operates a number of revolving funds that function much like industrial wholesalers. These funds have obligational authority to purchase parts and services in advance of an appropriation so that the parts and services will be in the pipeline and available when they are needed. These funds maintain a requirement for working capital which shows up as an unobligated balance. The estimated FY 1986 level of unobligated balances in the revolving fund is $6.6 billion.

APPENDIX C: SEE ATTACHED TABLES

TABLE 1.—HISTORY OF UNOBLIGATED AND OBLIGATED BALANCES IN DOD

[In billions of dollars]

	Current dollars			Constant dollars		
	Unobligated balance	Obligated balance	Total budget authority [1]	Unobligated balance	Obligated balance	Total budget authority [1]
Fiscal year:						
1986 estimate	59.9	202.4	278.4	62.0	209.4	288.0
1985	61.5	182.9	286.8	65.6	195.1	306.0
1984	51.6	153.5	258.2	57.0	169.6	285.3
1983	43.4	128.7	238.7	49.3	146.3	271.3
1982	34.6	107.6	211.6	40.8	126.8	249.3
1981	26.5	86.3	176.0	33.5	108.9	222.2
1980	24.2	67.9	140.7	34.6	97.0	200.9
1979	23.0	60.9	123.7	36.7	97.1	197.2
1978	21.3	52.4	114.6	36.9	90.7	198.4
1977	20.0	42.7	108.1	37.4	79.8	202.1
1976	21.0	30.3	95.7	42.2	61.0	192.5
1975	16.7	27.1	85.7	35.9	58.2	184.0
1974	15.1	28.6	81.0	35.3	66.9	189.5
1973	12.7	26.9	77.6	32.0	67.7	195.4
1972	11.9	24.0	75.0	32.4	65.4	204.4
1971	13.0	23.0	71.2	38.4	67.9	210.3
1970	14.8	25.5	74.1	46.6	80.3	233.4
1969	14.9	29.5	76.9	50.2	99.3	258.9
1968	14.8	30.9	76.3	52.4	109.4	270.2
1967	15.1	32.1	72.2	55.9	118.8	267.3
1966	15.8	26.9	63.6	61.0	103.8	245.4
1965	13.6	19.5	49.1	56.4	80.9	203.6
1964	12.7	17.5	49.6	54.4	75.0	212.5
1963	11.7	18.7	49.6	52.2	83.5	221.4
1962	9.9	22.1	48.0	45.0	100.4	218.0
1961	9.9	20.6	49.4	45.5	94.8	227.2

[1] Subfunction 051, Department of Defense.

Sources: Budget of the U.S. Government, fiscal years 1963–87. Historical tables, budget of the U.S. Government, fiscal year 1987.

TABLE 2.—END OF FISCAL YEAR

	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986
Unobligated balance	16.7	21.0	20.0	21.3	23.0	24.2	26.5	34.6	43.4	51.6	61.5	59.9
Obligated balance	27.1	30.3	42.7	52.4	60.9	67.9	86.3	107.6	128.7	153.5	182.9	202.4
Total unexpended	43.9	51.3	62.7	73.6	83.9	92.2	112.8	142.2	172.1	205.1	244.4	262.3
Enacted:												
Total budget authority (051)		95.7	108.1	114.6	123.7	140.7	176.0	211.6	238.7	258.2	286.8	278.8
Procurement		21.0	27.9	29.5	31.4	35.3	48.0	64.5	80.4	86.2	96.8	92.6
R&D		9.5	10.4	11.4	12.4	13.6	16.6	20.1	22.8	26.9	31.3	33.7
Military construction		2.4	2.2	1.6	2.3	2.3	3.4	4.9	4.5	4.5	5.5	5.3
Total		32.9	40.5	42.5	46.1	51.2	68.0	89.5	107.7	117.6	133.6	131.6
Unobligated as a percent of:												
Total budget authority		21.9	18.5	18.6	18.6	17.2	15.1	16.4	18.2	20.0	21.4	21.5
Total investment		63.8	49.4	50.1	49.9	47.3	39.0	38.7	40.3	43.9	46.0	45.5
Obligated balance as a percent of:												
Total budget authority		31.7	39.5	45.7	49.2	48.3	49.0	50.9	53.9	59.5	63.8	72.7
Total investment		92.1	105.4	123.3	132.1	132.6	126.9	120.2	119.5	130.5	136.9	153.8

TABLE 3.—CHRONOLOGICAL ESTIMATE OF UNOBLIGATED BALANCES

	Fiscal year 1983			Fiscal year 1984			Fiscal year 1985			Fiscal year 1986		
	Unobligated balance	Total budget authority	Investment budget authority	Unobligated balance	Total budget authority	Investment budget authority	Unobligated balance	Total budget authority	Investment budget authority	Unobligated balance	Total budget authority	Investment budget authority
1983 budget request	43.1	257.5	119.2									
1984 budget request	38.5	239.4	107.6	45.5	273.4	129.5						
1985 budget request	43.4	238.7	107.7	43.0	258.1	117.4	50.5	305.0	148.7			
1986 budget request	43.4	238.7	107.7	51.6	258.2	117.5	51.5	284.7	133.8	55.7	313.7	153.2
1987 budget request				51.6	258.2	117.6	61.5	286.8	133.7	59.9	278.4	131.6

TABLE 4.—OBLIGATION RATES: [1] PROJECTIONS VERSUS ACTUAL—FISCAL YEARS 1984 TO 1986

[Percents]

	Projected	Actual
Fiscal year:		
1984	88.6	84.9
1985	87.9	83.9
1986	86.5	[2] 85.3

[1] Direct and reimbursable obligations divided by total available for obligation. Estimated current-year projection for fiscal year 1986 based on adjustment for March 1 sequester.

[2] Estimated current-year actual for fiscal year 1986 resulting from time series analysis based on data from October 1979 through first quarter fiscal year 1986.

Source: DOD Financial Sumary Tables, FAD Table 746.

FISCAL IRRESPONSIBILITY IS SPELLED "C-O-N-G-R-E-S-S"

Mr. HATCH. Mr. President, let me preface my remarks about the budget before us today by quoting a line from one of Robert Frost's poems. I offer for contemplation by this body: "* * * two roads diverged in a wood, and I—I took the one less traveled by, and that has made all the difference." For once I wish Congress would take the road less traveled and make the necessary spending cuts to achieve deficit reduction.

I cannot now support Senate Concurrent Resolution 120, the fiscal year 1987 budget resolution reported by the Senate Budget Committee as amended, just as I did not support it in committee. The road to deficit spending is much more attractive, obvious by its wide and well-used path, then the road to fiscal discipline. Difficult as it may be, I hope my colleagues will find the strength and will to tackle the deficit plaguing our Nation and instead proceed on the narrow and sometimes difficult path of thriftiness.

When I advocate fiscal discipline, I advocate slaying the culprit of three-digit deficit figures; the culprit being unchecked spending. Let the record speak for itself. Since 1950, Federal spending has risen from 16 percent of GNP to 24 percent in 1985, yet Federal receipts have remained relatively constant for the same period, registering a slight rise to 18.6 percent of GNP in 1985. The subtraction of 24 from 18.6 is simple arithmetic: a negative number.

One may argue about which side of the budget scale is out of balance, but no one can refute the evidence that the spending side has remained heavily weighted in recent years. In fact, actual spending has exceeded the budget resolution by an average of $24 billion annually since 1980. The budget resolution before us, while purporting to cut spending, only skims the top layer of growth in spending rather than trimming spending. This budget shows spending in fiscal year 1987 to be nearly $40 billion higher than the current estimated spending for fiscal year 1986. This growth in spending is a fashionable and expensive habit "Uncle Sam" indulges in. The "plastic card" mentality of living beyond one's means has reached the Halls of Congress.

The Senate Budget Committee has sustained the growth in spending for several years now. Since 1981, the committee has repeatedly recommended raising spending an average of $50 billion annually. While inflation may account for part of this increase, it is an abuse of democracy to bribe the American taxpayer with his own money.

Damaging as taxes are to an individual's take-home pay, taxes are equally devastating to commerce, threatening the economic recovery we have enjoyed the past 3½ years. Revenue enhancement, increased revenues, or whatever euphemistic expression one so desires to call a tax increase, siphons off necessary capital for business expansion. It is Government spending which crowds out private investment and initiative, resulting in a fiscal drag on an otherwise healthy economy. In essence, higher taxes signal to Congress and every special-interest group that more money is available for excessive spending.

Many floor amendments have been offered during the past few weeks, most of them financed by "increased revenues" or offset by reductions in defense spending. I rise in strong opposition to any serious contemplation by this body for reducing defense. Defense needs are dictated by the actions of other countries, by external threats to our vital interest; Libya being a case in point. There are some responsibilities which only the National Government can execute, such as ensuring the national security. Defense is unquestionably a legitimate responsibility of the Federal Government. As Federal legislators, let us not neglect those responsibilities which are dutifully ours, such as providing for an adequate defense.

Last year Congress promised 3 percent real growth in defense spending in part to compensate for years of neglect of the defense budget. While Congress assumed one defense spending level for 1986, the respective authorization committees lowered this number. By the end of the year, with Congress scrambling to adjourn, the final appropriation level was lower than the authorization level and the Gramm-Rudman-Hollings sequester further reduced the spending level. What Congress originally prescribed and the degree it actually took resulted in a sizable difference. Just how reasonable is it to expect that the Senate defense spending level of $301 billion won't be reduced to $270 billion by the time Congress has completed action on an appropriation bill?

All too often some of my colleagues are quick to attack, unjustifiably, current defense spending levels. Like a broken record, I have heard defense spending levels lambasted too many times. The recent record for the Department of Defense marks improvements after the U.S. defense investment plunged by more than 20 percent during the 1970's. The Defense Department has performed well in recent years, dramatically reducing the cost growth of major weapons programs from 14 percent in 1981 to below 1 percent in 1984. Once again, a plummeting inflation rate partially explains the decline in weapons costs, but just this past month the Comptroller of the Department of Defense released a report citing cost savings attributable to better management and increased productivity. The following list of weapon programs, all samples of applied high technology, represents only a few of the many weapon programs whose costs have declined: F-16, Advanced Tactical Fighter, AV-8B (Harrier), B-1B, and the MX Peacekeeper.

Congress has reneged on its promised defense spending level assumed in last year's budget and I do not believe it prudent for the Senate to go into conference with defense outlays of $282 billion for fiscal year 1987. In fiscal 1985, the Senate Budget Committee reported defense outlays were to be $330 billion for fiscal year 1987. Two years later in the budget resolution now before us, defense outlays for fiscal year 1987 have been cut $48 billion from that level. Perhaps it is skewed priorities and not blissful ignorance which accounts for setting defense spending at such a dangerously low level.

As elected officials, we have accepted the responsibility of making tough choices, but unfortunately, we have disappointed and frustrated the taxpayer who bears the burden of our fiscal irresponsibility. While the Gramm-Rudman-Hollings law is not flawless, it can be cited as changing the tone of budget debate from an open-ended exercise to practical budgeting. Like the driving force of competition which fosters productivity in the free market, setting spending priorities among a multitude of Federal programs will promote improved management and efficiency as well as weed out programs unworthy of getting 1 cent of the taxpayers hard earned money.

Once again we approach the fork in the road with the worn path appealing to our political senses. It is much easier to cast votes for spending and more spending, but let us look beyond today and tomorrow. It will be our children and grandchildren who will say that the removal of the burden of deficit spending "has made all the difference."

Mr. GORTON. Mr. President, I would like heartily to commend my distinguished colleagues, the majority leader, the chairman and ranking minority member of the Senate Budget Committee, for leading us once again through the labyrinth of prioritizing this Nation's spending needs and achieving a solid budget resolution.

This year, as in past years, the task of fashioning a budget resolution has been arduous and, at times, frustrating. This year, however, unlike past years, the task has been further complicated by the parameters under which we must work which have been set by the Gramm-Rudman-Hollings Act. This year we have a budget target that we must reach, and, Mr. President, we have indeed met this target.

The budget process is one of the most difficult tasks we as Senators undertake and, in my mind, the task which demonstrates most clearly conflict inherent in our democratic process. It requires each Senator to examine not only the needs of this Nation, from defense to domestic spending, but requires formulating a position on fiscal policy: the desired levels of spending and taxation. Finally, each Senator must consider carefully and represent thoroughly his or her State's varied needs.

These several types of budget questions must then be melded into a comprehensive package that distributes the Federal Government's resources as fairly as possible across all interests and sections of the budget.

In past years, during times when deficits were much smaller, that process was much easier because there was much more to give out. In recent years, however, as in this year, we are giving out less, and working to control the rapid growth of Government spending.

The budget that we have before us now does slow the growth in Federal spending and accomplishes it as fairly as possible. Our democratic process has led to a bipartisan budget resolution that has strong support on both sides of the aisle because of its well-balanced configuration.

We have slowed the growth in defense spending, but have managed to include enough to keep our Armed Forces strong. We have cut social spending in lower priority areas of the Federal budget, but have managed to spare programs that are the lifeline of survival for the elderly and indigent. We have raised some new revenues, but they amount to less than 2 percent of current revenue levels. Finally, and very importantly, we have managed to meet the Gramm-Rudman-Hollings budget targets. Meeting those targets is vital to the growth and economic health of our society—and it is that health, of course, which provides the source of money to meet a wide range of social needs.

I am satisfied that this budget is sound national policy.

Beyond the reach of national issues, however, each Senator must consider the special needs of his own constituents. He must represent those needs in this Chamber and work to advance them, not with the dispassionate attitude of a government technician, but rather with commitment and the recognition that he is the representative of his sovereign State, and charged with defending and advancing its interests.

I am pleased that this budget resolution is a favorable one for the State of Washington. When the administration submitted its original budget request, it contained items which would have been extremely damaging to the interests of my State. The proposed sale of the Bonneville Power Administration would have caused skyrocketing electric power rates and devastated my State's economy. Ocean sports fishing fees would have posed a serious problem for our recreational fishing. Waste treatment construction grants—vital to our water quality program in Washington—would have been terminated. Stiff new Coast Guard user fees would have been imposed. Timber receipt sharing, so important in many of Washington State's rural counties, would have been greatly reduced. The sea grant and coastal zone management grants, both important in Washington, would have been terminated. The Export-Import Bank, vital to jobs in my State, would have been greatly reduced in the administration's budget.

I am pleased that we have been able to adopt a budget resolution that does none of these things, and still yields a deficit substantially lower than that the President proposed.

There are many programs in this budget with which I had a special concern, and this is not the time or place to review them all. I merely make the point that this resolution is highly favorable to the economy of Washington State—it will help create employment and investment.

On a personal note, I am disappointed that a replacement orbiter for NASA is authorized only if a specific revenue measure is passed to pay for it. I am absolutely convinced that such a condition is unnecessary. But I am assured that the unnecessary condition to the replacement orbiter will not survive a conference committee—and I therefore reluctantly accepted.

During the budget debate in the Senate Budget Committee, I worked hard, as did my colleagues, not only to reduce the deficit, but to do so in a way which was both sound national policy and which protected the legitimate needs of my constituents. I am pleased that, as tonight's resolution shows, these two goals were eminently compatible. I support this budget resolution wholeheartedly.

● Mr. DURENBERGER. Mr. President, though the Senate's action on the fiscal year 1987 budget resolution lacks the drama of last year's final vote, it is no less satisfying. For this resolution, enjoying the tremendous bipartisan support that it does, demonstrates that we need not pull our colleagues out of hospitals at 3 a.m. or use the Vice President's vote to break a partisan deadlock in order to pass a responsible budget in the Senate. And this is a responsible budget.

In many respects, this resolution is one of the first byproducts of the Gramm-Rudman-Hollings Deficit Reduction Act. Throughout the past week's debate every amendment was offered in a way so as to not violate the Gramm-Rudman-Hollings Act. And the final product, through the mixture of cuts in defense and nondefense programs, as well as a minor increase in taxes, meets the Gramm-Rudman deficit target of $144 billion—a remarkable accomplishment when one considers that just last year the Congressional Budget Office projected a fiscal year 1987 deficit of $233 billion.

There are some who will look at this resolution and oppose it because they feel there is either not enough or too much for defense. Others will point to the modest increase in revenues as grounds for rejection. And the ingenious ones will find fault with the economic assumption underpinning the resolution and reject a document that is unquestionably the best package that our leadership could devise. But I will not be one of them.

If the truth be known, I feel good about this budget. It enjoys Republican and Democratic support. It reduces the deficit and meets the requirements of Gramm-Rudman. And it requires the Congress to achieve savings that could be adopted and enacted by October 1 if the House of Representatives would stop playing partisan games and start acting responsibly. I urge its adoption.●

Mr. GRASSLEY. As the Chairman of the Budget Committee knows, I and several of my colleagues were ready to offer an amendment to the committee's budget resolution which would have had the effect of providing enough additional funds to functions 500 and 605 to allow the Appropriations Committee to establish funding for the Older Americans Act for fiscal year 1987 at the originally appropriated 1986 levels. The Members who were to join with me in this were Senators PRESSLER, D'AMATO, MATSUNAGA, and HEINZ. I thank them for their interest and assistance. I wonder whether the Budget Committee chairman can assure me that the funds envisioned for these functions were indeed included in this compromise package.

Mr. DOMENICI. I am pleased to give that assurance to my good friend from Iowa.

Mr. GRASSLEY. Mr. President, the funds I refer to would add $44 million in budget authority and $24 million in outlays to the budget resolution for function 55 and $6 million in budget authority and $5 million in outlays to function 605 for fiscal year 1987. It is my intention to provide enough additional funds for these functions to allow the Appropriations Committee to appropriate funds for the Older Americans Act at the originally appropriated 1986 level. The Reagan administration's 1987 budget proposal envisioned funding for the Older Americans Act programs, with the exception of title IV, at the original 1986 levels.

My colleagues, Senators PRESSLER, D'AMATO, MATSUNAGA, and HEINZ supported me in this effort.

As most of my colleagues know, the Older Americans Act, with the Social Security Retirement Program and Medicare, is one of our major enactments on behalf of older people and one of our most successful social programs. It establishes a national network of State and area agencies on aging which provides congregate and home-delivered meals, and social and personal care services for people who are, according to a 1986 survey of 18,000 participants in 20 States, mostly low income, mostly very old, and mostly female. The Older Americans Act also provides community service employment for some 54,000 people who are required by the act to have incomes not greater than 125 percent of the poverty level.

There is widespread agreement that there has been, in recent years, a great increase in the need for these services. A 1985 survey by the University of

Texas found that State and area agencies on aging reported greatly increased need, compared to the comparable time the year before, for case management, home-delivered meals and home-delivered support services. The increase in the need for these services were probably, at least in part, attributable to the effectiveness of Medicare's prospective payment system, which many observers think is causing hospitals to release medicine beneficiaries who need assistance in the community or at home to continue successsful recuperation.

With respect to the Senior Community Service Employment Program, I would like to point out that the cost per enrollee for this program has been frozen since 1981 at $5,111 per enrollee. Unemployment for older workers has increased greatly in recent months. According to figures from the Bureau of Labor Statistics, unemployment for workers 55 years of age and older has increased 11 percent in just the first 2 months of 1986. My own State of Iowa is particularly hard-pressed in this respect, and the additional almost $200,000 which would go to Iowa would be very helpful in this situation.

At the same time as the need for these services has been increasing, funding for the program has declined in constant dollars. The total amount of money appropriated for the Older Americans Act increased by about $177,000 between 1980 and the presequestration 1986 level. The increase when the 1986 sequestration is taken into account is about $126,000. The value of a dollar over this period, 1980 to 1986, has declined by about one-third, according to figures provided by the Congressional Research Service. Therefore, in constant dollars there has been a decrease in the dollars available for these Older Americans Act programs of about 20 percent. The decrease, when one takes into account the 1986 sequestration, is about 25 percent.

The amount added is a very small amount. But according to figures provided to me by the National Association of State Units on Aging, the additional amount of money to the Older Americans Act programs would mean up to an additional 5.8 million congregate and home-delivered meals in fiscal year 1987. Up to 116,000 additional individuals could be assisted in just the title III programs.

With respect to the employment programs, additional money in this amount would make it possible to restore about 2,800 title V enrollee jobs around the country.

The Older Americans Act is one of our most successful programs for older Americans, providing essential services to those who are primarily low-income, very old, and female.

OLDER AMERICANS ACT AMENDMENTS TO THE BUDGET

Mr. HEINZ. Mr. President, I had planned on joining my distinguished colleague from Iowa, Mr. GRASSLEY, in offering an amendment to the budget resolution, Senate Concurrent Resolution 120, to restore the funding for all titles of the Older Americans Act to fiscal year 1986 presequestration levels. Mr. GRASSLEY and I have been assured, however, that our concerns have been completely addressed in the Domenici-Chiles substitute budget resolution. Because Mr. DOMENICI assures us that our language has been included in the substitute package, we will not offer our amendment.

Some would question why we should single out the Older Americans Act for restoration of the funds lost because of Gramm-Rudman-Hollings. There are many reasons, but primarily, the Older Americans Act programs have been very successful in improving the quality of life for older individuals, but funding has not kept pace with either the increased need for these services or inflation.

The Older Americans Act, now in its 21st year, is an enormous success. For the last two decades this legislation has guided and governed many of the Nation's efforts to respond to the problems and enhance the opportunities of a rapidly growing population of older Americans. The act and its programs promote greater independence and provide services designed to maintain the dignity of older adults. The coordinated system of services mandated under the act reach into every community in this Nation.

Mr. President, as excellent as this social service initiative has been, demand for services far exceeds available resources, and we have only begun to see the growth in the number of older persons. The older population grew twice as fast as the rest of the population in the last two decades, and the very older are increasing the fastest. In fact, by the year 2010, because of the maturation of the baby boom, the proportion of older Americans is projected to rise dramatically; more than one-fourth of the total U.S. population is expected to be at least 55 years old and one in seven Americans will be at least 65 years old.

We have not, however, kept up with the growing demand for service. Actually, Older Americans Act funding decreased in real dollars by 24.9 percent between 1980 and 1986. With this record of funding, further reductions are simply not justified.

Mr. President, this is not the time for the Federal Government to relinquish or reduce its role in making possible this broad range of programs which include nutrition, transportation, counseling, and intensive home health and social services. Literally millions of Americans have benefited from such programs, but the Gramm-Rudman-Hollings cuts have begun to undermine the solid foundation of services that the Older Americans Act has built.

The National Association of Nutrition and Aging Services Programs [NANASP] has recently completed a survey of congregate and home delivered meals programs to assess the damages of the sequestration. NANASP estimates that in the 20 States which submitted data, over 1.2 million congregate meals and 500,000 home-delivered meals have been cut, and that 22 meals program sites have been closed. We also know that many of the services that promote independent living and keep individuals functioning in their communities have been cut. In-home services such as home health aid, and homemaker and chore services have been reduced leaving many older Americans living like prisoners in their own homes. In addition, access to information and the community has been hampered by reductions in transportation, outreach, and information and referral services.

Without our language, Mr. President, we would be cutting these essential programs again. This budget would have applied another Gramm-Rudman-Hollings cut to older Americans for fiscal year 1987, and threaten the health and safety of millions of older Americans.

Mr. President, this funding increase is not a budget buster; it does not increase the deficit beyond the $144 billion limit set by the Gramm-Rudman-Hollings law. This is a modest addition which simply brings these programs back up to fiscal year 1985 levels. I ask my colleagues to consider the millions of Americans who depend on the excellent services that the Older Americans Act provides.

IN SUPPORT OF RESTORING FUNDING TO THE OLDER AMERICANS ACT

Mr. PRESSLER. Mr. President, I rise in support of our amendment to restore funding to the Older Americans Act [OAA] programs. This amendment would restore funding for OAA programs to the original fiscal year 1986 appropriations level.

Mr. President, during my work as the third ranking majority member of the Senate Special Committee on Aging, one simple demographic factor dominates all—elderly Americans are the fastest growing segment of our population. Between 1984 and 2050 the age 55 and older population is expected to double. The old-old, those 85 and older will triple between 1980 and 2020, and increase seven times by the year 2050. If current projections hold true, the elderly will be the only age group experiencing significant growth in the next century.

Mr. President, the importance of deficit reduction cannot be understated. However, the elderly in our Nation are increasing so rapidly that even baseline funding results in a significant reduction in services for our senior citizens. The long-term implications of reducing funding for programs such as the Older Americans Act and Medicare are devastating. I fear we are going to find ourselves ill prepared for the dramatic impact caused by the maturation of the baby boomers.

Mr. President, the argument has been raised throughout this debate that there are no guarantees that increased funding for specific programs will in fact be accomplished by amendments such as this one. We are dealing only with aggregate functional totals. I think we all understand that. However, it sends a strong message to the proper committees that the Senate's intention, in voting for this amendment, was to restore funding specifically to the Older Americans Act. You can rest assured that my colleague from Iowa and I will be reminding our colleagues on the Appropriations Committee of that intent.

The Older Americans Act of 1965 celebrated its 20th anniversary just last year. This valuable program provides millions of senior citizens with congregate and home-delivered meals, as well as a variety of social and personal care services. It provides community service employment for some 64,000 low-income elderly.

The Senate Special Committee on Aging recently held a hearing on the effect of Gramm-Rudman-Hollings on programs serving the elderly. At this hearing, Michio Suzuki, Associate Commissioner of State and Tribal programs at the Administration on Aging testified that the 4.3-percent sequestration in title III allotments for congregate and home-delivered nutrition services in fiscal year 1986 may result in an average reduction of up to 4 meals per day per nutrition site. With some 14,000 nutrition sites, that adds up to a potential loss of 56,000 meals per day nationwide. With the need for such nutrition services growing, this loss is compounded.

I urge my colleagues to join us in supporting this amendment. Between 1980 and 1984 every State in the Union had an increase in its elderly population. In fact, 24 States had a double-digit increase. Some of the leaders include: Alaska, 32.6 percent increase; Nevada, 32.2 percent increase; Hawaii, 22.9 percent increase, and Arizona: 21.9 percent increase.

Additionally, in Arkansas, Florida, Iowa, Kansas, Maine, Massachusetts, Missouri, Nebraska, Pennsylvania, Rhode Island, South Dakota, and West Virginia, the elderly comprise over 13 percent of total State population.

There are about 28 million elderly Americans and the number is growing daily. With such an increase in need, it is imperative that we do not cut back on programs like the Older Americans Act which is devoted solely to meeting the unique needs of the elderly.

Mr. LEAHY. Mr. President, I rise today in support of the bipartisan budget for fiscal year 1987.

The budget ensures a strong national defense. It provides adequate funds for health and education and for the other programs that help make this country compassionate and civilized. And, this bipartisan budget cuts $55 billion in taxes over the original budget resolution.

No Senator, including this one, agrees with every provision of the budget. But, it represents a compromise and an outline of our priorities as a nation. It reaffirms our commitment to an educated America where workers can gain new skills and help increase our competitive edge in the world economy. This budget testifies to our concern for the elderly, the poor, and the handicapped. It keeps our promise to veterans who have served their Nation in times of trouble.

Mr. President, very importantly, this budget also keeps the promise Congress made to the American people last year. It reduces the deficit by more than $40 billion in compliance with the Gramm-Rudman-Hollings balanced budget law. Our deficit reduction plan is back on track, due to bipartisan cooperation.

But, we almost did not make it. The Senate Budget Committee reported an initial budget resolution on March 18, 2 weeks before Gramm-Rudman-Hollings required that committee to produce a budget to reduce the deficit. But, then the administration delayed and delayed and refused to allow the leadership to bring the budget to the floor of the Senate, because the committee and the rest of us said no to a $30 billion increase in the almost $300 billion defense budget.

After weeks of hard work by the chairman of the Budget Committee and the ranking member, and after urging by this Senator and a majority of others, we were given a chance to debate the budget, amend and improve the budget, and finally to pass a budget that meets our commitments as a nation and begins to restore fiscal responsibility in government.

The budget before us provides for a strong national defense. Defense spending is increased by $1.5 billion, allowing for increases in inflation. The economic assumptions in the defense portion of the budget indicate that defense spending is held at zero real growth. I am concerned, however, that these figures be checked and rechecked. Our intention is that defense spending be held to current levels plus inflation. In the coming weeks, as the House and Senate begin negotiations on the budget that will ultimately be adopted, there will be sufficient time to check the defense numbers. If the assumptions are wrong, defense levels must be adjusted down to reflect the spending level we endorsed in this budget.

In an era of unprecedented budget deficits, however, when every Vermont family must send two paychecks to Washington per year just to pay the growing interest on the national debt, this budget rejects the administration's policy of spending now on a massive defense buildup and sending the bill to the next generation. The Senate budget resolution recognizes that there is a consensus in this country in support of a strong national defense, but not wasteful defense spending.

As resently as last week, the Secretary of Defense discovered $2 billion in padding in this year's Pentagon budget, and the General Accounting Office recently reported to me that there are billions more to be saved. That is why I sponsored a successful amendment to the Gramm-Rudman-Hollings law to require audits of all major defense contracts, to ferret out budget padding and return wasted dollars to reduce the deficit.

Mr. President, I ask unanimous consent that a copy of the report from the General Accounting Office be printed at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit 1.)

Mr. LEAHY. We need a strong national defense. This budget pays for a strong national defense, but is says no to waste. And, all of us must also say no to funny numbers. I support this budget, but let me stress that it is only a beginning. Defense must be held to zero growth. If $300 billion in budget authority and $282 billion in outlays truly represent zero real growth, as a bipartisan majority of the Senate intends, then let those numbers stand. If those numbers are miscalculated, they must be reduced to reflect the intention of the Senate.

On the domestic side, programs are generally maintained at their current levels. I am pleased, however, that an amendment, which I cosponsored, was adopted to increase spending on education to keep up with inflation. One cannot quantify the return we receive from an increased investment in education. But we do know, however, that a renewed commitment to higher education, basic research, math, science and foreign language education is part of the recipe for a return to American competitiveness.

Better education also means better jobs for workers and new opportunity for the millions of adults who cannot read a want ad or help their children

learn and grow to become productive and informed adults. In addition, increased support for education fosters an enlightened electorate. We Vermonters, who take responsibility as individuals for running our towns and school boards, know how very important education is to the survival and improvement of communities. Town meeting, by which we govern ourselves, is only as wise and farsighted as the wisest among us.

I am pleased also that the Senate budget resolution restores $200 million in spending on health and nutrition programs, including the Women, Infants, and Children's Feeding Program [WIC]. In Vermont, 45 percent of the women giving birth receive assistance through WIC, and it is no coincidence that our State has the lowest infant mortality rate in the Nation. WIC works. WIC saves lives and makes for healthy babies. WIC also saves Government money. Every $1 we spend on WIC saves the Treasury $7 later in increased illness and hospitalization costs for poor mothers and their children.

Child Immunization, Maternal and Child Health Care, and Community Health Center Programs are all strengthened by this budget. The Senate budget resolution is as much committed to a healthy America as it is to an educated America.

In addition, this budget provides inflation protection for Social Security recipients and Federal retirees. Cost-of-living adjustments [COLA's] are provided despite the fact that inflation has fallen below the 3-percent legal threshold for the provision of such inflation adjustments.

I am, however, concerned that the budget only provides for two quarters of general revenue sharing for the next fiscal year. Revenue sharing helps Vermont's cities and towns provide essential services without raising already high property taxes. Revenue sharing pays for 15 percent of local fire protection costs and 11 percent of local police costs in Vermont.

I supported an amendment to the budget resolution to extend revenue sharing for 3 years at up to the current level of $4.6 billion, to ease the burden on Vermont's financially strapped communities, many of which face astronomical increases in liability insurance premiums, for example. I urge conferees on the budget to note the close vote in the Senate in support of revenue sharing and vote to extend this important program.

If the problem is raising revenues to pay for revenue sharing, let the conferees ponder one thought. If you eliminate revenue sharing, local property taxes go up. If you extend revenue sharing, we can easily help pay for police and fire protection and education in communities around the Nation by collecting taxes from profitable corporations which have avoided paying their fair share for long. So who should pay? Vermont families and other Americans or corporate tax evaders?

I have one last and important concern, and that is the integrity of the economic assumptions in this budget. I support the overall balance of defense spending, domestic spending, and modest revenues in this bipartisan budget package, but I am concerned that some of the economic analysis and the calculation of the deficit in this budget may be faulty. Those assumptions need careful study and review.

The Senate budget resolution is a first start. The House has yet to pass a budget, and after it does, House and Senate conferees will hammer out a final package to reduce the deficit. There is plenty of time to refigure the economic calculations, for there is more at stake this year than accuracy or economic integrity.

Next fall, if the economic assumptions in the budget we finally pass are incorrect, we risk an across-the-board reduction in virtually all Federal programs to reduce the deficit to legal limits. Such a sequester might threaten national defense and could also mean severe reductions in programs that help people. This cannot be allowed. Let us take the time and get the numbers right.

Finally, every Member of the Senate has sent a clear message concerning the revenues contained in this budget: Individual income taxes must not be raised. The $13.2 billion in revenues in this budget should be raised by forcing the more than 200 profitable corporations that paid no taxes last year to pay their fair share. In addition, the IRS should beef up efforts to collect $92 billion in back taxes owed to the Government. Yes, we must pay for this budget, but not out of the pockets of working Vermont families. They already contribute more than their fair share.

Mr. President, I ask unanimous consent that a list of corporations which paid no taxes be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit 2.)

Mr. LEAHY. Mr. President, we have before us a budget which will reduce the deficit by $40 billion. It is not a perfect budget, but it provides for the basic needs of the American people, it keeps our Nation strong at home and abroad and it reduces the deficit. I urge my colleagues to support it.

EXHIBIT 1

U.S. GENERAL ACCOUNTING OFFICE,
Washington, DC.

B-222917.

The Honorable DAVID PRYOR,
The Honorable THOMAS F. EAGLETON,
The Honorable WILLIAM PROXMIRE,
The Honorable PATRICK J. LEAHY,
United States Senate.

On November 8, 1985, you requested that we examine the process by which the Department of Defense (DOD) estimates funding for inflation in its fuel purchases and that we update our estimates of the inflation dividend realized by DOD in budgeting for its fuel purchases. The inflation dividend is defined as the amount of excess funds accruing to the DOD due to the overestimation of future inflation in developing defense budget requests. We first analyzed funding for inflation in fuel purchases as part of a general analysis of inflation in the defense budget contained in our September 1985 report entitled "Potential for Excess Funds in DOD" (GAO/NSIAD-85-145). In that report, we did not consider fuel purchases separately but included them in the analysis of the two appropriation titles: Operation and Maintenance (O&M) and Research, Development, Test and Evaluation (RDT&E). We estimated that the inflation dividend, resulting from overprojections of the price of fuel, totaled $4.8 billion for fiscal years 1982 through 1985.

Our updated estimate shows that the inflation dividend in fuel purchases will total $5.03 billion between fiscal years 1982 and 1986. This estimate does not take into account the most recent dramatic decreases in fuel prices.

Between 1982 and 1985 the Congress reduced the DOD budget by $3.09 billion to offset the fuel inflation dividend. Implementation of the Balanced Budget and Emergency Deficit Control Act of 1985 has reduced this dividend by an additional $15 million.

In analyzing the process used by DOD to forecast its fuel prices, we found that it uses forecasts of crude oil prices provided by the Office of Management and Budget (OMB) to predict prices DOD will pay for refined petroleum products. Because crude and refined prices showed similar trends between 1982 and 1986, DOD's forecasting approach did not lead to any substantial errors in its price forecasts.

FORECASTING FUEL INFLATION

In fiscal year 1985 petroleum products constituted 2 percent of all defense expenditures. Fuel prices are forecasted separately in the budget for several reasons. First, fuel is a major commodity rather than a finished product, and therefore its cost structure and the factors that influence changes in its prices are different. Second and more importantly, fuel prices have been quite volatile since the mid-1970's. Prices paid by DOD for fuel increased by about 270 percent between 1974 and 1981 and have been steadily falling since then.

OMB focuses on crude oil prices, specifically refiner's acquisition costs, and constructs a weighted average (⅓ import and ⅔ domestic) price. Using generally available information on the oil markets, OMB then develops forecasts of this price for the period of the budget (usually 5 years). These projected fuel prices are given to DOD as part of OMB's guidance for economic assumptions in preparing the President's budget.

However, DOD's purchases and primarily refined products, such as regular gasoline, diesel fuel, kerosene and naptha base jet fuels. Thus, in using OMB's price projections in preparing its budget, DOD is implicitly applying forecasts of crude oil prices to predict the prices of refined products.

In figures 1 through 3, we display the price forecasts developed by OMB and used by DOD for the previous three budgets. We also present forecasts made by a major private forecasting firm, Data Resources Incorporated (DRI). DRI issues a comparable and readily available index of the percentage change in crude and refined oil product prices. Because DOD applies a crude oil price forecast to predict refined product prices, we examine DRI's forecasts of both crude oil and refined product prices.

[Figures 1, 2, and 3 not reproducible for the RECORD.]

DRI's forecasts of crude and refined prices were quite similar and the forecasts used by DOD generally reflect a price change movement like DRI's. In February 1986, both DRI and DOD forecasted significantly lower prices for fiscal year 1987 than they had in January 1984 and 1985. However, in the latest forecast, DRI projects oil prices falling much further in 1986 than does DOD.

DRI's forecasts show that crude and wholesale refined prices moved rather closely over the three forecast periods. Therefore, DOD's fuel budgeting process, which applies a composite of crude oil price forecasts to predict refined product prices, does not appear to have introduced a systematic price distortion into DOD's forecasts. Consequently, we do not believe that DOD's process led to any large increase in fuel budgets during this period.

No matter what forecasting procedures are used, fuel budgeting will always entail some inaccuracies. Forecasting any economic event is quite difficult, but forecasting the oil market has been notoriously difficult and oil price estimates have not been particularly accurate. The existence of the OPEC cartel and its recent failure to maintain prices has further complicated a market already affected by other shifts in demand and supply. Given the difficulty in developing extremely accurate forecasts, DOD is likely to be continually faced with either excess or inadequate funds for fuel in its budget. We continue to believe, as we recommended in our September 1985 report, that careful monitoring of changes in petroleum product prices and their effect on the budget are essential.

ESTIMATING THE FUEL INFLATION DIVIDEND

Table 1 compares the originally forecasted price changes used to develop fuel funding estimates in DOD budgets with the actual fuel price changes. Using fiscal year 1985 as an example, the defense fuel budget was developed assuming a slight increase in fuel prices of 0.5 percent. When fuel prices actually fell 4.3 percent, there was potentially 4.8 percent in excess fuel funds.

We estimated two fuel inflation dividends, as shown in table 2. The first dividend estimate is derived from comparing the original forecast of fuel prices made in each fiscal year's initial budget submission and the revised OMB fuel price forecasts published by the DOD in March 1985.[1] This estimated fuel dividend of $4.8 billion was part of our estimate of the total inflation dividend included in our September 1985 report.

[1] These forecasts, cited in table 5-1 of Office of the Assistant Secretary of Defense (Comptroller), *National Defense Budget Estimates, FY 1986*, are consistent with OMB's fuel price forecasts constructed in January 1985.

TABLE 1: COMPARISON OF DOD FUEL PRICE FORECASTS TO ACTUAL FUEL PRICE CHANGES: FISCAL YEAR 1983 THROUGH 1986

	Fiscal year			
	1983	1984	1985	1986
January 1983 forecast (percent)	+1.9	+5.3	+5.7	+5.6
January 1984 forecast (percent)	–	+0.5	+0.5	+3.2
January 1985 forecast (percent)	–	–	−5.5	−1.4
February 1986 forecast (percent)	–	–	–	−7.3
Actual	−9.3	−10.2	−4.3	N/A

Source: Office of Assistant Secretary of Defense (Comptroller), "National Defense Budget Estimates," Fiscal Year 1985, table 5–7 and Fiscal Year 1986, table 5–1 and unpublished data from Office of Assistant Secretary of Defense (Comptroller).

The second dividend estimate is based on the more recent February 1986 OMB fuel price forecasts. It shows an increase in the estimate to $5.03 billion. The difference between the new estimate of $5.03 billion and the previous estimate of $4.80 billion results from changes in both the fiscal year 1985 and 1986 dividends. The increase in the total dividend due to the inclusion of fiscal year 1986—$300 million—is partially offset by a decrease in the fiscal year 1985 dividend of $70 million.

Our analysis does not reflect the effects of the recent dramatic decrease in crude oil prices. OMB's February 1986 forecast is the most recent official forecast. However, in the short time since that forecast was made, fuel prices have decreased substantially and this trend seems likely to continue. In constructing our estimates, we did not independently forecast future fuel prices or speculate on the impact that more recent price movements in fuel markets may have on fiscal year 1987 fuel funding.

TABLE 2: ESTIMATES OF THE FUEL INFLATION DIVIDEND FISCAL YEARS 1982 THROUGH 1985 AND 1986

[In billions]

	Fiscal year					
	1982	1983	1984	1985	1986	Total
Estimate based on forecast as of:						
March 1985	$1.07	$1.27	$1.64	$0.82	[1] N/A	$4.80
February 1986	1.07	1.27	1.64	0.75	[2] $0.30	5.03

[1] In our September 1985 report, we did not estimate a fuel inflation dividend for fiscal year 1986.

[2] Including the cuts made by the application of the Balanced Budget and Emergency Deficit Control Act of 1985 would reduce the dividend by 4.9%, or $14.7 million.

RECOVERING THE FUEL INFLATION DIVIDEND

We were not able to determine how much of this fuel inflation dividend remains available to DOD for obligation. Virtually all of these dividends occurred in either the Stock Fund account or the Operations and Maintenance accounts.

To the extent the dividends for fiscal years 1982 through 1985 originally resided in the Operations and Maintenance accounts of the individual services, they should have either lapsed or been reprogrammed to other uses by now. Some reprogrammed dividends could still remain available if they were moved to accounts allowing obligation over multiple years, such as procurement. Of course, the dividend accruing in fiscal year 1986 remains available to DOD for use in purchasing additional amounts of fuel beyond that planned in the original budget.

Alternatively, it seems likely that most of these dividends would have accrued in the Stock Fund accounts. Because the Stock Fund is a revolving fund, the dividend funds, would not lapse unless DOD or Congress took special action. In fact, between 1982 and 1986, DOD and Congress did become aware that excess balances in fuel funds were collecting in the Stock Fund and reduced DOD fuel budgets to compensate for these excess balances.

In table 3, we compare our estimated fuel inflation dividends to congressional cuts for fuel price overestimates. In fiscal years 1982 and 1983, these cuts were made on a prospective basis, that is, reductions were intended to offset changes in the projected level of fuel prices. As table 3 shows, these reductions substantially offset the dividend.

In fiscal years 1985 and 1986, these cuts were made on a retroactive basis, that is, they were intended to offset excess balances in the Stock Fund accounts which accrued because the prices actually paid for fuel were below the prices projected in the budget. The congressional reductions for fiscal years 1985 and 1986 offset most, but not all, of the dividends realized in fiscal years 1984 and 1985.[S01MY6-B65]

TABLE 3: COMPARISON OF ESTIMATED FUEL INFLATION DIVIDEND TO REDUCTIONS IMPOSED BY CONGRESS

[In billions]

	Dividend [1]	Reductions in fuel budgets imposed by Congress	Difference
Fiscal year:			
1982	$1.07	$0.49	$0.58
1983	1.27	0.85	0.42
1984	1.64	N/A	1.64
1985	.75	1.31	−.56
1986	.30	0.44	−.14
Total	5.03	3.09	1.94

[1] Estimate based on February 1986 forecast cited in Table 2.

In accordance with your wishes, we did not request official agency comments on this report. Our work was performed in accordance with generally accepted government auditing standards.

As arranged with your offices, unless you publicly announce its contents earlier, we plan no further distribution of the report until 30 days from its issue date. At that time, we will send copies to the Chairman, House Committee on Government Operations, Senate Committee on Governmental Affairs, House and Senate Committees on Appropriations, and House and Senate Committees on Armed Services; the Director, Office of Management and Budget; the Secretaries of Defense, Army, Navy, and Air Force; and other interested parties.

FRANK C. CONAHAN,
Director.

EXHIBIT 2

COMPANIES THAT PAID NO INCOME TAX

[The following chart lists 50 American companies that paid no Federal income tax or received refunds from 1981 through 1984, according to a recent survey of 275 companies by Citizens for Tax Justice. Total profits and tax refunds for that period are in millions of dollars]

Company	Profit	Tax refund	Tax rate (percent)
Boeing Co	$2,099.0	$285.0	−13.6
Dow Chemical Co	972.0	180.0	−18.5
ITT	815	177.7	−21.8
Tenneco	3,401.0	166.0	−4.9
Pepsico	1,798.7	135.8	−7.6
Santa Fe Southern Pacific Corp	2,309.0	133.4	−5.8
General Dynamics	1,579.5	103.8	−6.6
General Electric	9,477.0	98.0	−1.0
Transamerica Corp	748.6	93.6	−12.5
Texaco	1,819.0	68.0	−3.7

COMPANIES THAT PAID NO INCOME TAX—Continued

[The following chart lists 50 American companies that paid no Federal income tax or received refunds from 1981 through 1984, according to a recent survey of 275 companies by Citizens for Tax Justice. Total profits and tax refunds for that period are in millions of dollars]

Company	Profit	Tax refund	Tax rate (percent)
Ashland Oil	336.1	62.0	−18.5
Hutton (E.F.) Group	372.5	59.6	−16.0
Weyerhaeuser Co	929.2	59.1	−6.4
Georgia Pacific Corp	783.0	59.0	−7.5
IC Industries	534.7	55.4	−10.4
Northrop Corp	416.8	46.4	−11.1
First Executive Corp	444.2	44.2	−10.0
International Minerals and Chemical	371.6	43.7	−11.8
Mitchell Energy and Development Corp	458.7	41.1	−9.0
Dupont	4,075.0	40.0	−1.0
Mellon Bank Corp	544.7	32.8	−6.0
International Paper Co	1,136.3	32.6	−2.9
Ohio Edison Co	1,524.4	31.8	−2.1
Scott Paper Co	594.6	30.5	−5.1
Philadelphia Electric Co	1,892.5	30.3	−1.6
Panhandle Eastern Corp	1,220.7	28.8	−2.4
Union Carbide	892.0	26.0	−2.9
Piedmont Aviation	169.0	25.4	−15.0
Tesoro Petroleum	124.3	22.5	−18.1
Harris Corp	307.6	19.5	−6.3
Allied Corp	693.0	17.0	−2.5
Columbia Gas System	1,147.1	15.9	−1.4
Northern Indian PSC	792.5	14.6	−1.8
Arizona Public Service Co	1,278.4	14.1	−1.1
Singer Co	194.2	11.6	−6.0
Sun Chemical Corp	103.2	10.4	−10.1
Greyhound Corp	419.9	10.4	−2.5
Centex Corp	264.4	10.2	−3.9
Pennsylvania Power and Light Co	1,362.9	10.0	−.7
Xerox	1,122.7	9.2	−.8
Southwest Airlines Co	213.0	8.1	−3.8
Comerica	135.3	7.1	−5.3
Dun and Bradstreet Corp	967.0	6.7	−.7
Ogden Corp	251.5	5.6	−2.2
Jim Walter Corp	361.7	4.1	−1.1
International Multifoods	43.9	3.2	−7.3
Burlington Northern	2,799.2	1.1	−.0
Tyson Foods	69.1	1.0	−1.4
Grumman Corp	653.4	.0	−.0
Lockheed Corp	1,670.9	.0	−.0

Compiled by James Schwartz—the Washington Post.

Mr. WEICKER. Mr. President, I rise to commend the chairman and ranking minority member of the Budget Committee for their work in crafting a budget resolution compromise which incorporates increased fiscal year 1987 funding for education of handicapped children. It is my understanding that the resolution now includes an additional $265 million to fund a new initiative in the area of early childhood intervention services for handicapped children, and to provide for an increased Federal contribution to the State Grant Program for handicapped education.

On April 28, the Senate Subcommittee on the Handicapped unanimously reported S. 2294, the Education of the Handicapped Amendments of 1986, to the full Committee on Labor and Human Resources. That legislation asks Congress and the administration to accept both in law and fiscal policy what the experts now recognize in fact. That is, that this Nation has an opportunity to help lift an entire generation of handicapped children to levels of achievement and independence never before thought possible, through intensive services during the early childhood years.

The crucial link between early childhood intervention services, achievement, and economic benefit to the disabled and the Nation is now widely understood.

The Department of Education, in its 1985 report to Congress, said the following, and I quote:

Studies of the effectiveness of preschool education for the handicapped have demonstrated beyond doubt the economic and educational benefits of programs for young handicapped children. In addition, the studies have shown that the earlier intervention is started, the greater is the ultimate dollar savings and the higher is the rate of educational attainment by these handicapped children.

Therefore, consistent with the clear need for early intervention services and the provisions of S. 2294, this resolution now contains $200 million for early childhood intervention services for handicapped children.

Further, the resolution also contains $65 million to enable the Federal Government to begin, in a small but significant way, to make good on its 10-year old commitment to education of the handicapped through the basic State Grant Program. These funds, together with funds already available in the resolution as it was reported by the Senate Budget Committee, will allow the Federal share of the Handicapped Education State Grant Program to rise to 10 percent.

I'm sure my colleagues remember the enactment of Public Law 94-142, guaranteeing a free, appropriate public education for all handicapped children. That act authorized a gradually increasing Federal contribution beginning at 5 percent in fiscal year 1977, and growing to 40 percent by fiscal year 1982. The Federal Government kept up its commitment during the first 2 years after Public Law 94-142, but beginning in fiscal year 1979, we began to lag farther and farther behind the levels envisioned in the law. In fiscal year 1979, when the law authorized a 20-percent share, the Federal contribution was 12.5 percent. For the last 4 years, we have hovered around a 9- or 10-percent level, while the authorization has been at 40 percent. And under Gramm-Rudman-Hollings, the fiscal year 1986 appropriation ends up paying for only 8.6 percent. Yet my colleagues should know that, if the administration had had its way for fiscal year 1987, the percentage would have dropped below the fiscal year 1986 levels, to about 8 percent. Fortunately, the education amendment adopted by the Senate earlier in this debate turned aside that request.

Today, the Senate has reaffirmed its commitment to special education. Our efforts here on behalf of handicapped children are really of benefit to us all, as compassionate human beings, as taxpayers, and as the parents and friends of all those with disabilities.

TAX INCREASES NOT IN NATION'S INTEREST

Mr. KASTEN. Mr. President, I rise in opposition to the compromise budget resolution. This resolution contains nearly $54 billion in new taxes on the working men and women of this Nation. That new tax burden is unacceptable.

The compromise resolution takes the wrong course for reducing Federal deficit spending. We should not balance the budget on the backs of taxpayers by adopting a measure to provide for new taxes. Instead, we should make the difficult decisions necessary to reduce Federal spending.

I am deeply concerned that this budget resolution will be counterproductive in our long term efforts to reduce Federal deficit spending. A tax increase of this magnitude will have a negative impact on the Nation's economy.

This resolution ignores the potential impact of a major tax increase on our economy. What effect will a $54 billion tax increase over the next 3 years have? The economic assumptions behind this budget do not include a tax increase of anywhere near this size. Clearly a tax increase of this magnitude will have a significant impact.

I believe we are in danger of undercutting many of the important steps we have already taken to reduce Federal deficit spending. By enacting both the reconciliation package and the initial sequester under Gramm-Rudman, Congress has taken significant steps to reduce Federal spending.

These actions stimulated the economy; interest rates have dropped, inflation has been held in check and the economy has expanded. All of these actions have an impact on the Federal budget—all of these actions have been very positive. A tax increase will offset many of these gains.

Instead of adopting this resolution, I believe we need to live up to the duties our constituencies elected us to fulfill. We need to make the difficult decisions about reducing spending.

A modified across-the-board freeze is a better alternative. Such an approach could be crafted to protect critical domestic programs without the need for a major tax increase. It would also have the support of the American people.

The American people are willing to do their part. We need to keep our promise to them by reducing Federal spending. We should not take the easy way out of increasing taxes—that action will simply come back to haunt us in years ahead.

● Mr. KERRY. Mr. President, I commend the Budget Committee and its distinguished leadership for their efforts in bringing a balanced resolution before the Senate. I supported that original committee resolution and would have voted for it. But, I am not able to support this amended version.

It is a great deal better than the budgets finally voted in the previous 5

years of the Reagan administration and demonstrates that the Gramm-Rudman-Hollings climate has begun to put a cap on military spending; and reverses the constant trend of reducing domestic programs, and effectively reduces runaway Federal deficits. But, that progress, commendable as it is, simply is not good enough.

I cannot support an amendment which gives the Department of Defense $301 billion for this fiscal year. Mr. President, just 7 days ago Secretary of Defense Weinberger notified the Congress that the current Pentagon budget contains an extra $2.2 billion even after the $11 billion in cuts imposed in this years Gramm-Rudman-Hollings sequester cuts. In other words, the Pentagon is currently unable to spend out at the rate we funded last year yet we would, in this action, continue to fund it at inflation levels.

The revenue adjustments presumed in the amendment are questionable. Some have gone so far as to say that the numbers have been "cooked"; adjusted to include room for additional spending and reduced revenues while still reaching the Gramm-Rudman-Hollings target figures. Mr. President, this kind of numbers juggling is too much like the old pattern of avoiding hard choices by risking increased deficits. With potential sequesters facing us, that continued risk is too high. Had the amendment included a more forthright revenue package, including a strong commitment to tax compliance, I could have supported it. I will work to see that the conference includes such provisions.

Let me say a word about the domestic spending in this amendment. It is indeed a step in the right direction to see an end to major domestic reductions. I am greatly encouraged that almost all domestic programs stay at freeze levels, that WIN funding is restored, education and handicapped education funds are enhanced and that the pattern of massive cuts is reversed. But I am bothered that on balance this is not a 50-50 cut between military and domestic program. Instead, it is closer to a 75-25 split. Again, this heads us in the right direction but it falls short of the fairness needed for endorsement.

I am voting for final passage of this amended resolution so that we can continue to move through the budget process in an orderly way. It is my expectation that the House version of a budget resolution will go a long way in adjusting the discrepancy between domestic and defense spending and that the conference report which comes back to us in the Senate will be a Federal budget which I can support.●

● Mr. McCONNELL. Mr. President, for many of my colleagues the process which we are about to complete is but one more battle in a long history of budget skirmishes. For me, however, this is a relatively new ordeal. I have now served as a U.S. Senator during the forging of two budget resolutions, and I must admit that the experience is at once frustrating, and encouraging—it is the legislative process at its best, and at its worst.

The package before us is a compromise in the truest sense of the word. Indeed, I can say with virtual certainty that there is not a Senator in this institution who supports every line item of this budget.

But in the final analysis, Mr. President, democracy is not about perfection, it is about give and take. At the heart of democracy is a legislative process that is not smooth and efficient, but cumbersome, and tiresome, and laborious, and when it is completed the results are not always very attractive. To paraphrase Winston Churchill, there is no government worse than a democracy—except, of course, for all others.

And so Mr. President, we have a resolution before us which shows the nicks and scars of the legislative process. In reality, it is but the first modification of the budget initially reported out of the Senate Budget Committee. Before the authorization and appropriation process is finished the fiscal year 1987 budget will go through numerous changes.

What we approve tonight, then, is only a beginning. And while it is a beginning which I will support, I will do so only as a means of moving forward. I do not believe for a moment that the spending and revenue levels in this proposal are anything more than a starting point for the budget process this year. I think we can do better in terms of avoiding revenue increases. I believe we can do better in terms of maintaining a level of defense spending that keeps America strong. And I think we can do better in slowing the rush of entitlement and nondefense spending in the budget.

Our vote tonight is important, Mr. President, but it should be measured against our ability to make the really tough spending decisions in the weeks and months to come. By the time the budget process is finished this year, I will offer the people of Paducah, and Owenesboro, and Louisville, and Lexington, and London, and every town and city in my State more, in terms of fiscal restraint and accountability, than we are able to offer them tonight.●

[[The following proceedings occurred after midnight.]]

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, how much time remains?

The PRESIDING OFFICER. Eighteen minutes and 50 seconds remain over all.

Mr. DOMENICI. How much time would the Senator wish?

Mr. ARMSTRONG. Four or five minutes.

Mr. DOMENICI. I yield 4 or 5 minutes.

Mr. ARMSTRONG. I would like to propound a parliamentary inquiry. It is my understanding we have pending a substitute amendment, the effect of which would be to raise the defense number and lower the amount of the projected tax increase. I think most of us, probably every Member, is going to want to vote for the amendment. The real question under debate is whether or not having done so we would want to then go ahead and vote for final passage.

I know of no reason anybody would want to vote against the substitute amendment because it does improve the resolution.

As I read the handout, there are some $53 billion in proposed revenue increases over the next 3 years. Have we a 5-year figure on that?

Mr. DOMENICI. I do not have one.

Mr. ARMSTRONG. I would like Senators to think about maybe $100 billion over 5 years as sort of a ballpark figure. I do not have a number either, but that would be a reasonable extrapolation.

The reason I mention it is because we are in the process of trying to write a tax reform bill. We are struggling mightily to come up with a revenue neutral tax bill. The passage of this resolution, as I see it, is going to add $100 billion, maybe only $90 billion or maybe $110 billion, but a large additional task to the Senate Finance Committee.

It is my view that the passage of this kind of a budget resolution would probably scuttle tax reform. I am not sure we are going to have tax reform anyway. But a vote for this, in my opinion, is a vote against serious attempts at tax reform.

Second, Mr. President, I just want to say that this seems to me to be sort of an act of political jujitsu. Ronald Reagan won the last election, but we are ending up with a Fritz Mondale budget. I understand that the proposed amount of this, while a large amount in dollars, is not a very big percentage of the total national budget. That is an argument that we ought to go along with the tax increase.

But while the amount is not large compared to the total budget, the savings that would be necessary to avoid taking that step would not be extraordinarily large either.

I say to my friends tonight is not the last step in the process; it is the first. The small tax increase that we are

being asked to approve, if we think a $50 billion 3-year, $100 billion 5-year tax increase is just a little increase, remember this is not the last time we will visit this issue this summer. We will be back to it.

It is almost inconceivable that the amount of the projected tax increase is going to decline. It is going to go up.

Let me point out something else, that we are projecting very favorable economic trends. Maybe they are right on target. If inflation starts to march up again and interest rates start to march up again, and that will happen sometime—I do not know when, but at some point it will happen—then we will have to have a further tax increase unless we think in that economic environment it is going to be a lot easier to cut spending for Federal domestic programs.

So what we are really doing is taking the first step of what will probably be several steps toward higher taxes.

Mr. President, I do not think that is a good idea.

That brings me to my next question.

Have we a response from the President as to his view of this proposed tax increase?

Mr. DOMENICI. Let me say that I am going to reserve enough time to let our distinguished majority leader address the body. I assume he will answer the question at that point.

Mr. ARMSTRONG. Mr. President, the final argument that is advanced in favor of this is that it is better than a sequester, and it is not obvious to me that that is the case.

In some respects, it is better than a sequester if you assume that the sequester itself is the last word. At least, we can console ourselves that this is a little better on defense. But is it really any better on defense?

In response to a direct question by the Senator from Alaska, the manager——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ARMSTRONG. Might I have 30 seconds more?

Mr. DOMENICI. Thirty seconds. Make it quick.

Mr. ARMSTRONG. In response to the question of the Senator from Alaska, the leader of the conferees said it was not his intention to give up on this number, but he sure did not promise that he would not. He could have. There would be nothing improper or unprecedented if he just said, "No, I will say to the Senator from Alaska, I am not going to give up."

When the minority manager was asked that question, "Are you prepared to stick to 301, is that why we are taking this step we do not want to take?" the minority manager declined to be interviewed, and I think that speaks for itself. I am for the amendment, but after we adopt it, I am not for the resolution.

Mr. DOMENICI. Mr. President, let me correct one thing. When you take the already passed reconciliation bill into effect, and it has passed and we have voted for it and it has been signed, the Finance Committee change is $10.5 billion, $17.4 billion, $17.7 billion, for a total of $45.6 billion. Those are the numbers in the 3 years.

Senator ARMSTRONG, the Senator from Colorado, used the prereconciliation numbers. I acknowledge using the after reconciliation ones, because we already finished that work.

I do not have 5 years because the budget resolution is only 3 years.

Mr. ARMSTRONG. If the Senator will yield, it is not my purpose to quibble. I was simply reading the figures distributed as to revenue increases. It is only $45 billion for 3 years instead of $53 billion. I will accept the Senator's explanation, but the principle remains the same.

Mr. DOMENICI. I just want 30 seconds and then I will yield to Senator CHILES, asking that he save 4 minutes for the majority leader.

With reference to defense and whether the Senator from New Mexico goes to conference intending to hold 301 to 282 for budget authority and outlays respectively. I intend to ask the majority leader to appoint a majority of Republican conferees who agree to that position or they do not go to conference. I do not know what else I can do.

If you need a promise, we cannot promise with reference to 4 or 5 months from now, but that is my intended position and hope.

Mr. JOHNSTON. Will the Senator yield 2 minutes?

Mr. CHILES. I yield.

Mr. JOHNSTON. Mr. President, I will not and cannot slow down this midnight express train, but before it goes out of this Chamber let us just think for a moment about what we have done to this budget in terms of the size of the deficit since it left the Budget Committee.

By my calculation it is somewhere between $10 billion and $16 billion that we are adding to the size of the deficit, some of it very plainly.

$3 billion additional in spending. That is admitted.

$5.5 billion in less revenues. That is admitted.

There is at least another $2.7 billion in what I consider to be mainly cooked numbers.

$1.8 billion on OCS. Do you know where that came from? Money already received and we are playing like we are putting it over into next year. We ought to give the Dave Stockman magic asterisk award for that little slight of hand for $1.8 billion.

How many of you think——

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. DOMENICI. Can the Senator restate the reference? Is it a small one?

Mr. JOHNSTON. I guess it is. I guess it is.

But that is not all. You have FHA mortgage insurance at $1.8 billion. They tell me the House will not accept it. You assume everything else is accepted, another $2.7 billion.

We have not counted the $4.5 billion in defense CA. That is money that has to be spent. If you add all of that up, it is $15.7 billion added to the deficit.

The deficit used to be a higher priority than that. While we are congratulating ourselves and passing this out of the Senate, just remember you are adding about $15.7 billion to the deficit.

Mr. CHILES. Mr. President, I yield 2 minutes or such time as he might need to the distinguished minority leader.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. BYRD. Mr. President, the hour is late and everything has been said that has to be said with reference to the budget. I want to compliment the distinguished chairman of the Budget Committee [Mr. DOMENICI] and I want to compliment the equally distinguished ranking member [Mr. CHILES]. They have worked hard and they have persevered. I think that the product of their work and the work of others on that committee is fundamentally sound. I hope that it will receive a good bipartisan vote. It is certainly preferable to Gramm-Rudman. It puts the budget deficit on a glide path toward a balanced budget in fiscal year 1991. I feel that the Senate will be rendering a service to the country in passing this resolution and I thank all Senators.

□ 0010

Mr. DOLE addressed the Chair.

Mr. CHILES. Mr. President, I just wanted to say a special word of thanks to the senior Senator from Mississippi [Mr. STENNIS], who is here to vote on a budget resolution at this late hour. Throughout the year and throughout the 4 years I have been the ranking member on the Budget Committee, Senator STENNIS has been a stalwart warrior in supporting the process. I thank him for coming at this late hour and being part of the vote.

The PRESIDING OFFICER. There are 8 minutes remaining. The majority leader is recognized.

Mr. DOLE. Mr. President, first let me thank all my colleagues. Let me assure those who have been wondering "Where is the budget," we are about ready to find out where the votes are.

I would guess we are in about the same shape we are in every year. Some do not like any of it, some like parts of it, some like all of it, and some do not really care. I suggest that after some

discussion—we have had a lot of discussion. I want to thank both Senators DOMENICI and CHILES and many others and the distinguished minority leader. I believe we have a pretty good budget.

Maybe there is a little cooking going on—not much compared to other years. It hardly needed a stove. So I suggest to the distinguished Senator from Louisiana that there may be but they are really savings, not bookkeeping. I suggest there is very little of that in this budget resolution.

Many of my colleagues on this side are concerned about the revenues. I urge my colleagues to understand that we have gone from around 19 and a billion and a half—that was added on the floor. It was 17-some. I guess if you take out the COBRA, it was down to about 17. We are now down to about 10.6 in revenues.

The President's number, if you take out the cigarette tax and others that have already been passed, would be about 4. So there is a difference of about $6 billion, a bit more.

I am not certain what the Senate Finance Committee will do, but last year, we covered State and local employees with Medicare coverage. That is $1.7 billion. There is also a provision that indicates that about 20 percent of the total could be an additional savings cut in anything that the Finance Committee is asked to do. That is another $2 billion.

There are some who suggest there could be other program changes. I do not want to leave the impression that there might not be any revenue; I am suggesting that it would be very slight. Many of us had hoped that there would be none at all.

I do not believe it is necessary to increase revenues, but I also know that it is necessary to pass a budget resolution.

There are some who never vote for anything unless they can draft it and they would not vote for it if they thought it might pass. I just suggest we have reached that point where we have to pass something.

I have talked with Don Regan a couple of times this evening. They were just leaving the airport at Indonesia for Tokyo. I think I can report the conversation in the following way:

In the earlier conversation, I told the Chief of Staff that we probably had two options: that I believe we could to out and kill the pending budget resolution or any substitute offered because I did not believe there would be a majority of Republicans that would vote for it and therefore I doubted that a majority of Democrats supported it. So it would not pass. That was option No. 1. I gave him that option.

The second option is to do the best we can to reduce the revenues, to increase the budget authority on defense, increase the defense outlays to $232 billion and so some more reduction on the spending side. I said that is the other option.

So Don Regan carefully took the number of numbers that we gave him on the telephone. We were in touch with the Budget Office. They gave him additional numbers later.

He returned my call from the airport at Bali—some airport over there. This is precisely what he had to say: that the President would issue a statement. First of all, he wants the budget process to continue. They want a budget resolution. The President would express some disappointment. I think he is justified to do that with this budget. Many of my colleagues have already expressed some disappointment, so the President ought to have the same opportunity. He would indicate he thought we had gone too far on the revenues, not far enough on defense, not far enough on spending reduction, which is pretty much the same position the President has held in the past several weeks.

Beyond that, it is my understanding that he would also say in the statement that his—maybe "commendation" would be too strong a word, but some indication that he appreciates the fact that the Senate has met its responsibility.

That is not a flat-out endorsement of what we have before us, but it is an indication that the President wants us to move ahead. If he were here or if we had more votes to do what he would like to do, we would do it.

It had been my hope earlier on that before we adopt this amendment, there would have been another amendment offered that would have given some a vote on no revenue increases, more defense spending, and more nondefense spending reductions. But it has been determined by the original sponsor of that amendment not to offer it so it will not be offered.

So the vote we have now is whether or not to adopt the substitute. In my view, the choice is fairly obvious. We can meet our responsibilities, we can send this to the House, we can find out—and I trust the House Democrats and Republicans will respond, and we can have a budget conference fairly soon and get on to the reconciliation and appropriations bills and do our work.

We are a bit behind schedule. As I remember, we are 10 days ahead of where we were last year. We passed a budget resolution, I think, at 3 o'clock in the morning on May 10. So we have made a little progress over last year.

I urge my colleagues on both sides: What we need is a strong, bipartisan in support of the Domenici-Chiles substitute. It is not perfect. It is not what any of us would have offered if we had the votes.

I am not certain the votes are here. I think so. I hope we have 70 or so votes on this final amendment.

I want to thank all Members, even those who oppose the effort, for their constructive criticism over the past week and constructive efforts to put together a package. I am prepared to join my colleagues in not only speaking for the amendment but voting for the amendment. I thank my colleagues.

Mr. President, I yield 10 seconds to the Senator from South Carolina.

AFFECT OF SPENDING CUTS ON U.S. DEFENSE

Mr. THURMOND. Mr. President, since Reagan came to office, Congress has cut $180 billion from the President's plan to rebuild America's defense.

If the orginal budget as reported by the Budget Committee for fiscal year 1987 is passed, $205 billion will have been cut from defense budget between fiscal year 1982 and fiscal year 1987.

Cuts in Defense Budget have hurt American security.

The Navy has to "cross-deck" ammunition and spare parts before ships can go to sea. This means that ships returning from deployment must unload ammo and parts and give to other ships before they can go to sea.

This means if war comes, only a portion of our fleet will be able to fight at 100 percent of capability.

In NATO, we will run out of certain types of ammunition stocks within a short time.

Stocks of spare parts are also dwindling. Combat readiness and effectiveness threatened.

Military pay and benefits are too low.

Military pay is at its lowest point below private sector since draft ended, 8.3 percent below.

On October 1, 1986, military pay will fall to 12.3 percent below the private sector.

This comes at a time when the manpower pool of military is shrinking.

Spending for social programs is out of control.

Twenty-five years ago, defense spending accounted for almost 51 percent of Federal outlays.

Today, it comprises less than 27 percent.

Quarter of a century ago, defense spending accounted for almost 10 percent of GNP. Today, it amounts to only 6 percent.

The defense of the Nation is our chief responsibility.

Without a secure defense, peace cannot be kept.

History shows that war occurs when strong nations threaten weak ones.

Our Government's top priority is to protect its citizens.

Mr. President, I commend the able majority leader [Mr. DOLE], the chairman of the Budget Committee [Mr.

DOMENICI], and the ranking member of the Budget Committee [Mr. CHILES] for the good work they have done in bringing this amendment to us. The amount for defense was increased and I appreciate that. I would have liked more, but they have done the best they could.

It seems to me that we ought to go along with this and adopt it promptly.

Mr. DOMENICI. Mr. President, I thank the distinguished majority leader for all the help he has been. This has been a very difficult and trying 3 or 4 weeks. I think without his help, we wouldn't be here. Without his help, we would not pass it. I know it is a very tough decision for him as it is for a lot of the others.

Second, I want to thank Senator CHILES, the ranking minority member. There is no doubt we could not have gotten a budget unless it is bipartisan. We think we did a good job in committee. When you consider the Senate as a whole, this is probably a product that is more consistent with its desires.

I want to thank all of those who helped. It has been days and days, a tough problem, a very tough thing to do. I think it is a step in the right direction.

I repeat, while it is not perfect and while we might be off a little, I think the chances of having a sequester if this is adopted and implemented are minimal. The chances without it are maximum.

I thank the minority leader [Mr. BYRD] for his help and cooperation also.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment.

Mr. DOMENICI. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 2 minutes.

□ 0020

Mr. BYRD. Mr. President, this first vote will be not on a substitute but on a package which, in essence, touches all the numbers. I assume that we will have a vote on the amendment and then a vote on the resolution as amended—two votes.

Mr. DOMENICI. I say to the minority leader that shortly we will have to pass something, so we have to vote at least twice. If the Senator wants rollcalls, we will have to do so. Otherwise, we will have one on this and we will have to have a vote on the resolution.

Mr. BYRD. That is what I want to know—whether the Senate wishes a yea-and-nay vote on final passage.

Mr. President, I wonder if the majority leader will indicate whether or not the Senate will be in tomorrow, when it will come in next, and what we will be doing on Monday. I assume that this is all the Senate will do tonight, when it completes this matter.

Mr. DOLE. It is now Friday; and when we complete our work this morning, we will not be in the balance of today, Friday.

We will come back at 12 noon on Monday. We hope to take up the nomination of Jim Fletcher. We also hope to dispose of a couple of other matters if we can clear them—maybe the Newman nomination.

I doubt that we can do the bankruptcy judges matter on Monday.

If there are votes ordered on Monday, they will occur on Tuesday.

Mr. BYRD. I wonder if we should not order the yeas and nays on final passage.

Mr. DOLE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. So there will be no rollcall votes on Monday. Am I correct?

Mr. DOLE. No rollcall votes on Monday, unless somebody wants a rollcall. [Laughter.]

Mr. BYRD. Mr. President, I want the RECORD to show whether or not there will be a rollcall vote on Monday.

The PRESIDING OFFICER. All time has expired.

Mr. BYRD. I ask unanimous consent to proceed for an additional minute.

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

Mr. BYRD. Mr. President, does the majority leader say there will be no rollcall votes on Monday?

Mr. DOLE. I understand there may be a rollcall vote on the Fletcher nomination. If that is so, we will have the vote on Tuesday. We will have the debate on Monday.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico and the Senator from Florida. On this question the yeas and nays have been ordered, and the clerk will call the role.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER], and the Senator from Florida [Mrs. HAWKINS] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Missouri [Mr. EAGLETON], and the Senator from Hawaii [Mr. INOUYE], are necessarily absent.

I further anounce that, if present and voting, the Senator from Missouri [Mr. EAGLETON] would vote "Yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 66, nays 29, as follows:

[Rollcall Vote No. 88 Leg.]

YEAS—66

Abdnor	Dole	Murkowski
Andrews	Domenici	Nickles
Armstrong	Durenberger	Nunn
Baucus	Exon	Packwood
Bentsen	Ford	Pressler
Bingaman	Gorton	Proxmire
Boren	Gramm	Quayle
Boschwitz	Hatfield	Riegle
Bradley	Heinz	Rockefeller
Bumpers	Hollings	Rudman
Byrd	Humphrey	Simon
Chafee	Kassebaum	Simpson
Chiles	Lautenberg	Stafford
Cochran	Leahy	Stennis
Cohen	Long	Stevens
Cranston	Lugar	Thurmond
D'Amato	Mathias	Trible
Danforth	Matsunaga	Wallop
DeConcini	Mattingly	Warner
Denton	McConnell	Weicker
Dixon	Metzenbaum	Wilson
Dodd	Mitchell	Zorinsky

NAYS—29

Burdick	Hecht	Melcher
East	Heflin	Moynihan
Evans	Helms	Pell
Garn	Johnston	Pryor
Glenn	Kasten	Roth
Gore	Kennedy	Sarbanes
Grassley	Kerry	Sasser
Harkin	Laxalt	Specter
Hart	Levin	Symms
Hatch	McClure	

NOT VOTING—5

Biden	Goldwater	Inouye
Eagleton	Hawkins	

So the amendment (No. 1822) was agreed to.

□ 0040

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

ADMINISTRATION OF JUSTICE

Mr. RUDMAN. The budget resolution for fiscal year 1987 as adopted by the Senate would increase outlays in budget function 750 by $168,000,000 above the amount assumed in the original version of Senate Concurrent Resolution 120. Is it the understanding of the distinguished chairman of the Budget Committee, Senator DOMENICI, that this increase is not meant to be earmarked for any particular programs?

Mr. DOMENICI. The Senator from New Hampshire is correct. The Appropriations Committee can allocate these additional resources as it sees fit, and previous action on Senate Concurrent Resolution 120 is irrelevant as it affects the increase assumed in the substitute budget resolution.

Mr. RUDMAN. I thank the chairman of the Budget Committee for this clarification. As the Senator knows, I am very concerned about the potential

impact of the budget resolution on the operations of the Federal Judiciary and the Federal Prison System. It will be very difficult to provide adequate resources for either organization under the funding levels assumed in the budget resolution, even with the addition of $168,000,000 in outlays.

To illustrate this point, I ask unanimous consent that a table showing comparative workload data for the Federal Judiciary be printed in the RECORD.

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

COMPARATIVE WORKLOAD DATA FISCAL YEARS 1976–87 (ESTIMATED)

Fiscal year	Appeals	Percent change
U.S. Courts of Appeals:		
1976	18,408	
1977	19,011	3.3
1978	19,185	0.9
1979	21,127	10.1
1980	23,204	9.8
1981	27,101	16.8
1982	27,761	2.4
1983	30,387	9.5
1984	32,342	6.4
1985	33,506	3.6
1986 (estimate)	36,500	8.9
1987 (estimate)	39.500	8.2
Percent change 1987 estimate over 1976		114.6
U.S. District Courts:		
Civil cases:		
1976	130,597	
TQ	32,504	
1977	133,929	[1] 2.6
1978	140,544	4.9
1979	160,016	13.9
1980	171,346	7.1
1981	185,626	8.3
1982	212,503	14.5
1983	250,855	18.0
1984	259,549	3.5
1985	278,681	7.4
1986 (Estimate)	283,000	1.5
1987 (Estimate)	295,000	4.2
Percent change 1987 estimate over 1976		125.9
Criminal cases:		
1976	41,020	
TQ	10,303	
1977	39,464	[1] −3.8
1978	34,255	−13.2
1979	31,196	−8.9
1980	29,387	−5.8
1981	31,280	6.4
1982	33,097	5.8
1983	35,390	6.9
1984	37,829	6.9
1985	39,720	5.0
1986 (estimate)	42,000	5.7
1987 (Estimate)	42,000	0.0
Percent change 1987 estimate over 1976		2.4
United States Bankruptcy Offices:		
1976	246,549	
TQ	54,261	
1977	212,669	[1] −13.7
1978	202,518	−4.8
1979	240,676	18.8
1980	300,180	24.7
1981	363,627	21.1
1982	374,235	2.9
1983	362,320	−3.2
1984	346,594	−4.3
1985	383,497	10.6
1986 (Estimate)	440,000	14.7
1987 (Estimate)	485,000	10.2
Percent change 1987 estimate over 1976		96.7

[1] Percent change excludes transition quarter.

Mr. RUDMAN. Mr. President, I thank the Senator from New Mexico and I yield the floor.

DOE SCIENCE

Mr. SASSER. Mr. President, I am concerned about the funding levels assumed in the budget resolution for Department of Energy high energy and nuclear physics science programs. What does Senate Concurrent Resolution 120 assume for these programs' funding levels.

Mr. DOMENICI. Like nearly all domestic discretionary programs, the DOE high energy and nuclear physics science programs were assumed to be frozen in fiscal year 1987 at the fiscal year 1986 postsequester program level. Of course, this is only the assumption used by the Budget Committee to develop the overall total for function 250, within which these programs are carried. The Appropriations Committee is obviously free to increase or decrease the actual fiscal year 1987 appropriations level for high energy and nuclear physics science programs, as they see fit.

Mr. GORTON. Mr. President, I would like to address some questions about the compromise proposal to the distinguished chairman of the Senate Budget Committee, Senator DOMENICI.

Does the compromise proposal which is now before the Senate provide an additional $200 million in outlays for fiscal year 1987 for function 250: General Science, Space and Technology, as compared to Senate Concurrent Resolution 120 as reported by the Budget Committee?

Mr. DOMENICI. Yes, it does.

Mr. GORTON. Is this $200 million in outlays earmarked in any way for specific programs or agencies within function 250, or would it be available to the Appropriations Committee to be allocated to programs within the function, as is their normal function and prerogative?

For example, could some of this additional $200 million be allocated to the National Science Foundation as well as to NASA?

Mr. DOMENICI. The Senator is correct. As I have tried to make clear to all Senators during this debate, and as can be seen from a careful reading of the budget resolution, we do not in the budget resolution allocate funds to specific programs. Assumptions may be made by various members about how funds may be allocated. Very rarely some of these funds may be restricted, for example, the way some funds in function 250 are available only for restoring NASA's space transportation system. But in general under the budget process, the additional $200 million in outlays will be crosswalked to the Appropriations Committee, and it is up to that committee to allocate these funds to specific programs within that function. Some of this money could well go to the National Science Foundation, but it is up to the authorization and appropriations committees to make the final allocation.

Mr. GORTON. I thank the distinguished chairman.

Mr. DOMENICI. Mr. President, I want to express my sincere appreciation to both the majority and minority staff of the committee for their hard work in assisting both myself and the ranking members in bringing this resolution to fruition. Without their help I am sure we would not have made it this far.

I also want to express my sincere thanks to the majority leader's staff, particularly chief of staff Sheila Burke for her assistance over these last few arduous weeks.

I thank them all.

Mr. LEVIN. Mr. President, I intend to vote in favor of final passage of this budget resolution, although with some misgivings.

In my view, it was a mistake to adopt the substitute to the committee reported bill as we did a few minutes ago. I did not agree with every part of the committee reported version. I doubt anyone did. But what I liked about that budget plan was that it met the Gramm-Rudman deficit target of $144 billion through realistic economic assumptions, a realistic appraisal of the spending cuts that Congress would actually make, and a realistic view of the need to raise revenues.

It was, thus, better than the substitute which was just approved and which I voted against. That substitute makes assumptions about the cost-of-living adjustments which, although not incredible, are highly optimistic. It makes a determination about the need for revenues which, although not irresponsible, is probably understated.

When new savings are found late in the night and when revenues diminish late in the night, I think it is fair to be skeptical of this work-product as compared to the committee reported version, which was the result of days of deliberations. Furthermore, the revelations of David Stockman have made all of us uneasy about rosy scenarios and cooked numbers. The prospect of repeating bad history should make us all uneasy. The prospect that the cooking of the numbers will be overdone and burn all of us with an increase in the deficit certainly should not be something we vote for as a first choice.

But the Senate, over my opposition, did vote for the substitute. The question, then, is whether the budget resolution before us as amended is better than the alternative of doing nothing. It is better for three reasons. First, it moves the process along so that the House will get on with its work on the budget, and so we can achieve a joint congressional budget upon which the appropriations process and the authorization process can proceed within

some discipline. Second, passage of this resolution avoids sending out the signal that the deficit will not be addressed. The passage of Gramm-Rudman had a favorable impact even before it had any legal effect because it sent out a positive signal of our determination to reduce the deficit and reach a balanced budget. The failure to act now would send the opposite signal with the opposite effect. Third, passage of this resolution makes it less likely that there will be any across-the-board cuts through a sequester order. The across-the-board cuts are supposed to be an effective way to force the Congress to take responsible action, but they are not a substitute for responsible action. Responsible action will only come through making the hard decisions as part of the budget process. Passage of this resolution puts us on a road where we may still yet follow a responsible course to its conclusion.

Mr. DOLE. Mr. President, this has been a long and difficult day for many of us. But we're beating last year's budget deadline by 9 days, it's not anywhere near 3 o'clock in the morning, and as far as I know, nobody's going to be wheeled in on a stretcher to vote tonight, although some have to be wheeled out. And it looks like we won't need the Vice President here to break a tie.

Seriously, when all is said and done I think this day will prove to be a successful one. The substitute budget we will vote on shortly is a significant improvement over the Budget Committee's resolution in three important areas.

First, the revenue increase is substantially lower. Instead of the $18.7 billion in the committee's resolution, this budget would call for additional revenues of $13.1 billion. And over 3 years, the figure would be $55 billion rather than $74.3 billion.

Second, we have added reasonable but essential funds back into the critical defense function. For fiscal 1987, defense spending authority would be $301 billion, opposed to the $295 billion in the committee resolution. Defense outlays in fiscal 1987 would be $282 billion.

Finally, we were able to accomplish this change because we went back and made substantial reductions in nondefense spending. In 1987 alone, we saved an additional $8.7 billion in these programs—and over the next 3 years these program reforms will yield $25 billion in savings.

Mr. President, tonight we reached a major turning point. A few hours ago I spoke with the President's Chief of Staff Don Regan. I told him, quite bluntly, that we had two choices. We could kill the budget, or we could keep the process alive.

Mr. Regan told me don't kill it—and I hope we won't. There is no such thing as a perfect budget. But this is an honest, straightforward attempt to deal with economic realities. It meets the deficit targets under Gramm-Rudman-Hollings—not by making defense a whipping boy and not by tax overkill.

Last fall when we approved Gramm-Rudman-Hollings Congress assumed a responsibility, tonight we can face up to that commitment to deficit reduction and approve this budget resolution. Or we can turn our backs on the process, roll the dice and hope that the gods will save us from sequester. My choice is to opt for being responsible.

Mr. BYRD. Mr. President, I must say that I am, more than anything else, relieved tonight that the Senate apparently is going to rise to meet its responsibilities to pass a budget—and that the majority of those on the other side of the aisle apparently will join a majority on this side of the aisle in assuring that we pass a budget that I believe can be labeled accurately bipartisan and responsible.

This budget, Mr. President, is by no means my idea of a perfect budget. I would design a quite different budget if the task were solely mine to perform. But this is a worthy product of the political process—wherein reasonable people who may differ in many ways arrive at a reasonable compromise that protects the vital interests of this Nation.

Most important, Mr. President, by passage of this budget, we avoid the train wreck of Gramm-Rudman that otherwise will be the Nation's fate. That is an outcome that the Congress cannot and must not allow; it would decimate both our national defense and our human services and other domestic programs which are so essential to the strength, vibrancy, and future of this Nation.

I must express my admiration for the tenacity and the capability—and the courage—of the chairman of the Budget Committee, and the ranking Democratic member of the Budget Committee, Mr. DOMENICI and Mr. CHILES, who have labored long and hard to see that we have a budget on the floor to accept this evening. The forces that were arrayed against this successful outcome were strong and entrenched. They included an administration that would not negotiate with anyone on anything, but instead only stood along the sidelines throwing brickbats.

But due to the perseverance and the commitment of these two Senators and a number of others, we will meet our responsibility tonight, Mr. President, and will do so in what I believe is a fundamentally responsible manner.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution, as amended. The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Florida [Mrs. HAWKINS] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Missouri [Mr. EAGLETON] and the Senator from Hawaii [Mr. INOUYE] are necessarily absent.

I further announce that, if present and voting, the Senator from Missouri [Mr. EAGLETON] would vote "yea."

The PRESIDING OFFICER [Mr. EVANS]. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 70, nays 25, as follows:

[Rollcall Vote No. 89 Leg.]

YEAS—70

Abdnor	Evans	Murkowski
Andrews	Exon	Nickles
Baucus	Ford	Nunn
Bentsen	Gore	Packwood
Bingaman	Gorton	Pell
Boren	Hatfield	Pressler
Boschwitz	Heinz	Proxmire
Bradley	Hollings	Quayle
Bumpers	Johnston	Riegle
Burdick	Kassebaum	Rockefeller
Byrd	Kennedy	Rudman
Chafee	Kerry	Sarbanes
Chiles	Lautenberg	Sasser
Cochran	Leahy	Simon
Cohen	Levin	Simpson
Cranston	Long	Stafford
D'Amato	Lugar	Stennis
Danforth	Mathias	Stevens
DeConcini	Matsunaga	Thurmond
Dixon	McConnell	Trible
Dodd	Melcher	Warner
Dole	Metzenbaum	Weicker
Domenici	Mitchell	
Durenberger	Moynihan	

NAYS—25

Armstrong	Hatch	Pryor
Denton	Hecht	Roth
East	Heflin	Specter
Garn	Helms	Symms
Glenn	Humphrey	Wallop
Gramm	Kasten	Wilson
Grassley	Laxalt	Zorinsky
Harkin	Mattingly	
Hart	McClure	

NOT VOTING—5

Biden	Goldwater	Inouye
Eagleton	Hawkins	

So the concurrent resolution (S. Con. Res. 120), as amended, was agreed to.

(The text of the concurrent resolution (S. Con. Res. 120) will be printed in the RECORD of Monday, May 5, 1986.)

□ 0050

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order. Those Sena-

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tors in the well will please clear the well, and those Senators in the aisle will take their seats or go to the cloakrooms. The Senate will please be in order.

Mr. CRANSTON and Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. CRANSTON. Mr. President, will the majority leader yield for a question? Can I ask a question of the majority leader?

SAUDI ARMS PACKAGE

Mr. CRANSTON. Mr. President, as the majority leader knows, I have been talking with him for some time about the resolution disapproving the Saudi arms package. I have sought to accommodate myself with the Senate program, and the majority leader's need. But we do have a deadline looming. I wonder if the majority leader will be able to work out in his own mind when it might fit into his schedule.

Mr. DOLE. Mr. President, I know the distinguished Senator from California, and the Senator from Iowa wanted to meet with me today on this issue. We were tied up in the budget process. I think we have made some progress on the House message on S. 49, the so-called gun bill.

□ 0100

I would hope on Monday we might get a time agreement on that. We are quite close to doing that. If that were the case, if we had a time agreement, we could probably move to the arms sale ahead of the gun bill.

Mr. CRANSTON. I would hope that something could be worked out that would make it possible to get to it. As the majority leader knows, the time runs out next week. If we could not work it out, I would have to make a motion sometime Tuesday to proceed. I hope to work it out with the majority leader so that that is not necessary.

Mr. CHILES. Will the Senator yield?

Mr. DOLE. Let me say, first, I understand the Senator's interest and I hope we can accommodate the request.

Mr. CHILES. Mr. Leader, I just wanted a moment to express my appreciation to the distinguished chairman of the Budget Committee for the work that he has done all through this process. I know it has been a time of great pressure for him under many adverse circumstances. I think his persistence in being stalwart has paid off in the vote we have had in passing this. I admire him for the work he has done very much.

I also wanted to just express my appreciation to the staff of the majority and the minority for the tremendously long hours they have put into this process, as well as the members of the Budget Committee, on both sides of the aisle. I think the work they have done has certainly been yeoman. I do want to express also my appreciation to the majority leader and the minority leader for the cooperation they have given us in this effort.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I thank my friend, the senior Senator from Florida, immensely for his kind words.

Let me say first to every Senator, to every staff member, and in particular my friend, the senior Senator from Florida, that I apologize if I have from time to time in the last couple of weeks been less than a gentleman. Perhaps I have lost my temper occasionally, and maybe I have even acted as if I did not appreciate what everyone was doing. But, frankly, it has been a very difficult undertaking.

Having said that, I want to thank the staff on both sides, and particularly the staff of the majority leader for their help.

I want to say that I think this is the best budget vote we have had since we have had a budget process, with no exceptions.

I started this process about 7 weeks ago, attempting to meet the goal. About a week into the serious discussion, I concluded that this was a year to get a bipartisan budget. I was right then, I was right when I came out of committee, and I think the Senate has proved that tonight.

It is far better for the U.S. Senate at this juncture, when we have to do some tough things, to have 70 U.S. Senators voting for this resolution from both sides of the aisle, with a majority of the Republicans and a majority of the Democrats voting for it than almost anything we could do. I believe it sends a signal to the U.S. House that something very close to this is what we ought to do and we ought to get on with it.

I believe it says we are serious about getting to Gramm-Rudman-Hollings totals in our own way, not in any forced way of sequester. After deliberation, we have made choices. I hope the House follows through and I hope our majority leader reminds them that they are committed to following through and quickly.

This is exactly what we ought to do. We are a little bit late but not too late. We will get it done and the appropriations process can find its way back onto the floor in a meaningful way if we get this done.

I want to save my last thanks for two people:

Senator CHILES, I appreciate everything you have done, the concessions you have made, and they have been in both directions. You have conceded; I have conceded.

Last, but not least, I thank Senator DOLE. He, too, has conceded. Obviously, he is the leader of this Senate on the majority side, its real leader. It was a tough decision for him, but he did it. It took a while.

This is close to what we thought at the very beginning, and I frankly think it is just about the right policy for this time in our history.

I repeat, it is better that it be 70 to 25 than that we be looking around for the last vote. As a matter of fact, we may have given up less this way than when we had to sit in the back room and every single Senator that we needed for a vote got something. Those were pretty expensive Senators. Maybe the whole UDAG program for one vote, and who knows how many more.

I think this will be implemented and that is most important.

With that, we will put some detailed statements in thanking people when we return Monday. I yield the floor.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, let me just thank again the managers of the bill and all my colleagues who supported this and those who did not support the final vote. In my view, we have demonstrated again in the Senate of the United States that we take our duties seriously.

I want to thank the Presiding Officer, Senator EVANS, for helping us on this last vote. I know he had some difficulties, some real problems with parts of the resolution.

It would seem to me that we came very close to having almost an overwhelming vote for the resolution. We had a vote ahead of this vote that would have indicated no changes in revenue. Many Senators who voted for that voted for final passage when it was determined not to offer that amendment.

I understand there will be a statement issued by the traveling White House sometime soon. I would hope the President would interpret the vote correctly. A vote of 70 to 25 is a rather decisive vote. I hope the House will interpret the vote correctly.

As I recall, when we met with the Speaker and others, they indicated that within 72 hours after we completed action they would have a bill reported out of committee.

I would hope it is not the document that I displayed this morning. If it is, it will demonstrate a total unwillingness to act responsibly in the budget process.

I believe we have carried out our responsibilities. Some will be displeased. Some will have wanted more defense. Some would have wanted more spending reductions in nondefense. Some would insist there should be even no

consideration for revenues over the next 3 years.

I assume the President will indicate that as far as he is concerned we take 1 year at a time. I think that if that is his interpretation, he will find the first year particularly satisfying.

I want to join my colleague, the distinguished chairman of the committee, in expressing my firm hope that the conferees who are appointed from the Senate side will not yield on the defense number, on the outlay number, or the budget authority number. It seems to me that that was the strongest point we had to overcome; the President felt about equally strong on that particular item and tax increases as revenue increases.

I have assured the Chief of Staff that we would attempt to make certain that the revenue increases are reflected by changes in the Medicare coverage, Social Security coverage, and other programs, and not the tax increase.

Finally, again I want to thank the distinguished Senator from Florida, Senator CHILES, the ranking Democrat on the Budget Committee, along with the distinguished chairman, Senator DOMENICI, for their tireless efforts, good humor, their willingness to negotiate and discuss, and particularly the attitude throughout of the distinguished minority leader indicating that he very much wanted to work out a bipartisan agreement. We have done that. We have expressed that. We have voted on it. We have completed our responsibilities. We are a little late by about 15 days, but I believe considering the crosscurrents that have been flying around in this town probably completed action on this resolution in a fairly prompt time.

We have considered it for 45 hours 30 minutes. There have been 14 rollcall votes, with 23 amendments and motions considered. Thirteen were agreed to; two were rejected. Five were tabled; three were withdrawn.

We have considered this measure, Senate Concurrent Resolution 120, the following dates: April 21, 22, 23, 24; April 28, 29, 30, and May 1. Total days considered were 8 and we completed action as of 12:59 a.m. on Friday, May 2, 1986.

Mr. President, I yield the floor.

Mr. BYRD. Mr. President, I congratulate the distinguished majority leader. This was a very difficult task for him. I am sure he did not have at times the support of the White House, yet he was trying his best to get a budget passed that would be supported in a bipartisan way. He is to be commended.

I congratulate again and thank again the Senator from New Mexico [Mr. DOMENICI], the chairman of the Committee on the Budget, and I express my appreciation and congratulations to the able Senator from Florida, the ranking member [Mr. CHILES]. Both Senators have worked hard and long. They delivered a product here that is going to lead to a balanced budget in fiscal year 1991. When we consider the alternative, the Gramm-Rudman-Hollings guillotine, the Senate has acted wisely to take the action it has taken.

I congratulate all Members. I am sure that Members on both sides agonized in many instances over the votes that they had to cast, but in the final analysis, the Senate came through, as it always does.

Mr. DOLE. Mr. President, I want to put in the RECORD the comparison of this year's and last year's action on the budget for those who may deal in trivia down the road.

In 1985, we worked on the budget 11 days as compared to 8 this year. We consumed 71 hours 13 minutes, compared to 45 hours 30 minutes. We had 42 rollcall votes as opposed to 14. There were 44 amendments as compared to 23.

I think it is an indication of the impact Gramm-Rudman has had on at least offering amendments. That is certainly a positive sign.

I ask unanimous consent that the remainder of the information that I know many people are dying to have be printed in the RECORD.

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

Measure: 1985—S. Con. Res. 32 (budget).
Dates considered: (1985) April 25-26—29-30; May 1-2-3—6-7-8-9.
Total days considered: 11.
Time consumed: 71 hrs., 13 min.
Rollcall votes: 42.
Amendments and motions considered: 44.
Disposition of amendments:
Agreed to: 15.
Rejected: 12.
Tabled: 12.
Withdrawn.
Out of order.
Not acted on: 5.
Temp. laid aside.
Pending.
Measure: 1986—S. Con. Res. 120.
Dates considered: April 21-22-23-24—28-29-30-May 1.
Total days considered: 8.
Time consumed (as of 12:59 a.m.): 45 hrs., 30 min.
Rollcall votes: 14.
Amendments and motions considered: 23.
Disposition of amendments and motions:
Agreed to: 13.
Rejected: 2.
Tabled: 5.
Withdrawn: 3.
Out of order.
Not acted on.
Temp. laid aside.
Pending.

ROUTINE MORNING BUSINESS

(During the day routine morning business was transacted and additional statements were submitted, as follows:)

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on April 30, 1986, during the recess of the Senate received a message from the House of Representatives announcing that the House agrees to the amendment of the Senate to the bill (H.R. 4602) to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to insure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes.

The message also announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 284. Joint resolution to designate the month of May 1986 as "Better Hearing and Speech Month";

S.J. Res. 285. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Osteoporosis Awareness Week of 1986";

S.J. Res. 289. Joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden 1988 American Committee; and

S.J. Res. 293. Joint resolution to designate the month of May 1986 as "National Child Safety Month".

The message also announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 614. Joint resolution to designate the week beginning May 4, 1986, as "Working Women's Awareness Week".

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 4602: An act to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to insure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes.

Under the authority of the order of the Senate of January 3, 1985, the enrolled bill was signed on April 30, 1986, during the recess of the Senate by the President pro tempore [Mr. THURMOND].

MESSAGES FROM THE HOUSE

At 1:06 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 126. A concurrent resolution authorizing the rotunda of the United States Capitol to be used on May 6, 1986, for a ceremony commemorating the days of remembrance of victims of the Holocaust.

The message also announced that the House has passed the following

joint resolutions, in which it requests the concurrence of the Senate:

H.J. Res. 297. Joint resolution to designate the week beginning July 27, 1986, as "National Nuclear Medicine Week";

H.J. Res. 427. Joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week"; and

H.J. Res. 569. Joint resolution to designate May 8, 1986, as "National Aviation Day".

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 329. A concurrent resolution welcoming Natan (Anatoly) Shcharansky to the United States.

At 4:28 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3302. An act to designate certain National forest lands in the State of Nevada for inclusion in the National Wilderness Preservation System, and for other purposes.

MEASURES REFERRED

The following bill and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2298. An act to make technical amendments to title 18, United States Code, relating to victims of crime and to the Victims of Crime Act of 1984; to the Committee on the Judiciary.

H.R. 3302. An act to designate certain National forest lands in the State of Nevada for inclusion in the National Wilderness Preservation System, and for other purposes; to the Committee on Energy and Natural Resources.

H.J. Res. 297. Joint resolution to designate the week beginning July 27, 1986, as "National Nuclear Medicine Week"; to the Committee on the Judiciary.

H.J. Res. 427. Joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week"; to the Committee on the Judiciary.

H.J. Res. 614. Joint resolution to designate the week beginning May 4, 1986, as "Working Women's Awareness Week"; to the Committee on the Judiciary.

MEASURE HELD AT THE DESK

The following concurrent resolution was ordered held at the desk by unanimous consent pending further disposition:

H. Con. Res. 329. A concurrent resolution welcoming Natan (Anatoly) Shcharansky to the United States.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3062. A communication from the President of the United States transmitting, pursuant to law, a top-secret report on Theater Nuclear Weapons and Force Structure; to the Committee on Armed Services.

EC-3063. A communication from the Secretary of Defense transmitting, pursuant to law, a secret report on U.S. expenditures in support on NATO; to the Committee on Armed Services.

EC-3064. A communication from the Secretary of the Navy transmitting, pursuant to law, his comments and recommendations relative to the military department acquisition reporting process; to the Committee on Armed Services.

EC-3065. A communication from the Acting Director of the Selective Service System transmitting, pursuant to law, the Service's semiannual report; to the Committee on Armed Services.

EC-3066. A communication from the Deputy Assistant Secretary of the Air Force transmitting, pursuant to law, a report on a decision to convert the administrative switchboard operations function at Shaw Air Force Base, SC, to performance under contract; to the Committee on Armed Services.

EC-3067. A communication from the Secretary of Housing and Urban Development transmitting, pursuant to law, a report on the congregate housing services program demonstration; to the Committee on Banking, Housing, and Urban Affairs.

EC-3068. A communication from the Secretary of Transportation transmitting a draft of proposed legislation to authorize appropriations for pipeline safety programs; to the Committee on Commerce, Science, and Transportation.

EC-3069. A communication from the Secretary of Transportation transmitting, pursuant to law, the annual report of the Maritime Administration for 1985; to the Committee on Commerce, Science, and Transportation.

EC-3070. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on 23 refunds of excess oil and gas royalty payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-3071. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on 20 refunds of excess oil and gas lease payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-3072. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on seven refunds of excess oil and gas royalty lease payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-3073. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on 20 refunds of excess oil and gas royalty lease payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-3074. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on eight refunds of excess oil and gas royalty lease payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-3075. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on two refunds of excess oil and gas royalty lease payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-3076. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on 32 refunds of excess oil and gas royalty lease payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-3077. A communication from the Director of the U.S. Information Agency transmitting, pursuant to law, the USIA Private Sector Committee's annual report; to the Committee on Foreign Relations.

EC-3078. A communication from the Assistant Secretary of State transmitting, pursuant to law, a report on an altered Privacy Act system of records; to the Committee on Governmental Affairs.

EC-3079. A communication from the Vice President of C&P Telephone Co. transmitting, pursuant to law, the 1985 statement of receipts and expenditures of the company; to the Committee on Governmental Affairs.

EC-3080. A communication from the Chief Administration Officer of the Postal Rate Commission transmitting, pursuant to law, the Commission's 1984 Freedom of Information Act report; to the Committee on the Judiciary.

EC-3081. A communication from the Chief Administrator of the Postal Rate Commission transmitting, pursuant to law, the Commission's 1985 Freedom of Information Act report; to the Committee on the Judiciary.

EC-3082. A communication from the Director of the Administrative Office of the United States Courts transmitting a draft of proposed legislation to amend the bill H.R. 3004 and the bill S. 1581; to the Committee on the Judiciary.

EC-3083. A communication from the Secretary of Labor transmitting, pursuant to law, the Department's Fair Labor Standards Act annual report; to the Committee on Labor and Human Resources.

EC-3084. A communication from the Secretary of Education transmitting, pursuant to law, notice of final funding priorities for NIHR—research fellowships; to the Committee on Labor and Human Resources.

EC-3085. A communication from the Secretary of Labor transmitting, pursuant to law, the Department's Fair Labor Standards Act annual report; to the Committee on Labor and Human Resources.

EC-3086. A communication from the Chairman of the Railroad Retirement Board transmitting, pursuant to law, the Board's 1984 annual report; to the Committee on Labor and Human Resources.

EC-3087. A communication from the Administrator of the Veterans' Administration transmitting, pursuant to law, a report on the VA Sharing of Medical Resources Program; to Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Armed Services, without amendment:

S. 2395. An original bill to establish a revised retirement system for new members of the uniformed services, to revise the method of determining cost-of-living adjustments under the revised retirement system, and for other purposes (Rept. No. 99-292).

By Mr. THURMOND, from the Committee on the Judiciary, with amendments, amendments to the preamble, and an amendment to the title:

H. Con. Res. 281. A concurrent resolution recognizing the achievements of the Ireland Fund and its founder, Dr. Anthony J.F. O'Reilly.

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S.J. Res. 241. Joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week".

S.J. Res. 245. Joint resolution designating "National Epidermolysis Bullosa Awareness Week".

S.J. Res. 337. Joint resolution designating May 18-24, 1986, as "Just Say No To Drugs Week".

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Roger Milton Olsen, of Virginia, to be an Assistant Attorney General;

Herman Wirshing Rodriquez, of Puerto Rico, to be United States Marshal for the District of Puerto Rico for the term of 4 years.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 2389. A bill to amend the Tariff Schedules of the United States to increase the rate of duty on imported roses; to the Committee on Finance.

By Mr. MATSUNAGA:

S. 2390. A bill for the relief of Hee Man Cheng; to the Committee on the Judiciary.

S. 2391. A bill for the relief of William Shu-Lai Mok and his wife Jaqueline Mok; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. HECHT, Mr. SYMMS, Mr. EAST, Mr. ZORINSKY and Mr. HELMS):

S. 2392. A bill to waive the application of certain laws to small purchases made under a test program of simplified small purchase procedures; to the Committee on Labor and Human Resources.

By Mr. GARN (by request):

S. 2393. A bill to authorize the Secretary of the Treasury to adopt distinctive counterfeit deterrents for exclusive use in the manufacture of United States securities and obligations, to clarify existing authority to combat counterfeiting, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

S. 2394. A bill to increase the authorized pay level of the Treasurer of the United States to Executive Level IV; to the Committee on Governmental Affairs.

By Mr. DOLE (for Mr. GOLDWATER), from the Committee on Armed Services:

S. 2395. An original bill to establish a revised retirement system for new members of the uniformed services, to revise the method of determining cost-of-living adjustments under the revised retirement system, and for other purposes; placed on the calendar.

By Mr. THURMOND (for himself and Mr. HOLLINGS):

S. 2396. A bill to amend title 28, United States Code, to create the Beaufort Division in the District of South Carolina and to designate Beaufort as the place of holding court for the new division; to the Committee on the Judiciary.

By Mr. STAFFORD (for himself and Mr. BENTSEN):

S. 2397. A bill to authorize appropriations for the Public Building Service of the General Services Administration for fiscal year 1987; to the Committee on Environment and Public Works.

By Mr. ROTH (for himself, Mr. DENTON, Mr. NUNN, Mr. EXON, Mr. BUMPERS, Mr. TRIBLE, Mr. MATTINGLY, Mrs. KASSEBAUM, Mr. GRASSLEY, Mr. BOREN, Mr. DECONCINI, and Mr. GRAMM):

S. 2398. A bill to amend title 18 of the United States Code to ban the production and use of advertisements for child pornography or solicitations for child pornography, and for other purposes; to the Committee on the Judiciary.

By Mr. CHAFEE:

S. 2399. A bill to temporarily suspend the duty on certain stuffed toy figures; to the Committee on Finance.

By Mr. DODD:

S. 2400. A bill to amend title XVIII of the Social Security Act to provide for coverage of an annual preventive health care checkup under part B of such title, and for other purposes; to the Committee on Finance.

By Mrs. KASSEBAUM (for herself and Mr. DANFORTH):

S. 2401. A bill to prohibit the manufacture or distribution in, or the importation into, the United States of certain firearms; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. DURENBERGER, Mr. HEINZ, and Mr. RIEGLE):

S. 2402. A bill to amend the Public Health Service Act to assure access to health insurance, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DURENBERGER (for himself, Mr. KENNEDY, Mr. HEINZ, and Mr. RIEGLE):

S. 2403. A bill to amend the Internal Revenue Code of 1954 to assure access to health insurance, and for other purposes; to the Committee on Finance.

By Mr. RIEGLE (for himself and Mr. LEVIN):

S.J. Res. 338. A joint resolution to designate November 18, 1986, as "National Community Education Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KENNEDY (for himself and Mr. KERRY):

S. Res. 393. A resolution commending Roger Clemens of the Boston Red Sox for his record-breaking performance; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 2389. A bill to amend the tariff schedules of the United States to increase the rate of duty on imported roses; to the Committee on Finance.

INCREASING THE RATE OF DUTY ON IMPORTED ROSES

● Mr. RIEGLE. Mr. President. Today I am introducing a bill to amend the Tariff Schedules of the United States as they relate to imported roses. This legislation would make imported roses subject to the same tariffs that roses grown in the United States encounter in other nations.

The rosegrowers in this country have seen an enormous share of their market taken by foreign imports in recent years. In 1978, for example, rose imports totaled just under 16 million stems. By 1985, this total approached 170 million stems, and there is no sign that this trend will abate. Imports have climbed in just 3 years from 20 percent of U.S. production to over 35 percent today, and once again there is every reason to believe that the growth will continue. In fact, USDA reports show that rose imports are up in 1986, with more than 1 million stems a week coming into this country.

Clearly, the domestic industry is adversely affected by the influx of roses, and growers have used every available commercial means to prevent the loss of their market. They have greatly reduced their operating costs, by making greenhouses more energy efficient. They have spent considerable sums to promote roses, and to a great extent these efforts have resulted in increased rose purchases. But there is a limit to the amount and rate at which the market will grow, and due to the disparity in rose tariffs between our Nation and other producing nations, foreign roses have actually benefited from the efforts of domestic growers.

U.S. rosegrowers have made diligent efforts to obtain relief through available legal avenues, as well. They have initiated actions in the Internatinal Trade Commission, under section 201, and dumping actions with the Department of Commerce.

There have been definitive findings that roses were being dumped on U.S. markets. Despite these events, rose imports continue to increase and the differences in tariffs guarantee that domestic roses will not break into the EEC or Colombia, while we have a virtual open door policy.

Current EEC tariffs on imported roses are 24 percent in the summer months and 17 percent in the winter period. Colombia has a flat 25-percent tariff, and Mexico maintains a 50-percent tariff with an automatic denial of import licenses. These tariffs are cou-

pled with quantity controls, so even if U.S. producers could compete at higher prices, the importing countries would have the means to limit the total amount of roses entering their markets. In stark contrast to these tariffs is the U.S. flat tariff of 8 percent throughout the year. It is not difficult to understand why so much of the domestic rose market has been lost to foreign competition in light of the vast differences in tariffs; and the legislation that I have introduced will correct this disparity.

Mr. President, the Congress is the last hope for relief for the rose industry of this country. The industry has exhausted all remedies that were designed for cases such as this, and still the drain on their markets continues. One major cause has to be the fact that domestic growers have absolutely no possibility of competing with foreign growers in foreign markets. The existing barriers prevent that, and it is my hope that approval of this legislation will induce these nations to lower their tariffs and compete with domestic growers on a level basis.●

By Mr. HUMPHREY (for himself, Mr. HECHT, Mr. SYMMS, Mr. EAST, Mr. ZORINSKY, and Mr. HELMS):

S. 2392. A bill to waive the application of certain laws to small purchases made under a test program of simplified small purchase procedures; to the Committee on Labor and Human Resources.

SIMPLIFIED SMALL PURCHASE PROCEDURES TEST PROGRAM ACT

● Mr. HUMPHREY. Mr. President, today I am introducing legislation which will waive the application of certain laws to small purchases under a test program of simplified small purchase procedures for a 2-year test period. Only purchases and contracts of less than $25,000 will be exempt from these so-called socio-economic statutes. The objective of this test program is to ensure that the Government has a fast, easy to understand and inexpensive procedure for low-dollar purchases, by eliminating the numerous and unnecessary provisions from small purchases. Too often, the burdensome paperwork requirements associated with compliance with these laws discourages small business participation and competition in Federal contracts and purchases. This not only hurts small businessmen who are shut out of the market, but it may lead to increased procurement costs and lead-time for the Government.

By exempting these small purchases and contracts from the Davis-Bacon Act, the Service Contract Act and other socio-economic laws for 2 years, we hope to promote full and open competition, reduce costs to the Government, promote the development of simplified and uniform procurement processes, and promote small business.

The test will compare administrative costs and prices paid for the same or similar items or services used under existing procedures and those uses under the test procedures. The test will also determine the feasibility and desirability of making permanent revisions to these labor statutes.

The Congressional Budget Office estimates that this bill will save the Government $500,000 by exempting small contracts from the Service Contract Act; exempting small contracts now covered under the Davis-Bacon Act is estimated to save $6 to $7 million. While these numbers may be tiny when compared to the Federal deficit, they could foretell even greater savings if it is decided in the future to enact these provisions more widely or make the revisions permanent. I ask my colleagues to support this experiment so we may have a greater understanding of the effect of socio-economic statutes on our procurement procedures.●

By Mr. GARN (by request):

S. 2393. A bill to authorize the Secretary of the Treasury to adopt distinctive counterfeit deterrents for exclusive use in the manufacture of United States securities and obligations, to clarify existing authority to combat counterfeiting, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

S. 2394. A bill to increase the authorized pay level of the Treasurer of the United States to Executive Level IV; to the Committee on Government Affairs.

LEGISLATION RELATING TO OPERATION OF THE BUREAU OF ENGRAVING AND PRINTING

● Mr. GARN. Mr. President, today I am introducing two bills, by request, which amend the statutes governing the Bureau of Engraving and Printing and its currency production operations, and raise the position of the Treasurer of the United States to Executive Level IV.

The first bill contains four changes to our currency statutes. The first provision would permit the Secretary of the Treasury to adopt and exclusively use distinctive counterfeit deterrents for the manufacture of securities and other obligations, and clarify existing authority to combat counterfeiting by modernizing our counterfeiting statutes. This provision has already been introduced as S. 1791.

The second provision of this bill authorizes the Secretary of the Treasury to engrave and print the currency, bonds, and other security obligations of a foreign country or engage in research and development for printing these instruments on behalf of another country, on a reimbursable basis. Currently, the Bureau of Engraving and Printing shares a close association and technological exchange with the security printers of foreign nations. However, all research and development resulting from these exchanges is done at facilities not in the United States, because the Bureau is not authorized to accept reimbursements for costs of these joint projects. This provision would permit the Bureau to use its state of the art printing equipment for these joint research and development projects, and charge the security printers of foreign nations for their proportionate share of the costs. Any expertise developed in the project would remain in the United States. This provision would also allow the Bureau to undertake short term currency or security printing projects for foreign countries on a short-term emergency basis.

The third provision of this bill authorizes the Secretary of the Treasury to enter into contracts for up to 5 years to purchase, manufacture, supply, engrave, print, warehouse, and distribute U.S. Savings Bond stock. Current law limits such contracts for 1 year periods, which has effectively prevented competition among potential vendors for contracts to manufacture savings bond stock. More businesses would bid for this work if the contracts were longer. The purpose of this change from 1 to 5 years is to promote open competition and lower the cost to the Treasury by giving the Department more contracting flexibility.

The last provision of this bill repeals a requirement that U.S. currency notes be reissued after redemption. As a circulating currency, these notes have become obsolete and are no longer viable as a medium of exchange. Because revisions of the currency statutes in 1982 are ambiguous, it can be argued that the Secretary has to reissue U.S. currency notes. This provision makes it clear that reissuance is not required.

I am also introducing a second bill which would elevate the position of Treasurer of the United States to an Executive Level IV. Right now, the Treasurer is the only Presidential appointment in the Office of the Secretary of the Treasury that is not at this level, or higher. More importantly, the duties and responsibilities of the Treasurer have dramatically increased since 1981 to include oversight responsibility for the Bureau of the Mint, the Bureau of Engraving and Printing, and the U.S. Savings Bond Division. In view of the increased responsibilities assigned to the Treasurer, the Department believes that the position should be increased to Executive Level IV.●

By Mr. THURMOND (for himself and Mr. HOLLINGS):

S. 2396. A bill to amend title 28, United States Code, to create the Beaufort Division in the district of

South Carolina and to designate Beaufort as the place of holding court for the new division; to the Committee on the Judiciary.

BEAUFORT DIVISION ON THE DISTRICT OF SOUTH CAROLINA

Mr. THURMOND. Mr. President, I am pleased today to introduce, along with Senator HOLLINGS, legislation to create the Beaufort Division in the district of South Carolina and to designate Beaufort as the place of holding court for the new division.

This proposal has the unanimous recommendation of the Federal judges in South Carolina. It was approved in October 1985, by the council for the fourth circuit, and then was reviewed favorably by both the Judicial Improvement Subcommittee and the Court Administration Committee of the Judiciary Conference. Finally, the Judicial Conference endorsed this measure at its March 1986, meeting.

Mr. President, the people of Jasper and Beaufort Counties have had to travel to Charleston to conduct business in the Federal courts. This has made their access to Federal courts both difficult and expensive.

This part of South Carolina has continued to attract more and more people and the need to have a Federal court house in the area is acute. I am pleased that the establishment of Beaufort as a place of holding court has the full endorsement of the Judicial Conference of the United States.

I urge my colleagues to support this legislation.

By Mr. STAFFORD (for himself and Mr. BENTSEN):

S. 2397. A bill to authorize appropriations for the Public Buildings Service of the General Services Administration for fiscal year 1987; to the Committee on Environment and Public Works.

PUBLIC BUILDINGS AUTHORIZATION ACT

● Mr. STAFFORD. Mr. President, Senator BENTSEN and I are introducing the Public Buildings Authorization Act of 1986. The bill provides monetary authorization for the Public Buildings Service of the General Services Administration in fiscal year 1987. In the aggregate, $2.4 billion for construction, repairs, leasing, and operation and maintenance of facilities under the jurisdiction of the GSA is recommended. This amount is the same as requested in the President's 1987 budget. However, there are differences from the budget in a number of the various components of this aggregate figure.

The capital budget of $534 million represents only 22 percent of the total budget. The bill makes a number of significant changes within GSA's capital budget. The construction and acquisition budget is increased by almost 9 percent. The so called opportunity purchase program is increased by $6.4 million, and $3.5 million of additional funds would be made available for construction of the Charleston, SC, post office and courthouse annex.

The President's budget contains funds for the proposed acquisition of the Wellesley Island Border Station. To date, GSA has submitted no prospectus for this proposal as required under section 7(a) of the Public Buildings Act of 1959. This proposal is contained in this bill only upon assurance from some officials at GSA that the prospectus will be forthcoming within the next week or so.

The repair and alteration authorizations in the bill are $4 million less than the President's budget; $12.4 million for the Pentagon building is eliminated and construction funds for the Grove Arcade Building in Ashville, NC, are reduced to the level requested in the prospectus for this project. Officials of GSA have indicated that the President's budget is wrong with regard to this project. Not included in the budget but contained in the bill are funds for the alteration of the Chet Holifield Building in Laguna Niguel, CA, is the amount of $9.1 million.

The budget for design and construction services is reduced by a net amount of $4.9 million. The GSA design budget contains funds for five projects that were also included in prior year budgets. GSA has been unable to explain this discrepancy.

To date, GSA has not submitted any of its lease prospectuses to the Congress that comprise the leasing budget which approaches $1 billion in fiscal year 1987. Included in GSA's leasing budget is a request for expansion space—space in addition to current agency requirements—which I am told on an annualized basis would exceed $55 million a year. It is hard to evaluate this request given GSA's failure to submit the appropriate documentation in a timely manner. I believe the Committee on Environment and Public Works will want to examine the needs for this expansion, especially in view of the much heralded space reductions program in GSA and Government cutbacks under Gramm-Rudman-Hollings.

The committee will conduct hearings on this bill and GSA's public buildings policies and program for 1987 on Wednesday, May 14.

Mr. President, I ask that the text of the bill be printed at this point in the RECORD.

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

S. 2397

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Buildings Authorization Act of 1986".

SEC. 2. No appropriation, including any appropriation from the fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, shall be made by Congress or obligated by the Administrator unless it has been authorized by Congress in accordance with this Act.

SEC. 3. (a) No public building construction, renovation, repair, or alteration shall be commenced unless an appropriation has first been made in the same fiscal year for which such appropriation is authorized and for the estimated cost of completion of such construction, renovation, repair, or alteration.

(b) Beginning in fiscal year 1988, no lease shall be entered into unless the authority to enter into contracts has first been made for the maximum cost of such lease over the entire term in such amounts as are specified in annual appropriations acts and in the fiscal year for which such lease is authorized.

SEC. 4. There is hereby authorized to be appropriated for fiscal year 1987 not to exceed in the aggregate the amount of $2,404,437,000 from revenues and collections deposited into the fund pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), for the real property management and related activities of the Public Buildings Service of which:

CONSTRUCTION AND ACQUISITION

(a) Not to exceed $108,873,000 shall be available for fiscal year 1987 as follows:

(1) $2,680,000 for construction of the Columbus, New Mexico, Border Station (including funds for site acquisition);

(2) $3,500,000 to supplement available funds for construction of the Charleston, South Carolina, Post Office and Courthouse Annex;

(3) $1,057,000 for the payment of a claim in relation to the Columbia, South Carolina, Federal Building, Courthouse;

(4) $101,636,000 for the purchase of sites and buildings at the following locations and maximum acquisition costs:

New York, Wellesley Island, Border Station	$1,925,000
Other selected purchases including options to purchase	99,711,000

RENOVATIONS, ALTERATIONS, AND REPAIRS

(b) Not to exceed $358,027,000 shall be available for fiscal year 1987 as follows:

(1) $211,843,000 for renovations, alterations, and repairs of public buildings at the following locations and maximum construction costs of $500,000 or more:

Alabama, Birmingham, Federal Building, Courthouse	$3,899,000
Arizona, Phoenix, Federal Building, Courthouse	762,000
California, Laguna Niguel, Holifield Federal Building	9,167,000
California, Los Angeles, Federal Building, 300 N. LA	7,825,000
California, San Diego, Federal Building (Old)	1,576,000
California, San Diego, Federal Building, Courthouse	1,178,000
California, San Francisco, Post Office, Courthouse	1,683,000
California, San Francisco, Burton Federal Building (Phase I)	20,000,000
District of Columbia, Federal Building, Post Office (New)	1,700,000
District of Columbia, Federal Building No. 6	1,213,000
District of Columbia, Federal Building No. 8	1,886,000

District of Columbia, Federal Building No. 9	1,713,000
District of Columbia, Federal Building No. 10A	1,121,000
District of Columbia, General Accounting Office	3,552,000
District of Columbia, Justice	599,000
District of Columbia, State	2,765,000
District of Columbia, Steam Distribution System	13,764,000
Florida, Miami, Federal Building	11,481,000
Hawaii, Honolulu, Kalanianaole, Federal Building, Courthouse	1,850,000
Illinois, Chicago, Railroad Retirement Board	5,200,000
Illinois, East St. Louis, Federal Building, Courthouse	3,762,000
Louisiana, New Orleans, Hebert Federal Building	9,928,000
Massachusetts, Boston, Kennedy Federal Building (Phase I)	13,544,000
Missouri, Kansas City, 601 E. 12th	997,000
Missouri, Kansas City, 1500 E. Bannister	2,560,000
Missouri, Kansas City, 2306 E. Bannister	4,408,000
Missouri, St. Louis, Mart Federal Building (Phase I)	20,000,000
Missouri, St. Louis, 4300 Goodfellow	2,176,000
Nevada, Las Vegas, Federal Building, Courthouse	2,197,000
New Jersey, Trenton, Federal Building	2,070,000
New York, Brooklyn, Federal Building, No. 2	9,544,000
New York, New York, Customshouse	8,000,000
North Carolina, Asheville, Federal Building	7,083,000
Oregon, Portland, Federal Building	12,069,000
Texas, Dallas, Federal Building	1,600,000
Texas, San Antonio, Post Office, Courthouse	6,078,000
Utah, Salt Lake City, Post Office, Courthouse	675,000
Virginia, Arlington, Federal Building No. 2	7,464,000
Wisconsin, Milwaukee, Federal Building, Courthouse	2,799,000
Wyoming, Casper, Federal Building, Courthouse	1,923,000

(2) $130,184,000 for renovations and repairs of public buildings at construction costs of less than $500,000;

(3) $16,000,000 for alterations of leased buildings, the maximum cost for a single building being less than $250,000.

DESIGN AND CONSTRUCTION SERVICES

(c) Notwithstanding the provisions of section 3(a) of this Act, not to exceed $67,586,000 shall be available for design and construction services as follows:

(1) $25,436,000 for repair and alteration projects whose maximum costs of construction do not exceed $500,000;

(2) $13,834,000 for technical services;

(3) $488,000 for design of the Columbus, New Mexico, Border Station.

(4) $17,350,000 for design of repair and alteration projects whose construction phase is authorized to commence in fiscal year 1987 at the following locations and maximum design costs:

Alabama, Birmingham, Federal Building, Courthouse	292,000
Arizona, Phoenix, Federal Building, Courthouse	57,000
California, Laguna Niguel, Holifield Federal Building	1,330,000
California, Los Angeles, Federal Building, 300 N. LA	429,000
California, San Diego, Federal Building (Old)	292,000
California, San Diego, Federal Building, Courthouse	88,000
California, San Francisco, Post Office, Courthouse	311,000
California, San Francisco, Burton Federal Building (Phase I)	1,876,000
District of Columbia, Federal Building, Post Office (New)	128,000
District of Columbia, Federal Building No. 6	91,000
District of Columbia, Federal Building No. 8	141,000
District of Columbia, Federal Building No. 9	128,000
District of Columbia, Federal Building No. 10A	84,000
District of Columbia, General Accounting Office	266,000
District of Columbia, Justice	47,000
District of Columbia, State	207,000
District of Columbia, Steam Distribution System	721,000
Florida, Miami, Federal Building	989,000
Hawaii, Honolulu, Kalanianaole Federal Building Courthouse	342,000
Illinois, Chicago, Railroad Retirement Board	312,000
Illinois, East St. Louis, Federal Building, Courthouse	282,000
Louisiana, New Orleans, Hebert Federal Building	596,000
Massachusetts, Boston, Kennedy Federal Building (Phase I)	1,001,000
Missouri, Kansas City, 601 E. 12th	75,000
Missouri, Kansas City, 1500 E. Bannister	192,000
Missouri, Kansas City, 2306 E. Bannister	154,000
Missouri, St. Louis, Mart Federal Building (Phase I)	1,200,000
Missouri, St. Louis, 4300 Goodfellow	163,000
Nevada, Las Vegas, Federal Building, Courthouse	388,000
New Jersey, Trenton, Federal Building	215,000
New York, Brooklyn, Federal Building No. 2	573,000
New York, New York, Customshouse	1,160,000
North Carolina, Asheville, Federal Building	164,000
Oregon, Portland, Federal Building	1,750,000
Texas, Dallas, Federal Building	120,000
Texas, San Antonio, Post Office, Courthouse	47,000
Utah, Salt Lake City, Post Office, Courthouse	125,000
Virginia, Arlington, Federal Building No. 2	448,000
Wisconsin, Milwaukee, Federal Building, Courthouse	210,000
Wyoming Casper, Federal Building, Courthouse	356,000

(5) $10,478,000 for design of additional repair and alteration projects at the following locations and maximum design costs:

California, Los Angeles, Courthouse	$386,000
California, Sacramento, Federal Building, Courthouse	642,000
District of Columbia, Central Heating Plant	700,000
District of Columbia, Internal Revenue Service	110,000
Illinois, Champaign, Federal Building	176,000
Illinois, Chicago, Dirksen Federal Building	869,000
Illinois, Chicago, Federal Supply Service Depot	376,000
Louisiana, New Orleans, Boggs Federal Building	657,000
Maryland, Baltimore, Appraisers Stores	272,000
Maryland, Middle River, Depot	1,000,000
Massachusetts, Boston, McCormack Post Office & Courthouse	3,200,000
Michigan, Detroit, McNamara Federal Building	302,000
Pennsylvania, Philadelphia, Courthouse	500,000
Texas, Austin, Internal Revenue Service Complex	743,000
Texas, Austin, Post Office	445,000
Virginia, Abingdon, Federal Building	100,000

LEASING

(d) Not to exceed $935,100,000 shall be available for fiscal year 1987 as follows:

(1) $27,700,000 for expansion space,

(2) $907,400,000 for payments in fiscal year 1987 to provide for space under lease prior to fiscal year 1987 and replacement space, including increases in operating costs and taxes less savings due to lease cancellations.

REAL PROPERTY OPERATIONS

(e) Not to exceed $734,319,000 shall be available for fiscal year 1987 real property operations.

PROGRAM DIRECTION

(f) Not to exceed $57,090,000 shall be available for fiscal year 1987 program direction.

PURCHASE CONTRACTS

(g) Not to exceed $143,442,000 shall be available for fiscal year 1987 for payment of principal, interest, taxes, and any other obligation for public buildings acquired by purchase contract.

SEC. 5. (a) Funds appropriated under section 4 of the Act for construction, renovation, repair, or alteration shall remain available for obligation and expenditure without regard to fiscal year limitations: *Provided*, That construction, renovation, repair, or alteration has commenced in the same fiscal year which funds are made available.

(b) Commencement of design using funds authorized pursuant to section 4(c) of this Act for projects authorized by sections 4(a) and 4(b) shall be regarded as complying with the provisions of subsection (a) of this section.

SEC. 6. Ten per centum of the funds made available pursuant to this Act to the Public Buildings Service for renovation, alternation, and repair of public buildings and for payment of leases on buildings shall be available for repair or alternation projects and leases, respectively, not otherwise authorized by this Act, if the Administrator certifies that the space to be repaired, altered, or leased resulted from emergency building conditions or changing or additional programs of Federal agencies. Funds for such projects may not be obligated until thirty days after the submission by the Administrator of an explanatory statement to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives. The explanatory statement shall, among other things, include a statement of the reasons why such project or lease cannot be deferred for authorization in the next succeeding fiscal year.●

By Mr. ROTH (for himself, Mr. DENTON, Mr. NUNN, Mr. EXON, Mr. BUMPERS, Mr. TRIBLE, Mr. MATTINGLY, Mrs. KASSEBAUM, Mr. GRASSLEY, Mr. BOREN, Mr. DECONCINI, and Mr. GRAMM):

S. 2398. A bill to amend title 18 of the United States Code to ban the production and use of advertisements for child pornography or solicitations for child pornography, and for other purposes; to the Committee on the Judiciary.

CHILD SEXUAL ABUSE AND PORNOGRAPHY ACT

● Mr. ROTH. Mr. President, there is no question that there is a direct link between child pornography and the sexual abuse and exploitation of our Nation's children. A year-long investigation by the Permanent Subcommittee on Investigations, which I chair, as well as public hearings last year by both the subcommittee and the Attorney General's Commission on Pornography, have established beyond any doubt that pedophiles—emotionally disturbed individuals who are sexually attracted to children—make extensive use of child pornography to stimulate and justify their ugly behavior and to entice and blackmail their helpless young victims. For the sake of our children, we must do more to restrict the availability of child pornography to these individuals, and it is to that end that I am today introducing the Child Sexual Abuse and Pornography Act of 1986.

This bill modifies and supersedes S. 554, which I introduced last year along with Senators NUNN and CHILES, deleting some provisions and clarifying others in response to comments received on S. 554 during the course of last year. As I indicated when I introduced S. 554, the subcommittee's investigation disclosed the existence of a seamy underground network of child molesters—adults who seek out children for sexual gratification—and it showed that the very lifeblood of this loosely organized underground society is child pornography. Virtually every expert on the subject who testified before the subcommittee or discussed child abuse with subcommittee investigators, including several convicted child molesters, confirmed the central role of child pornography in the life of the pedophile.

The production and distribution of child pornography is, of course, illegal; and action taken by Congress in 1984 to strengthen the laws against child pornography has resulted in a dramatic and encouraging increase in child pornography indictments and convictions. Despite increased vigilance on the part of the U.S. Customs Service and other Federal authorities, however, commercial and noncommercial child pornography continues to be widely sold and traded by pedophiles in this country.

One reason that the trade in child pornography continues to flourish, Mr. President, is that this salacious and clearly illegal material—photos, films, and videotapes depicting nude young children and children engaged in explicit sexual behavior—is being openly advertised, traded and sold in pedophile newsletters and other publications within the United States. Even more shocking, these publications sometimes contain thinly disguised advertisements and solicitations for child prostitution, including such things as child sex tours to foreign countries where pedophiles can obtain children for purposes of sexual molestation. While the goods and services offered in these ads are illegal, Mr. President, the advertisements themselves are not.

The legislation I am introducing today would close this and other loopholes in our laws against child abuse. My bill would, for the first time, ban the production and publication of advertisements for child pornography as well as solicitations for child pornography and sex with children. Violations would be punishable by prison terms of up to 10 years, and up to 15 years for a second conviction. This bill would enable Federal authorities to prosecute those who would molest children or solicit child molestation before they can do irreparable harm to an innocent child or children.

This bill also would amend the portion of title 18 of the United States Code known as the Mann Act, which prohibits the interstate transportation of females for the purpose of prostitution and other immoral purposes. Our investigation revealed that children of both sexes are victimized by pedophiles, who sometimes trade their young victims by transporting them back and forth across State lines. My bill will make this law sex neutral, so that it will protect males as well as females and it will apply whether or not the defendants seek or obtain any financial advantage. In addition, the bill will expand the Mann Act's scope. Now, in order to prosecute someone for transporting a minor for purposes of prohibited sexual conduct, that conduct must be shown to be commercially exploited. The subcommittee's investigation showed that minors and recordings of minors engaged in prohibited sexual conduct are often traded by pedophiles strictly for purposes of sexual gratification, with no money changing hands. My bill would place these individuals within the reach of the Mann Act.

Mr. President, those who advertise in order to receive or deal in child pornography and child prostitution are as guilty of child abuse as the actual child molester—in fact, in many cases it is the same person. It is important to recall that every piece of child pornography represents the depiction of a terrible crime—the sexual exploitation of a child. Child sexual abuse can literally destroy a childhood, turning one of life's most precious times into a psychic nightmare of guilt and shame. My goal in introducing this legislation is to make it so costly to advertise any sexually explicit material involving children that the risk of prosecution will outweight any possible incentive to engage in this activity. I hope the Senate will act quickly to close the loopholes which we have identified in our child abuse pornography laws. Nothing less than the well-being of our Nation's children is at stake.

Mr. President, I ask unanimous consent that a section-by-section analysis be printed in the RECORD.

SECTION-BY-SECTION ANALYSIS

Section 1. Section 1 states the short title of the bill, "The Child Sexual Abuse and Pornography Act of 1986."

Section 2. Section 2 amends 18 U.S.C. Section 2251 by creating new subsection (c) and redesignating the sentencing portion of the law as subsection (d). Under current law, Section 2251 makes it illegal to entice, encourage or otherwise induce a minor to engage in child pornography which has or will be transported in interstate commerce or mailed. It is also illegal for a parent or guardian to permit a minor to engage in or otherwise assist in the creation of child pornography.

New subsection (c) adds a provision that would make it illegal to 1) create or publish an advertisement offering child pornography; and 2) create or publish an advertisement soliciting sexually explicit conduct with a minor. As under current law, new subsection (c) refers only to advertisements that will be or have been transported in interstate commerce or mailed. In addition, the new provision requires a showing that the defendant "knows or has reason to know" that the notice, statement or advertisement is for material which actually depicts or will be used to encourage the prohibited sexual conduct of a minor.

This section modifies two of the definitions in Section 2255 for prohibited "sexually explicit conduct." It changes paragraph (2)(D) from "sadistic or masochistic abuse" to "sadistic or masochistic abuse (for the purposes of sexual stimulation of any person)." An extensive search for federal cases defining sadism and masochism revealed that the words are not necessarily confined to sexual conduct. This modification to the definition, therefore, clarifies that the prohibited conduct is sexual.

This section also changes paragraph (E) which currently reads "lascivious exhibition of the genitals or pubic area of any person." The word "lascivious" is replaced with the words "lewd or lascivious." There is a dearth of federal case law defining "lewd" and "lascivious," but the words are used interchangeably. Indeed, *Black's Law Dictionary* treats lewd and lascivious as synonyms.

No changes were made in the sentencing portion of Section 2251. This means that the sentence for one convicted under 2251 if amended as proposed, will be the same as that in effect before amendment. Specifically, one may be sentenced for a period of incarceration of any term up to 10 years (or two to 15 years for a second conviction). In addition, one may be fined in accordance with Section 2251 or 18 U.S.C. Section 3623. The fines contained in Section 2251

($100,000 for an individual, $200,000 for a repeat offender, and $250,000 for an organization) were changed in May of 1984. However, on December 31, 1984, the Criminal Fine Enforcement Act of 1984 took effect. It allows a judge the option of sentencing one convicted under 18 U.S.C. Section 2251 to the fines contained therein or to a maximum fine of $250,000 for an individual and $500,000 for an organization.

Section 3. Section 3 amends 18 U.S.C. Section 2421, which proscribes the knowing transportation of any woman or girl for the purposes of prostitution or for other immoral purposes. The bill would replace the words "woman or girl" with "individual" and make other semantic and grammatical changes to make the offense applicable in cases where the victims are male as well as where they are female.

In so doing, this statute becomes an alternative vehicle for prosecuting sexual crimes against all minors. Under current law, Section 2423 is the exclusive vehicle for prosecuting those who take male children across state lines for the purposes of committing prohibited sexual acts with children. (Section 2421 protects only women and girls.)

No changes are made in the sentencing portion of Section 2421. Hence, the appropriate sentence for one convicted under the amendment Section 2421 would be a maximum of five years incarceration and a fine as set forth in 18 U.S.C. Section 2421 or 3623. 18 U.S.C. Section 2423 provides a 10-year maximum penalty. No changes are made in the term of incarceration available for Section 2421 or Section 2423 since at the time this bill was drafted and will be considered, the Sentencing Commission is reviewing sentences and devising guidelines for all federal sentences.

Section 4. Section 4 amends 18 U.S.C. Section 2422, which currently makes it illegal to induce a female to travel in interstate or foreign commerce for the purpose of prostitution or for other immoral purposes.

This Section would make the provision applicable to males as well as females by replacing the words "woman or girl" with the word "individual" and making other necessary changes in language. It would also change the title by deleting reference to female.

As with Sections 2 and 3, the appropriate sentence for one convicted under the amended 2422 would be a maximum term of five years incarceration and a fine as set forth in 18 U.S.C. Section 3623.

Section 5. 18 U.S.C. Section 2423 now makes it illegal to transport a minor for prostitution or other prohibited sexual conduct that will be commercially exploited. Section 5 would change the definition for sexually explicit conduct in paragraph (b) of 18 U.S.C. Section 2423 to conform to changes made in 18 U.S.C. Section 2251 in 1984 as well as to clarify certain words. Specifically, Section 5 would change 18 U.S.C. Section 2423 (b)(2)(D) from "sado masochistic abuse (for the purposes of sexual stimulation)" to "sadistic or masochistic abuse (for the purposes of sexual stimulation of any person)." It would also change "lewd exhibition of the genitals or pubic area of any person" to "lewd or lascivious exhibition of the genitals or pubic area of any person." (Section 2 of this bill makes the same changes to Section 2251.)

Section 5 would also expand the Act's scope. 18 U.S.C. Section 2423 prohibits the transportion of any minor for prohibited sexual conduct that will be "commercially exploited." Neither 18 U.S.C. Section 2421 nor 2423 prohibits one from recording the prohibited sexual conduct and using it to entice a minor to commit illegal sex acts, nor does it prohibit an adult from taking a male child across state lines for prohibited sexual conduct where no commercial advantage is sought or obtained. (18 U.S.C. Section 2421 currently prohibits only the transportation of any female for prostitution or other immoral purposes.) This bill would change Section 2421 to cover any individual who is transported for these purposes. In 1984, Congress deleted the commercial exploitation requirement from the child pornography laws, specifically 18 U.S.C. Section 2252 and current 2255. See DOJ Handbook on the Comprehensive Crime Control Act of 1984 and other Criminal Statutes Enacted by the 98th Congress, December 1984, page 217). A similar change to Section 2423 would unduly enlarge the class of defendants. Hence, a change was made to assure that Section 2423 would cover those who record and utilize the prohibited sexual conduct with minors without regard to a profit motive but not the 19-year-old who crosses state lines with a 17-year-old husband or wife. Since Section 3 of the bill amends Section 2421 and in so doing prohibits the transportation of all minors for immoral purposes, that change sufficiently covers the situation, described above, when the adult takes a child across state lines in order to engage in prohibited sexual conduct.

This section also changes the term "commercial exploitation" in paragraph (b), the definition portion of Section 2423, to "commercially exploited." This is a technical change to conform the definition section to the description of illegal conduct.

As with Sections 2 through 4, the sentencing portion of 18 U.S.C. Section 2423 has not been changed. Accordingly, one convicted under amended Section 2423 could be sentenced to a maximum period of incarceration of 10 years and and a fine in accordance with 18 U.S.C. Section 2423 or 3623.

Section 6. Section 6 would amend 18 U.S.C. Section 2424 (including its title) to make it sex neutral. This provision requires that one who keeps or otherwise supports an alien female for the purpose of prostitution, or for other immoral purpose, must file a statement (with the INS); the statute also creates a penalty for failing to file such statement.

Since no changes are made to the penalty provisions, the sentence for one convicted after enactment of this bill would be a maximum prison term of two years and a fine as set forth in 18 U.S.C. Section 2424 or 3623.

Section 7. Section 7 changes the title of Chapter 117 of Title 18 from "White Slave Traffic" to "Prostitution and Related Offenses".●

● Mr. DENTON. Mr. President, I rise in support of the Child Sexual Abuse and Pornography Act of 1986, a bill to outlaw the advertising of child pronography and to strengthen the Mann Act's protection against the sexual exploitation of minors. I commend my distinguished colleague from Delaware, Mr. ROTH, for his leadership in the fight against pornography and I am only too please to join him as an original cosponsor of this bill.

Mr. President, pornography attacks human dignity itself at its very core. It is an epidemic that devastates the personal and social well-being of contemporary society. We must remain alert to its effects and take countermeasures to prevent its spread. Pornography encourages the sexual exploitation and abuse of men, women, and children, with tragic consequences.

Testimony received in the Judiciary Subcommittee on Juvenile Justice indicated beyond a doubt that the effects of pornography are devastating, both to the individual and to society. The sex industry abuses and exploits not only those who engage in making pornography, and those who are exposed to it, but also those who are victimized by its effects on other people. It uses every means of social communication: Books, magazines, tabloids, films, video cassettes, subscription television, video games, coin-operated machines, computers, and erotic telephone messages.

Pornography is an offense against the rights of all people. It is a problem which victimizes everyone. In order to deal effectively with the problem we must recognize that pornography victimizes all members of society, regardless of sex, age, race, religion, or social station. Pornography is particularly egregious when children become unwilling participants or when children are sexually abused or exploited as a result of the pornography.

Mr. President, hearings conducted by the Senate Judiciary Subcommittees on Juvenile Justice and Criminal Law and the Subcommittee on Security and Terrorism, which I chair, have demonstrated beyond doubt that there is a direct link between child pornography and the sexual abuse and exploitation of our Nation's children. In fact, at the Subcommittee on Security and Terrorism hearing, testimony was presented by the FBI that pedophiles make extensive use of child pornography to stimulate and justify their behavior, to lower the child's inhibitions and reluctance, to blackmail the child victim and to establish a medium by which they can communicate with other like-minded criminals.

Mr. President, the Congress must work to eliminate the production of child pornography and the sexual exploitation and abuse of our chidren. It is only through hard work and cooperation that we can find a way to solve the problem of child sexual exploitation which, because of past errors, has been allowed to flourish unabated. The production of child pornography degrades and exploits children in a fundamental, inhumane, uncivilized way, and harms all of society in the process.

Mr. President, the Child Sexual Abuse and Pornography Act of 1986, provides a useful tool in our fight against child pornography. The bill creates a criminal penalty for advertising or soliciting child pornography and child sexual abuse, revises the Mann Act so that it will apply to

males as well as females and outlaws the "trading" of young children by pedophiles across State lines, regardless of whether the activity is done for "commercial" purposes.

Mr. President, I urge my colleagues to support this important piece of legislation.●

● Mr. BUMPERS. Mr. President, I am pleased to join several of my distinguished colleagues in cosponsoring the Child Sexual Abuse and Pornography Act of 1986, introduced today by Senator ROTH. This bill is a revision of S. 554, introduced last year to toughen laws against child prostitution and commercial exploitation of child pornography through advertising. I was also a cosponsor of S. 554.

I commend Senator ROTH for his diligence in working with prosecutors and other lawyers over the last several months to create this improved version of S. 554, which will better enable our courts to penalize those deplorable individuals who destroy the lives of our young children through the commercial exploitation of their sexual innocence. The Supreme Court has held, Mr. President, that a lesser standard of freedom to publish applies, under the first amendment, where juveniles are involved. Whatever one may think about adults who choose to engage in or purchase pornography, surely all will agree that involving children in any way in this disgusting business is pure victimization, and it should be condemned by any decent society. The Supreme Court has given legislators and prosecutors greater power to protect these young victims. Congress should use that power.

This bill will create a criminal penalty for advertising or soliciting child pornography and child sexual abuse, and it will also amend the Mann Act so that it will apply to males as well as females and will outlaw the "trading" of young children by pedophiles across State lines.

Our children must be protected from this heinous activity, and these outrageous practices by pedophiles and pornographers must be eradicated. I urge my colleagues to pass this legislation today.●

By Mr. CHAFEE:

S. 2399. A bill to temporarily suspend the duty on certain stuffed toy figures; to the Committee on Finance.

DUTY SUSPENSION FOR STUFFED TOY ANIMALS

● Mr. CHAFEE. Mr. President, I am pleased to offer legislation today that would temporarily suspend until December 31, 1990, the duty on certain stuffed toy figures of animate objects not exceeding 25 inches in either length, width, or height.

Major toy companies in the United States import their line of stuffed toy animals because there is no significant domestic manufacturer of these items. Since there is no domestic production, no domestic interests would be adversely affected by this bill. Furthermore, elimination of duty on stuffed toy animals will result in lower consumer prices for children's toys.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD.

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

S. 2399

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN STUFFED TOY FIGURES.

Subpart B of part 1 of the Appendix to the Tariff Schedules of the United States is amended by inserting in numerical sequence the following new item:

"912.32	Stuffed toy figures of animate objects (except dolls) not having a spring mechanism and not exceeding 25 inches in either length, width, or height (provided for in item 737.30)	Free	No Change	On or before 12/31/90".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after the date that is 15 days after the date of enactment of this Act.●

By Mr. DODD:

S. 2400. A bill to amend title XVIII of the Social Security Act to provide for coverage of an annual preventive health care checkup under part B of such title, and for other purposes; to the Committee on Finance.

ANNUAL PREVENTIVE HEALTH CARE CHECKUP

● Mr. DODD. Mr. President, I am introducing today a bill which would provide Medicare coverage for the cost of an annual preventive care physician visit by each beneficiary. Current Medicare law specifically exempts from coverage all routine physician examinations.

Good primary care for our elderly citizens requires timely and accurate diagnosis of illness. Many elders, because they are homebound and cannot get to a doctor or because they simply cannot afford a physician visit without full Medicare coverage, do not immediately seek the medical care they need. Almost 20 percent of all elders do not see a doctor in a given year; over 10 percent fail to see a doctor over a 2-year period.

Without timely checkups, disease and illness in the elder develops and can only continue to worsen. By the time the elder is finally seen by a physician, three things have happened: One, the diagnosis has become more difficult, especially as multiple chronic conditions develop; two, the chance of successful treatment has lessened due to the advance of the illness; and three, the treatment has undoubtedly become more costly.

Mr. President, my bill is straightforward. It would provide Medicare coverage for an annual checkup for each Medicare beneficiary, whether the checkup is in the hospital, doctor's office, or the beneficiary's home. The services provided in the checkup would include those necessary to diagnose or prevent illness or injury in the beneficiary, including hypertension screening and a mammograph for the detection of breast cancer.

While my primary concern is to ensure the best possible health for our elderly citizens, this bill may very well result in long-term savings in the Medicare system due to the early detection of illness. While the cost data available to date is not extensive, it indicates that the initial costs associated with administration of preventive health services, such as those to be provided in the annual physician visit, will be offset by the savings which come from earlier diagnosis and treatment.

For instance, in an October 1985 hearing before the House Select Committee on Aging, one medical witness testified that the medical costs for a breast cancer patient who is cured because of early detection are approximately $20,000. In contrast, the patient whose disease is not detected early on faces costs of $60,000. The cumulative cost saving of early detection for all women who will develop breast cancer in a year was estimated to be $204 million.

Private insurers or employers who have instituted preventive health programs are reporting similar cost savings. For instance, the Washington Business Group on Health testified before the House Subcommittee on Compensation and Employee Benefits this past month that Blue Cross and Blue Shield of Indiana, which 5 years ago instituted a comprehensive health promotion program, has determined that $1 invested in health returned $1.50 in saved insurance benefits utilization.

Mr. President, this Congress has already recognized the value and fiscal sensibility in instituting preventive health services under Medicare. The 1986 reconciliation bill authorized several demonstration projects to provide a package of preventive health services to Medicare beneficiaries on a trial basis. While such demonstration projects are worthwhile, I believe that the health of our elderly citizens and the cost data available to date dictate that we begin providing at least a limited annual physician visit under Medicare now.

Mr. President, I ask that the text of the bill be printed in the RECORD.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ANNUAL PREVENTIVE HEALTH CARE CHECKUP.

(a) COVERAGE.—

(1) Section 1861(s) of the Social Security Act (42 U.S.C. 1395x(s)) is amended—

(A) by striking out "and" at the end of paragraph (9);

(B) by striking out the period at the end of paragraph (10) and inserting in lieu therof "; and";

(C) by inserting after paragraph (10) the following new paragraph:

"(11) services furnished in connection with an annual preventive health care checkup."; and

(D) by redesignating paragraphs (11) through (14) as paragraphs (12) through (15), respectively.

(2)(A) Section 1864(a) of such Act (42 U.S.C. 1395aa(a)) is amended by striking out "paragraphs (11) and (12)" and inserting in lieu thereof "paragraphs (12) and (13)".

(B) Section 1865(a) of such Act (42 U.S.C. 1395bb(a)) is amended by striking out "paragraphs (11) and (12)" in the matter following paragraph (4) and inserting in lieu thereof "paragraphs (12) and (13)".

(C) Section 1902(a)(9)(C) of such Act (42 U.S.C. 1396a(a)(9)(C)) is amended by striking out "paragraphs (11) and (12)" and inserting in lieu thereof "paragraphs (12) and (13)".

(D) Section 1915(a)(1)(B)(ii)(I) of such Act (42 U.S.C. 1396n(a)(1)(B)(ii)(I)) is amended by striking out "paragraphs (11) and (12)" and inserting in lieu thereof "paragraphs (12) and (13)".

(b) DEFINITION.—Section 1861 of such Act is further amended by adding at the end thereof the following new subsection:

"(ee) The term 'services furnished in connection with an annual preventive health care checkup' means services furnished by a physician during a routine physical checkup (without regard to the location at which such services are furnished, but no more than once each year for any patient) to diagnose or prevent illness or injury. Such services may include hypertension screening, administration of influenza vaccine, a routine exfoliative cytology (Papanicolaou) test for the detection of uterine cancer, test for blood in the stool, rectal examination, nutrition screening, a mammograph for the detection of breast cancer, and appropriate referral for diagnosis or treatment of physical, psychological, and social disorders.".

(c) STANDARD OF MEDICAL NECESSITY.—

(1) Section 1862(a)(1) of such Act (42 U.S.C. 1395y(a)(1)) amended—

(A) by striking out "or (D)" in subparagraph (A) and inserting in lieu thereof "(D), or (E)";

(B) by striking out "and" at the end of subparagraph (C);

(C) by striking out the semicolon at the end of subparagraph (D) and inserting in lieu thereof ", and"; and

(D) by adding at the end thereof the following new subparagraph:

"(E) in the case of services furnished in connection with an annual preventive health care checkup (as described in section 1861(ee)), which are not reasonable and necessary for the diagnosis or prevention of illness or injury;".

(2) Section 1862(a)(7) of such Act is amended by inserting "(other than an annual preventive health care checkup)" after "checkups".

(d) WAIVER OF DEDUCTIBLE AND COPAYMENTS.—

(1) Section 1833(b) of such Act (42 U.S.C. 13951(b)) is amended by striking out "and" before "(5)", and by inserting before the period at the end of the first sentence the following: ", and (6) such deductible shall not apply with respect to items and services furnished in connection with an annual preventive health care checkup (described in section 1861(ee))".

(2)(A) Section 1833(a)(1) of such Act (42 U.S.C. 13951(a)(1)) is amended by striking out "and" before "(G)", and by adding at the end thereof the following: "and (H) with respect to items and services (other than clinical diagnostic laboratory tests) furnished in connection with an annual preventive health care checkup (described in section 1861(ee)), the amounts paid shall be 100 percent of the reasonable charges for such items and services;".

(B) Section 1833(a)(1)(D) of such act is amended by inserting "for tests furnished in connection with an annual preventive health care checkup (described in section 1861(ee))," after ", under the procedure described in section 1870(f)(1),".

(C) The last sentence of section 1866(a)(2)(A) of such Act (42 U.S.C. 1395cc(a)(2)(A)) is amended by inserting after "with the first opinion)," the following: "with respect to items and services furnished in connection with an annual preventive health care checkup (described in section 1861(ee)),".

(e) EFFECTIVE DATE.—The amendments made by this sectioin shall apply to services furnished on or after the first day of the first calendar month to begin more than 60 days after the date of the enactment of this Act.●

By Mrs. KASSEBAUM (for herself and Mr. DANFORTH):

S. 2401. A bill to prohibit the manufacture or distribution in, or the importation into the United States of certain firearms; to the Committee on the Judiciary.

BAN ON PLASTIC HANDGUNS

Mrs. KASSEBAUM. Mr. President, in response to the recent wave of terrorist activity, I am introducing legislation with Senator DANFORTH to ban the importation or domestic manufacture and distribution of firearms made of plastic or nonmetallic materials. An alarming attribute of such weapons is that they would be able to pass undected through x-ray machines and metal detectors. These devices form the backbone of our airport and Government office security. The availability on nondetectable firearms would enable terrorists to penetrate effectively our own most sophisticated security systems including all domestic and international airports, the Supreme Court, both Houses of Congress, and the White House.

Although the technology for such weapons is still in its developmental stage, it is clear that if unchecked they can soon be expected on the market. We cannot close our eyes to this threat and react only after a tragedy occurs. The time to act is now.

We can be assured that once placed on the market, there will be no way to prevent such weapons from falling into terrorist's hands. I do not think we could, nor do I think we would want to stifle the ultimate development of such weapons. I do think, however, immediate action is necessary to prevent the technology development of these weapons from outpacing our security controls.

I have consistently supported additional appropriations to the Federal Aviation Administration for the development of more effective detection devices. By acting to stop the commercial manufacture in our domestic market and prohibiting the wholesale importation of these weapons from abroad, we can gain sufficient time to develop and implement the technology necessary for their detection before they become generally available in the black market.

Mr. President, this legislation is straightforward. It makes it unlawful for any person to manufacture or distribute in the United States, or to import into the United States, any firearm that the Secretary of the Treasury, in consultation with the Administrator of the Federal Aviation Administration, determines is not readily detectable as a firearm by the standard security equipment commonly used at airports in the United States.

We must not naively think that terrorists will fail to exploit the most advanced technologies available to achieve their purposes. Three Americans already have been killed as a result of a plastic bomb blast over Greece, and another 400 travelers recently faced a similar threat in London. To ensure the safety of Americans relying on our airport security systems, I urge strong and vocal support for this legislation. A single life must not be lost as the result of congressional or administrative inaction.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2401

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 922 of title 18, United States Code, is amended by adding at the end thereof the following:

"(n) It shall be unlawful for any person to manufacture or distribute in the United States, or to import into the United States, any firearm that the Secretary determines—

"(1) in consultation with the Administrator of the Federal Aviation Administration, is not readily detectable as a firearm by the standard security equipment commonly used at airports in the United States; and

"(2) is not readily identifiable as a firearm.".

(b) Section 925(d) of title 18, United States Code, is amended by adding at the end thereof the following: "The Secretary shall not authorize under this subsection the importation into the United States of any firearm that the Secretary determines, in consultation with the Administrator of the Federal Aviation Administration, is not readily detectable as a firearm by the standard security equipment commonly used at airports in the United States.".

By Mr. KENNEDY (for himself, Mr. DURENBERGER, Mr. HEINZ, and Mr. RIEGLE):

S. 2402. A bill to amend the Public Health Service Act to assure access to health insurance, and for other purposes; to the Committee on Labor and Human Resources.

ACCESS TO HEALTH CARE ACT

● Mr. KENNEDY. Mr. President, I rise to introduce a bipartisan, four-point initiative to deal with one of the most serious health problems facing the Nation—the inaccessibility of health care for millions of our fellow citizens.

This initiative is introduced as two mirror-image bills, identical in all but the enforcement mechanism. Senator DURENBERGER—who is joining me in this initiative, along with Senators HEINZ and RIEGLE—and I are introducing this package as two bills so that both the Labor and the Finance Committee will have the opportunity to move this legislation forward. The different enforcement mechanisms create different committee jurisdictions, and we feel the ability to work within two committees maximizes the likelihood of success for this initiative.

The initiative is also being introduced in the House today by Congressman FORTNEY H. "PETE" STARK, and WILLIS GRADISON.

The crisis in access to health care this bill addresses has two causes and you don't need an EKG or even a stethoscope to diagnose them. Too many Americans have no health insurance to pay for care they need. And too many hospitals may soon be forced to shut their doors to those who cannot pay.

Thirty-seven million Americans—one out of every six citizens—have no health insurance at all. Since 1980, the number of persons without such coverage has soared by 42 percent.

At the same time, hospitals face a growing burden in providing care for the seriously ill who cannot pay. Between 1980 and 1984, the cost of hospital charity doubled, from $2.8 billion to $5.7 billion. In the new world of hospital competition, even the most compassionate and committed institutions will soon face a cruel choice between rationing health care for the poor or bankruptcy for their institutions.

According to a recent study sponsored by the Robert Wood Johnson Foundation, 1 million Americans every year are refused health care because they cannot pay, and an additional 4 million do not even seek care they need, because they know they cannot afford it.

We propose four specific steps to deal with this crisis.

HEALTH INSURANCE FOR THE UNEMPLOYED

Employers offering health insurance to their workers will be required to extend coverage for 4 months after a worker is laid off, as long as the worker agrees to pay the same premium he was paying on the job. In addition, employers will be required to permit open enrollment for family coverage when a worker in a two-worker family is laid off and loses health insurance.

Seventy percent of the unemployed have been without work for less than 4 months. Because they have lost their employment-based group insurance and can't afford an individual policy, they are forced to go without coverage—and gamble that a medical catastrophe will not strike them or their loved ones.

For half a century, the unemployment insurance system has protected Americans against the income loss arising from short-term unemployment: It is time to provide the same protection against the potentially ruinous cost of a major uninsured illness.

Solving this problem is not a budget-buster. The Congressional Budget Office estimates that as many as 10 million workers and their dependents would benefit from enactment of this proposal. There would be no additional Federal outlays, and the maximum cost to employers would be $1.5 billion, less than seven-hundredths of 1 percent of current payroll.

INSURANCE POOLS FOR THE UNINSURABLE

Hundreds of thousands of Americans are not poor but have no access to employment-based insurance and cannot obtain insurance because of their poor health status. Many of these are parents who face the emotional burden of caring for a chronically ill child—a burden that should not be compounded by the fear of financial ruin.

Our proposal requires States to establish pools of comprehensive insurance for all residents, regardless of health status. The pools will be largely self-supporting, but if the premium exceeds 150 percent of the customary cost of individual policies, all employers and insurers offering employment-based health insurance would contribute to the pool.

Nine States—Connecticut, Florida, Indiana, Minnesota, Montana, Nebraska, North Dakota, Rhode Island, and Wisconsin—already offer similar pools to their residents: Two million more Americans will benefit if all States offer them.

Almost all States have mechanisms to provide auto insurance for otherwise uninsurable motorists. Citizens burdened by the cost of serious illness deserve help at least as generous in obtaining the coverage they need.

HOSPITAL CARE FOR THE UNINSURED

Charity care for the poor and the uninsured is a traditional mission of community hospitals. For decades, the cost of care for those who cannot pay has been financed out of earnings from paying patients. In today's highly competitive health care system—created in part by Government mandated cost controls imposed in recent years—hospitals are increasingly unable to subsidize those who cannot pay. Competition has been an important innovation in the health care system, but it is false economy to deny health care to those who cannot afford it.

Our proposal requires States to establish mechanisms to finance essential hospital care for those who cannot pay. The traditional subsidies that are now drying up must be replaced with explicit help.

New York, New Jersey, and Florida already have such mechanisms in place. Enactment of this proposal will assure that patients with serious illnesses can obtain the care they need. Hospitals must be able to fulfill their traditional mission of care and open their doors to all who need it, free from the fear that bankruptcy will close their doors to all.

HEALTH INSURANCE FOR SMALL BUSINESSES

Three-quarters of those without health insurance are workers or dependents of workers—and three quarters of these in turn work for small businesses.

Owner-operators of small unincorporated firms face a significant tax disincentive in providing health insurance for their workers. Employer-paid health insurance premiums do not count as taxable income to the workers, but—because the owner is not an employee—he is not entitled to deduct the cost of his own health insurance as a business expense. Our proposal encourages small businesses to provide insurance to their workers by enabling the owner to deduct the cost of his own personal insurance as a business expense if his workers also participate in the plan.

Small businesses are also less likely to offer health insurance because of higher marketing and administrative costs, which require them to pay 40 to 50 percent more than large firms for comparable coverage. Our proposal requires the Secretary of HHS to conduct studies and demonstrations of methods to reduce the cost of health insurance to small businesses.

Enactment of the measures we are proposing is affordable and achievable within the constraints of the Federal budget and the capabilities of the Nation's health care system. It will not solve all the problems of the current

system, but it will bring decent health care to millions of our fellow Americans who find it out of reach today.

Mr. President, I ask that a summary of the bill and a list of supporting organizations be printed in the RECORD, along with the text of the bill.

I urge prompt enactment of these important measures.

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

S. 2402

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Access to Health Care Act of 1986".

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Sec. 2. Incentives for the establishment of statewide insurance pools.
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Sec. 4. Temporary extension of coverage for laid-off workers; open enrollment for spouses of unemployed workers.
Sec. 5. Demonstration projects on improving access to health insurance for small employers and self-employed individuals.

SEC. 2. INCENTIVES FOR THE ESTABLISHMENT OF STATEWIDE INSURANCE POOLS.

(a) IN GENERAL.—The Public Health Service Act is amended—

(1) by redesignating title XXI as title XXIII and by redesignating each section of that title as the corresponding section in title XXIII, and

(2) by inserting after title XX the following new title:

"TITLE XXI—INCENTIVES FOR ESTABLISHMENT OF STATEWIDE INSURANCE POOLS

"REQUIREMENT FOR LARGE EMPLOYERS

"SEC. 2101. (a) IN GENERAL.—In accordance with regulations which the Secretary shall prescribe, in the case of each large employer that offers a health benefits plan, either the employer or the entity through which benefits under the plan are offered must be a member of a qualified pooling association (described in section 2102) in each State in which benefits under the plan are offered as a result of employment in that State.

"(b) LARGE EMPLOYER.—For purposes of this section—

"(1) IN GENERAL.—Except as provided in paragraph (2), the term 'large employer' means an employer who, on each of some 20 days during a year or the preceding year, each day being in a different calendar week, employed for some portion of the day (whether or not at the same moment of time) 20 or more individuals.

"(2) EXCEPTION FOR CERTAIN GOVERNMENTAL UNITS.—The term 'large employer' shall not include the United States or any possession of the United States or any agency or instrumentality of any of the foregoing (including the United States Postal Service and Postal Rate Commission); except that such term shall include any nonappropriated fund instrumentality of the United States.

"QUALIFIED POOLING ASSOCIATION DEFINED

"SEC. 2102. In this title, the term 'qualified pooling association' means any organization which—

"(1) is a nonprofit corporation established pursuant to and regulated by State law;

"(2) permits any of the following doing business in the State to be participating members:

"(A) insurers writing expense incurred health insurance,

"(B) hospital and medical service plan corporations,

"(C) health maintenance organizations, and

"(D) employers and other health financing entities (including self-funding entities and employee welfare benefit plans);

"(3) makes available (without regard to health conditions) to all residents of the State (who are not eligible for benefits under part A of title XVIII of the Social Security Act) levels of health insurance typical of the levels of coverage provided through large employer groups, except that—

"(A) any such level of insurance must limit the amount of the annual out-of-pocket expenses for covered services under individual coverage to $1,500 and under family coverage to $3,000,

"(B) any such level of insurance may not establish a lifetime benefit limit for any individual of less than $500,000,

"(C) subject to subparagraph (A), such insurance may provide for a choice of deductibles (in addition to the deductibles typical of levels of coverage provided through large employer groups), but not to exceed $1,000 for each covered individual, and

"(D) such insurance may deny coverage for covered services for preexisting conditions for a period not to exceed 6 months;

"(4) charges a pool premium rate expected to be self-supporting based upon a reasonable actuarial determination of anticipated experience and expected expenses, such pool premium rate in no event to exceed 150 percent of average premium rates for individual standard risks in the State for comparable coverage; and

"(5) assesses losses of the pool equitably among all participating members.

Nothing in this section shall be construed as preventing a State or other entity from providing for payment of part or all of the premium of an enrollee and from varying the amount of such payment based on the enrollee's income or other basis.

"ENFORCEMENT

"SEC. 2103. (a) CIVIL PENALTY.—Any employer (other than a State or political subdivision thereof, or any agency or instrumentality thereof) who knowingly does not comply with the requirement of section 2101 shall be subject to a civil penalty of not more than 10 percent of the amount of an employer's expenditures for plans which do not comply with that requirement. Such penalty may be assessed by the Secretary and collected in a civil action brought by the United States in a United States district court.

"(b) NOTICE AND HEARING RIGHTS.—In any proceeding by the Secretary to assess a civil penalty under this section, no penalty shall be assessed until the employer charged shall have been given notice and an opportunity to present its views on such charge. In determining the amount of the penalty, or the amount agreed upon in compromise, the Secretary shall consider the gravity of the noncompliance and the demonstrated good faith of the employer charged in attempting to achieve rapid compliance after notification by the Secretary of a noncompliance.

"(c) TRIAL DE NOVO.—In any civil action brought to review the assessment of a civil penalty assessed under this section, the court shall, at the request of any party to such action, hold a trial de novo on the assessment of such civil penalty and in any civil action to collect such a civil penalty, the court shall, at the request of any party to such action, hold a trial de novo on the assessment of such civil penalty unless in a prior civil action to review the assessment of such penalty the court held a trial de novo on such assessment.

"(d) PRIVATE RIGHT OF ACTION.—Any employer (other than a State or political subdivision thereof, or any agency or instrumentality thereof) who knowingly does not comply with one or more of the requirements of this title shall be liable to individuals for damages (including health care costs incurred) resulting from the employer's failure to comply with the requirements.

"(e) ENFORCEMENT AGAINST STATES.—If the Secretary, after reasonable notice and opportunity for a hearing to a State, finds that it or any of its political subdivisons has failed to comply with the requirement of section 2101, the Secretary shall reduce payments to such State under sections 314(d), 317, 318, 1002, 1525, and 1613 in a total amount equal to not more than 10 percent of the amount of the State's or political subdivision's expenditures for plans which do not comply with that requirement."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to years beginning on or after January 1, 1988.

(2) EXCEPTION FOR LARGE EMPLOYERS LOCATED IN CERTAIN STATES.—

(A) IN GENERAL.—In the case of a large employer located in a State in which the first regular State legislative session does not end before January 1, 1988, the amendments made by this section shall apply on or after the first year that begins after the close of the first regular State legislative session of the State.

(B) FIRST REGULAR STATE LEGISLATIVE SESSION DEFINED.—In subparagraph (A), the 'first regular State legislative session' refers to the first regular session of a State legislature that begins after the date of the enactment of this Act.

SEC. 3. REQUIRING STATE PLANS FOR THE UNINSURED AND UNDERINSURED.

(a) DENIAL OF PUBLIC HEALTH SERVICE ACT FUNDS FOR NONCOMPLIANCE.—Title XXIII of the Public Health Service Act (as redesignated by section 2(a) of this Act) is amended by adding at the end the following new section:

"REQUIRING STATE PLANS FOR THE UNINSURED AND UNDERINSURED

"SEC. 2316. (a) REQUIREMENT.—Each State shall either—

"(1) have in effect a qualified State plan of assistance for the uninsured and underinsured that meets the requirements of subsection (b), or

"(2) provide for health care coverage—

"(A) that may be a health maintenance organization or other management system of care, and

"(B) that pays for the costs of (or provides) inpatient and outpatient hospital services in the State,

for all individuals in the State who (but for this clause) would qualify to have payments for such services made under a plan described in paragraph (1).

"(b) REQUIREMENTS FOR QUALIFIED STATE PLANS OF ASSISTANCE FOR THE UNINSURED AND UNDERINSURED.—The requirements, referred

to in subsection (a)(1), for a qualified State plan of assistance for the uninsured and underinsured are as follows:

"(1)(A) The plan must provide for payment for the unreimbursed costs incurred by each hospital in the State in furnishing medically necessary inpatient and outpatient services. Such unreimbursed costs may be determined on a patient by patient basis, on the basis of a prospectively approved budget for a hospital, on the basis of costs that are reasonable and necessary for the provision of services, or on another reasonable basis established by the State.

"(B) Payment may not be made under the plan for costs—

"(i) respecting care provided by a hospital pursuant to an assurance under title VI or XVI (commonly known as the Hill-Burton program) that the hospital will make available a reasonable volume of services to persons unable to pay therefor,

"(ii) respecting obligations to pay taxes,

"(iii) for which charges can reasonably be expected to be collected with suitable bill collection mechanisms,

"(iv) for care for which payment is made under title XVIII of the Social Security Act (commonly known as the medicare program), or

"(v) for care for which payment is made under a State plan approved under title XIX of the Social Security Act (commonly known as the medicaid program).

"(2) The plan must have adequate financing through a mechanism established by the State.

"(3) The plan must not provide for a legal or regulatory limit on the amount of charity and unreimbursed care a hospital may provide.

"(c) EXCEPTIONS.—Notwithstanding subsection (b), a plan may—

"(1) provide that no payment will be made under the plan for any unpaid deductible or coinsurance amount not in excess of $250;

"(2) take into account, and require continuation of, the payment, from State and local taxes, of amounts for charity and unreimbursed care at the levels in effect during fiscal year 1985 (with such adjustments to take into account changes in prices, costs, tax collections, or other reasonable items as the plan may provide), and

"(3) require, as a condition of payment under the plan to a hospital, that the hospital (A) provide a certain level of charity and unreimbursed care for inpatient and outpatient hospital services, and (B) meet minimum standards in its efforts to collect unpaid bills.

"(d) ENFORCEMENT.—If the Secretary, after reasonable notice and opportunity for a hearing to a State, finds that it has failed to comply with the requirement of this section, the Secretary shall terminate payments to such State under sections 314(d), 317, 318, 1002, 1525, and 1613 and under title XIX and notify the Governor of such State that further payments under such sections and such title will not be made to the State until the Secretary is satisfied that there will no longer be any such failure to comply."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall take effect on January 1, 1988.

(2) EXCEPTION FOR CERTAIN STATES.—

(A) IN GENERAL.—In the case of a State in which the first regular State legislative session does not end before January 1, 1988, the amendment made by subsection (a) shall apply to years beginning after the close of the first regular State legislative session of the State.

(B) FIRST REGULAR STATE LEGISLATIVE SESSION DEFINED.—In subparagraph (A), the "first regular State legislative session" refers to the first regular session of a State legislature that begins after the date of the enactment of this Act.

SEC. 4. TEMPORARY EXTENSION OF COVERAGE FOR LAID-OFF WORKERS; OPEN ENROLLMENT FOR SPOUSES OF UNEMPLOYED WORKERS.

(a) EXPANDING TITLE XXII TO COVER PRIVATE, AS WELL AS PUBLIC, EMPLOYERS.—Title XXII of the Public Health Service Act, as added by section 10003 of the Consolidated Omnibus Budget Reconciliation Act of 1985, is amended—

(1) in the heading, by striking "FOR CERTAIN STATE AND LOCAL EMPLOYEES",

(2) in the heading of section 2201, by striking "STATE AND LOCAL GOVERNMENTAL",

(3) in section 2202(a), by striking "that is maintained" and all that follows through "subdivision,", and

(4) in section 2207, by striking "a State, political subdivision, or agency or instrumentality thereof," and insert "a group health plan".

(b) MODIFICATION OF CONTINUATION COVERAGE REQUIREMENTS.—

(1) EXTENSION OF CONTINUATION PERIOD.—Paragraph (2)(A)(i) of section 2202 of such Act (relating to maximum period of continuation coverage) is amended by striking "18 months" and inserting "22 months".

(2) CLARIFICATION OF RIGHT TO TERMINATE CONTINUATION COVERAGE.—Paragraph (2) of such section (relating to period of continuation coverage) is amended by adding at the end the following subparagraph:

"(F) NOTICE OF TERMINATION OF COVERAGE.—The date on which the qualified beneficiary notifies the plan administrator, in writing, that the coverage should be terminated."

(3) EMPLOYER CONTINUATION OF PREMIUM PAYMENTS FOR 4 MONTHS.—

(A) IN GENERAL.—Such section (relating to continuation coverage) is further amended by adding at the end the following new paragraph:

"(6) SPECIAL RULES FOR CERTAIN QUALIFIED BENEFICIARIES.—

"(A) IN GENERAL.—In the case of a qualifying event described in section 2203(2) (relating to terminations and reduced hours), during the period described in subparagraph (B)—

"(i) the amount and frequency of payment of any premium charged under paragraph (3) shall be under the same terms and conditions as if the qualifying event had not occurred, and

"(ii) paragraph (2)(C) shall only apply to failures of the qualified beneficiary to pay the premium required with respect to the beneficiary.

"(B) PERIOD OF APPLICATION.—The period described in this subparagraph is the period beginning on the day after the date of the qualifying event and ending at the end of—

"(i) 4 months, or

"(ii) the number of months (before the date of the qualifying event) for which the qualified beneficiary was provided coverage under the group health plan,

whichever is less."

(B) PROMPT ELECTION REQUIRED.—Section 2205 of such Act (relating to the election of continuation coverage) is amended by adding at the end the following new paragraph:

"(3) SPECIAL RULES FOR CERTAIN ELECTIONS.—In the case of an election respecting a qualifying event described in paragraph section 2203(2) (relating to terminations and reduced hours), in order to obtain the benefits of section 2202(6), the qualified beneficiary must make the election during the first 14 days of the election period.".

(c) SPOUSAL OPEN ENROLLMENT REQUIREMENT.—Title XXII of such Act is further amended—

(1) in section 2201(a)—

(A) by inserting "(1)" after "with this title,", and

(B) by inserting before the period at the end the following: ", and (2) for the opportunity of spouses to enroll in group health plans";

(2) by redesignating section 2208 as section 2209;

(3) by striking "2208(3)" in section 2205(2) and inserting "2209(3)"; and

(4) by inserting after section 2207 the following new section:

"SPOUSAL OPEN ENROLLMENT REQUIREMENTS OF GROUP HEALTH PLANS

"SEC. 2208. (a) IN GENERAL.—For purposes of this title, a group health plan meets the requirements of this section only if the plan provides for an open enrollment period (meeting the requirements of this subsection) for each married employee—

"(1) who is (or, but for a previous election, would be) covered under the plan, and

"(2) whose spouse loses or will lose coverage under a group health plan due to a qualifying event (described in section 2203(2)).

"(b) OPEN ENROLLMENT PERIOD.—The open enrollment period must—

"(1) be a period of not less than 60 days, and

"(2) begin not earlier than 30 days before the date of the qualifying event and not later than such date, except, at the option of the employee, the period may be delayed to begin on a date not later than the date the employee's spouse actually loses coverage under a group health plan.

"(c) LOSS OF COVERAGE.—For purposes of this section, a spouse shall not be considered to have lost coverage during any period (after a separation from employment) in which the coverage is continued and for which a contribution toward the cost of the coverage is being made by an employer, union, or entity other than the spouse.

"(d) TERMS OF ENROLLMENT OPTION.—

"(1) NO REQUIREMENT OF INSURABILITY.—The terms of such an enrollment may not require, or discriminate on the basis of lack of, evidence of insurability.

"(2) BENEFITS AND ENROLLMENT.—Except as provided in paragraph (3), the coverage and terms of an enrollment during an open enrollment period provided under this section shall be the same as the terms (including any option for coverage of immediate family members) most recently offered with respect to the enrollment of that employee or (at the employer's option) of newly hired or other employees similarly situated.

"(3) EFFECTIVE DATE OF COVERAGE.—Except as provided in paragraph (4), the coverage provided pursuant to an individual's enrollment during an open enrollment period under this section shall be effective no later than—

"(A) the first day of the first pay period that begins more than 5 days after the date the individual enrolls, or

"(B) 30 days after the date the individual enrolls,

whichever is earlier.

"(4) IMMEDIATE COVERAGE OF ADDED FAMILY MEMBERS.—If an employee was previously

covered and only exercises the option to cover immediate family members, the coverage of the immediate family members shall begin not later than the first day of the first pay period that begins after the date the individual exercises the option.".

(d) CHANGE IN NOTICE REQUIREMENTS.—Section 2206 of such Act (relating to notice requirements) is amended—

(1) in paragraph (1), by inserting "and section 2208(1)" after "this subsection",

(2) in paragraph (2), by inserting "(or 7 days in the case of a qualifying event described in section 2203(2))",

(3) in the second sentence, by striking "within 14 days of the date on which the plan administrator is notified under paragraph (2) or (3)" and inserting "within 7 days of the date on which the plan administrator is notified under paragraph (2) or within 14 days of the date on which the plan administrator is notified under paragraph (3)", and

(4) by adding at the end the following: "Each notice under paragraph (4)(A), in the case of a qualifying event described in section 2203(2), shall include information concerning the special rules in sections 2202(6) and 2205(3)."

(e) EFFECTIVE DATES.—

(1) GENERAL RULE.—The amendments made by this section shall apply to plan years beginning on or after January 1, 1947.

(2) SPECIAL RULE FOR COLLECTIVE BARGAINING AGREEMENTS.—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act, the amendments made by this section shall not apply to plan years beginning before the earlier of—

(A) the date on which the last of the collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(B) July 1, 1987.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

(f) NOTIFICATION TO COVERED EMPLOYEES.—At the time that the amendments made by this section apply to a group health plan described in section 2209(1) of the Public Health Service Act (as amended by this Act), the plan shall notify each covered employee, and spouse of the employee (if any), who is covered under the plan at that time of the continuation coverage and open enrollment period required in title XXII of such Act. The notice furnished under this subsection is in lieu of notice that may otherwise be required under section 2206(1) of such Act.

SEC. 5. DEMONSTRATION PROJECTS ON IMPROVING ACCESS TO HEALTH INSURANCE FOR SMALL EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS.

(a) STUDIES AND DEMONSTRATION PROJECTS.—The Secretary of Health and Human Services shall provide for the conduct of studies and demonstration projects on ways to reduce the costs for small employers and self-employed individuals in obtaining health insurance. In particular the Secretary shall examine, demonstrate, and evaluate how savings in marketing and administrative costs can be achieved through the use of—

(1) standardized policy packages,

(2) State arrangements for the pooling of health insurance,

(3) State or Federal reinsurance of group health contracts,

(4) contracts with banks to offer such insurance to depositors or other groups,

(5) contracts with medicare carriers,

(6) contracts or grants to Chambers of Commerce or similar groups representing business, and

(7) other innovative means.

(b) REPORT.—The Secretary shall report to Congress on the results of the studies and demonstration projects not later than January 1, 1988.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each fiscal year (beginning with fiscal year 1987) such sums as may be appropriate to carry out this section.6

THE IMPROVED ACCESS TO HEALTH CARE INITIATIVE

The Improved Access to Health Care Initiative (ACI) is a response to the growing lack of health care for the poor and uninsured. It builds on the last year's successful Stark-Kennedy initiative, which resulted in the enactment of a number of important first steps to deal with this problem.

Between 1980 and 1985, the number of Americans without any health insurance increased a stunning 42%, to over 37 million people. Simultaneously, new competitive pressures in health care have reduced care to those without insurance. A recent study by the Robert Wood Johnson Foundation found that a million Americans are refused medical care annually because they cannot pay for it, another four million do not seek needed care because they cannot afford it.

Enactment of ACI will improve access to essential health care by increasing the number of Americans covered by health insurance and by improving the financing of hospital care for the uninsured.

The bill has five elements:

Extension of employment-based health insurance coverage for laid-off workers and their dependents.

Creation of subsidized health insurance pools to allow people without employment-based coverage to buy health insurance regardless of their health status.

Requirement that states establish a mechanism to fund hospital charity care or develop a plan to provide health insurance to all uninsured residents.

Advantageous tax treatment to encourage self-employed individuals to offer health insurance to employees.

Development of methods to lower the cost of health insurance to small businesses.

EXTENSION OF COVERAGE FOR LAID-OFF WORKERS

The proposal would require employers to continue health insurance coverage for laid-off workers and their dependents for up to four months. Both employee and employer would be required to continue to pay whatever share of the premium they paid before the worker was laid off. Typically, employers pay 80-100% of the cost of health insurance.

After the four month period was over, workers could continue coverage for eighteen months more if they were willing to pay the entire premium.

More than 70% of the unemployed are enemployed for less than four months. The Congressional Budget Office estimates that as many as 5.7 million workers who would otherwise lose health insurance would be able to have continued protection under this proposal.

The bill would also mandate an open-enrollment period for employed spouses of workers who lost their jobs and their health insurance. Frequently, in two-worker families, only one member choses to enroll in the family health insurance plan because enrolling in both workers' family plans would result in duplication of coverage. As a result, if the worker who carries the insurance loses his or her job, the family is left without protection. This bill would allow the spouse that still has a job to enroll the family under his or her plan.

These provisions would fill a major gap in the Nation's health insurance system. Just as unemployment insurance protects workers and their families against loss of income during a period of temporary unemployment, enactment of this proposal could ensure protection against the devastating cost of uninsured illness.

SUBSIDIZED INSURANCE POOLS

States would be required to establish insurance pools for people who do not have access to employment-based health insurance and find it difficult or impossible to purchase adequate, affordable individual policies because they have pre-existing health conditions.

Policies offered by the pools would have to be available to anyone regardless of health status. Premiums would be limited to 150 percent of the average premium normally charged for health plans offered to individuals.

Policies would be designed to offer coverage typical of large employer plans in the State, but could not establish a life-time limit on benefits of less than $500,000 and would have to cap annual out-of-pocket expenses for covered services at no more than $1,500 for individual coverage and $3,000 for family coverage. If the plan were not self-supporting from premiums, losses would be made up by assessments on all entities offering employment-based health insurance in the State, including self-insured plans.

Nine states already offer such pools. They are important in assuring medical care and protection from bankruptcy to families facing serious illness that do not have access to employment-based health insurance.

STATE SYSTEMS TO FUND HOSPITAL CARE FOR THE UNINSURED

Last report care for the poor and uninsured who are very sick has traditionally been one of the missions of hospitals. Hospitals have finance the cost of charity care largely out of earnings on other care.

Changes in the health care market now jeopardize the willingness of hospitals to provide charity and unreimbursed care. Under the influence of medicare's prospective payment system, greater competition between hospitals for business, increasing enrollment in HMOs, and growing insistence by large employers and insurers on the lowest possible charges for services, hospitals have come to feel they have to behave more and more like businesses. Hospitals believe that the cross-subsidies that they have traditionally relied on to finance charity care can no longer be counted on for this purpose.

This proposal requires states to establish a subsidy to finance charity care to substitute for the hidden subsidies that are now drying up. Under the proposal, hospitals would be assured that the charity and unreimbursed care they provided would be paid for so long as the care was rendered eco-

nomically and efficiently and they tried to collect whatever costs the patient himself was able to finance.

Alternatively, states could establish a program to provide health insurance for all residents.

Several states—New York, New Jersey and Florida—already have funding mechanisms for uncompensated hospital care. Enactment of this proposal will assure that severely ill patients can be confident of receiving the essential hospital care they need regardless of their ability to pay. Likewise, hospitals can be assured that fulfilling their traditional mission of providing care to everyone in the community will not jeopardize their financial well being.

TAX INCENTIVES FOR THE SELF-EMPLOYED

Seventy-five percent of all uninsured Americans are employed or the dependents of employees. Most of these employed but uninsured Americans work for self-mployed individuals or small businesses. While 90 percent of workers in businesses with more than 26 employees are offered health insurance, only about half of businesses with 25 workers or less offer their employees health insurance. The inabililty of self-employed individuals to take the business deduction for their health insurance has been a significant disincentive to offer health insurance to their employees.

Under current tax law, the cost of employer-paid health insurance premiums is not counted as taxable income to workers. In small, unincorporated businesses, however, the owner-operator of the business receives no tax benefit for the cost of his own health insurance. If he offers health insurance to his employees, they do not pay any tax on the contribution the business makes to the cost of the premium, but the self-employed owner must pay his own full premium out of after tax dollars.

This bill would encourage self-employed individuals to offer health insurance to their workers by allowing them to take the business tax deduction for the cost of the lowest premium they pay for health insurance for their full-time employees.

DEMONSTRATIONS ON LOWERING THE COST OF CARE TO SMALL BUSINESSES

Small businesses are less likely to offer health insurance to their employees because of higher marketing and administration costs. The Health Insurance Association of America estimates that very small businesses (less than 10 employees) must pay a rate for insurance that is typically 40 to 50 percent higher than large businesses pay for similar coverage.

This proposal requires the Secretary of the Department of Health and Human Services to conduct studies and demonstration projects on ways to lower the cost of health insurance coverage for small firms. The demonstrations could include state government pool arrangements, grants to Chambers of Commerce or similar groups to arrange insurance coverage for small firms in a given geographical area, and offering of insurance to small firms through medicare carriers.

THE IMPROVED ACCESS TO HEALTH CARE INITIATIVE—SUPPORTING ORGANIZATIONS

National Health Care Campaign.

Member Organizations: National Council of Senior Citizens, Children's Defense Fund, Citizen Action, Congress of National Black Churches, National Association of Community Health Centers, National Association of Social Workers, National Black Child Development Institute, Service Employees International Union, Southern Christian Leadership Conference, United States Catholic Conference.

AFL-CIO, American Association of Retired Persons, American College of Gastroenterology, American Diabetes Association, American Hospital Association, Catholic Hospital Association, Older Women's League, UAW.

Coalition for Health Insurance Availability (supporting the risk pool legislation).

Member Organizations: ACLD, Inc. An Association for Children and Adults with Learning Disabilities, Alliance for the Neurologically Impaired, American Diabetes Association, American Foundation for the Blind, Amyotrophic Lateral Sclerosis Association, Arthritis Foundation, Association for Retarded Citizens, Cooley's Anemia Foundation, Cystic Fibrosis Foundation, Epilepsy Foundation of America, Handicapped Organized Women, Inc., Health Insurance Association of America, Huntington's Disease Foundation of America, Immune Deficiency Foundation, Lupus Foundation of America, National Association of Children's Hospitals and Related Institutions, Inc., National Association of Developmental Disabilities Councils, National Coalition for Rare Disorders, National Easter Seal Society, National Head Injury Foundation, National Foundation for Ileitis and Colitis, National Huntington's Disease Association, National Multiple Sclerosis Society, National Rehabilitation Association, National Society for Children and Adults with Autism, National Women's Health Network, Sickle Cell Support Association, Sick People Need Insurance, Sick Kids Need Involved People, Spina Bifida Association of America, Tourette Syndrome Association, Inc., United Cerebral Palsy Associations, Inc.●

● Mr. HEINZ. Mr. President: I am pleased to join my colleagues, Senators KENNEDY and DURENBERGER, as a sponsor of the Access to Health Care Act of 1986. The strong bipartisan support we have on both sides of the Capitol for this legislation reflects how important this legislation is to America's 35 to 37 million medically uninsured citizens. I am particularly gratified that the sponsors have incorporated within this initiative a modified version of my bill, S. 1372, the Health Insurance Availability Act of 1985.

For 1 in 6 Americans today, riding in a car, catching a cold, just getting out of bed a day older each morning poses a monumental risk. If you don't have health insurance, an accident or illness carries the threat of financial disaster, unnecessary pain, disability, and even death.

Traditionally, Americans insure themselves against the financial risk of poor health through four major avenues—employer-sponsored group health insurance, Medicare, Medicaid, or private insurance paid by the individual. Four avenues for care, but each with insurmountable roadblocks for too many in need of insurance. And for many uninsured, neither a job nor a comfortable income are a guarantee of safe passage.

The medically uninsured represent a broad cross section of income class, employment status, and age groups. They are people like:

Beulah S., a widow from San Francisco, who testified at a hearing of the Aging Committee last year. When Beulah's husband died in 1979 and she lost his health insurance coverage, she suddenly found herself a victim of cancer and a victim of a health insurance system which shuns the risky patient. Too young for Medicare, too sick for private insurance, Beulah was forced to use up much of the savings her husband had left her to buy the critical medical care she needed.

Bill F., an unemployed steel worker in my home State of Pennsylvania, faces the prospect of depleting his small savings because he cannot find coverage for himself and his pregnant wife, casting a shadow on what should be a happy event.

The bill we are introducing today will help people like Beulah by encouraging States to set up risk pools and Mr. and Mrs. F. by extending employer health coverage to laid-off workers. It will help to expand health insurance coverage by small businesses where employees now have a mere 50-50 chance of being covered. And finally, this bill will give health care providers the assurance that they will be paid for the charity and unreimbursed care they provide.

More specifically, this legislation will do the following:

First. Encourage States to establish insurance risk pools for those unable to purchase health insurance because of a pre-existing condition. Employers with 20 or more employees, who provide health benefits either through insurance or by self-funding, would be required to contribute to the statewide risk pool. Any employer who failed to participate would be subject to a 10-percent excise tax on their employee health expenses. The pool's health insurance must make available to all residents of the State levels of health insurance typical of the levels of coverage provided through large employer groups. The bill would limit out-of-pocket expenses for individual coverage to $1,500 and for family coverage to $3,000. The lifetime benefit could not be less than $500,000. The pool would offer a choice of deductibles, not to exceed $1,000 for each individual covered and the premium could not exceed 150 percent of average premium rates for individual policies in the State for comparable coverage. The bill allows States to subsidize premiums.

Second. Require States to establish financing mechanisms to pay for uncompensated and charity inpatient and outpatient hospital care. This proposal requires States to establish an explicit subsidy mechanism to finance charity and unreimbursed care for the uninsured and underinsured. Under

the proposal, hospitals would be paid for so long as the care was rendered economically and efficiently, and they had made businesslike efforts to collect whatever costs the patient himself was able to finance.

Alternatively, States could establish a program to provide health insurance for all of the residents in the State and thereby obviate the need to reimburse hospitals for charity care.

Third. Extention of coverage for laid-off workers. The Access to Health Care Act would require employers to offer extended health insurance coverage for laid-off workers and their dependents for up to 4 months. Both employee and employer would be required to continue to pay whatever share of the premium they paid before the worker was laid off. After the 4-month period was over, workers could exercise the option under the Consolidated Omnibus Budget Reconciliation Act of 1985 to continue coverage for a total of 18 months if they were willing to pay both the employer and employee share of the premium.

The bill also requires an open enrollment period for employed spouses of workers who lost their jobs and their health insurance. Under current law, if the worker who carries the insurance loses his or her job, the family is left without protection. This bill would allow the spouse that still has a job to enroll the family under his or her employer's plan.

Fourth. Tax incentives for the self-employed. Under current tax law, the cost of employer-paid health insurance premiums is not counted as taxable income to workers. In small, unincorporated businesses, however, the owner-operator of the business receives no tax benefit for the cost of his own health insurance. If he offers health insurance to his employees, they do not pay any tax on the contribution the business makes to the cost of the premium, but the self-employed owner must pay his own full premium out of after tax dollars. This bill would encourage self-employed individuals to offer health insurance to their workers by allowing them to take the business tax deduction for the cost of the lowest premium they pay for health insurance for their full-time employees.

Fifth. Demonstration projects on lowering the cost of care to small businesses. The Access to Health Care Act requires the Secretary of HHS to conduct studies and demonstration projects on ways to lower the cost of health insurance coverage for small firms. The demonstrations could include State government pool arrangements, grants to chambers of commerce or similar groups to arrange insurance coverage for small firms in a given geographical area, and offering of insurance to small firms through Medicare carriers.

This important initiative is supported by a broad coalition of groups including the National Council of Senior Citizens, the National Healthcare Campaign, the United Auto Workers, AFL-CIO, Older Women's League, and the American Hospital Association, to name just a few.

Mr. President, we need to underscore our commitment to quality health care as a right of all Americans—not a privilege just for the lucky few. The Access to Health Care Act is designed with this priority in mind.●

By Mr. DURENBERGER (for himself, Mr. KENNEDY, Mr. HEINZ, and Mr. RIEGLE):

S. 2403. A bill to amend the Internal Revenue Code of 1954 to assure access to health insurance, and for other purposes; to the Committee on Finance.

ACCESS TO HEALTH CARE ACT

● Mr. DURENBERGER. Mr. President, I am happy to introduce today with my colleagues from the State of Massachusetts [Mr. KENNEDY], the State of Pennsylvania [Mr. HEINZ], and the State of Michigan [Mr. RIEGLE], the Access to Health Care Act of 1986. The bill includes a set of measures amending the Tax Code and Medicaid law to improve access to health insurance coverage for Americans.

Mr. President, in efforts to make health care available to Americans, as in efforts to contain the cost of health care, we have learned there are no universal approaches—no "magic bullets." Concepts such as federally administered national health insurance or nationally mandated all-payer insurance systems are impractical, politically unpalatable, and just plain won't work. We have learned that the market place at the community level, guided by consumer choice of private health plans, is the best means to promote quality, cost-effective health care. So it is important that as we address the issue of uninsured Americans that congressional action be consistent with the principle of consumer choice of private health coverage in the local health marketplace.

Insurmountable financial obstacles to health care confront too many Americans. The number of uninsured has grown from 33 million at the bottom of the recession to 37.1 million today. All indications are that it will continue to rise. There are many reasons why the number of uninsured has increased. First, many parts of the country never recovered from the 1982-83 recession and rural America is now deep in economic crisis. Also, reform of the health care system, the "competition strategy" under which hospitals, doctors, and health plans have begun to compete for business based on the price of services or premiums is another factor.

Competition in the health care system and the complimentary Medicare payment reforms, both of which promote efficiency in the delivery of hospital services, have reduced the cost of health care. However, the incentives inherent in competition and Medicare reform also have sent a message to the hospitals and health plans that the cross-subsidization of charity care, medical education and research will no longer be funded primarily through the dollars of paying patients. Today, those patients and their health plans—including Medicare—are only interested in paying for the value of what they receive not the care of medical training of others.

This side effect of the economics of competition in the health care system will be useful in the long run. It will enable the health care system to move away from hidden subsidization to explicit support for the poor and medical training. This will encourage the explicit funding of the efficient, quality providers who are best able to give value for dollars paid for service.

As I have said many times, reform of the health care system depends on individual Americans making choices in a market. As a national policy, it makes sense to encourage individuals to make the right health care choices by subsidizing their purchase of health plan coverage. This subsidization achieved through the tax exclusion for employer paid health premiums. More than 192 million Americans have private health plan membership, most of it subsidized the exclusion. Another 31.1 million Americans receive Medicare and many of them also purchase private insurance to supplement Medicare benefits. There are 27.5 million Americans receiving benefits under the Medicaid Program. But, that leaves only the 37.1 million Americans unprotected. It is this group for which the Federal Government has no policy of incentives to obtain health plan coverage.

Equity, fairness and good sense call for Federal initiatives to provide and encourage health coverage for all Americans. That is why I am joining with my colleagues from Massachusetts [Mr. KENNEDY] and my colleague from Pennsylvania [Mr. HEINZ] in sponsoring S. 2403 today. The "Access to Health Care Act of 1986," takes positive, careful steps to promote health care insurance coverage of those who are uncovered today.

This bill, however, does not finish the job. Much more can be done through reform of tax rules for health benefits. Next week, I will introduce a set of alternative proposals to provide better incentives for individuals and their families to purchase health insurance. Current law only makes this tax incentive available to those who

are fortunate enough to have health insurance provided by their employers.

Mr. President, S. 2403 is part of a process I began last year with the introduction of S. 1211, the Health Equity and Fairness Act of 1985. That bill included three provisions designed to make private health insurance more readily available to many of those now uninsured: Health insurance premium deductions for self-employed and unemployed persons, mandatory catastrophic loss protection of employer-sponsored health insurance plans, and time limited continuity of coverage options for those who lose eligibility for employer-sponsored insurance.

The continuity of coverage provisions were included in the fiscal year 1986 reconciliation bill signed into law by the President. I look forward this year to building on this accomplishment with the passage of provisions from the Access to Health Care Act of 1986 and the benefits reform bills I will introduce next week.

The bill S. 2403 introduced today has five elements:

Extension of employment-based health insurance coverage for laid-off workers and their dependents.

Establishment of subsidized health insurance pools to enable Americans without access to employment-based coverage, or Medicare to purchase individual health insurance regardless of their health status.

Requirement that States establish programs to provide health plan coverage for uninsured and underinsured or establish mechanisms to fund hospital uncompensated care.

A tax deduction for health benefits to encourage individuals to offer health insurance to employees.

Studies and demonstrations of methods to reduce the cost of health coverage to small business and the self-employed.

HEALTH INSURANCE FOR THE UNEMPLOYED

More than 70 percent of the unemployed have been out of work for less than 4 months. And, despite the current period of economic growth there are 5,000,000 Americans—10,000,000 counting their dependents—who fall into this 70 percent during a given year. These individuals will frequently lose their dependents lose their health insurance when they are laid off and so become part of the 37.1 million Americans.

Last year I proposed in S. 1211, a protection for this group, by requiring that laid off workers and their dependents have the option to continue their coverage in their former employer's health insurance group. That provision was incorporated in the 1987 reconciliation bill for fiscal year 1986.

But, the Congress should go further for those workers who are involuntarily laid off from their jobs. Many corporations already take responsibility for these workers, others do not. To help close the gap of coverage, particularly since most workers find some employment within 4 months, it is important to help build a bridge for their health benefits between employers. This revision will not help the chronically unemployed but this group is clearly a minority of those unemployed Americans.

S. 2403 requires that employers provide 4 months of coverage to laid-off workers and their dependents. In addition, S. 2403 requires an open-enrollment period for employed spouses of workers who lose their jobs and health insurance. In many two-workers families—so common today—only one member chooses to enroll in the family health plan since both workers' family plans would result in duplication of coverage. If the worker who carries insurance for the family loses his or her job, the family as a whole would be left uncovered. S. 2403 would allow the spouse that still has a job, the option to enroll the family under his or her employer plan.

These provisions were part of the discussions during the 1983 recession of the health insurance for the unemployed initiatives. With the improvement of the economy since that time, the push for legislation in this area died. It is now time to again visit this issue. The face that the number of the uninsured has not dropped, despite the fact that overall unemployment has gone from 9.7 percent to 7.5 percent, is indicative of the fact that there is a need for the protection for workers proposed in S. 2403.

SUBSIDIZED INSURANCE POOLS

Many Americans cannot obtain health coverage because of a pre-existing health problem. One solution nine States have chosen to use to assist their uninsurable citizens are insurance pools.

These pools are created from a contribution levied on health insurers based on their number of insured persons in a State. Health plans will then bid to administer the pool. The health plan awarded the contract then offers policies to individuals or families who have been unable to obtain conventional health insurance coverage.

Such a program has been implemented in Minnesota and covers 10,000 people. It has operated for almost 10 years. The policy provided by the pool for a person aged 60 to 64 years with a $1,000 deductible costs the individual $1,200 per year in premiums. Obviously, this alternative is not for everyone but it surely has made the difference for many Minnesotans.

One obstacle to States forming pools is that large employer self-insured health plans established under Federal ERISA rules cannot be required to contribute to the pools. This has made it difficult to form pools, particularly since the trend is for large employers to self-insure.

S. 2403 places an excise tax on such employers if they do not cooperate with the state in contributing to the pool. These pools depend on broad participation. It is not easy for me to support this hammer approach to encouraging employers to assume a role in the pool. Unfortunately, it is the only means we appear under current law to have to send the message that insurance pools make sense and should be made available to all Americans who cannot get insurance because they are high risks.

STATE HEALTH PLANS FOR THE UNINSURED

Last year the Senate passed a provision of the fiscal year 1987 reconciliation bill which bars Medicare payment to those hospitals that refuse to care for patients unable to pay but suffering from a life threatening condition. When this measure was under consideration, I argued that the state should have general plans to meet the needs of the non-Medicaid poor who could not afford health care.

Clearly, the number of uninsured Americans is increasing. And, I argued that the States are in the best position to arrange for the delivery of services to these people. This does not mean, however, that the Federal Government should have no role. To the contrary, the Federal Government has a responsibility to the poor. It is unconscionable that the Lee Iaccoca's of the world get $3,500 tax-free for health premiums paid by his employer while those Americans who have an employer have no employer-paid benefits must purchase insurance with after-tax dollars, assuming they can even afford the premiums.

Next week I will propose a set of alternative means, to refine the Tax Code to provide a subsidy to all Americans to purchase health coverage. But, it still must fall to the States to use this subsidy as a base for the health plan payments for those not covered now by insurance.

S. 2403 will require states as part of their Medicaid planning to develop mechanisms for helping all residents to obtain health plan membership. Only through the subsidy of people's coverage will policies to help the uninsured truly compliment the progress made in making the delivery of health care more efficient through consumer choice.

The bill also allows the States under this provision, as an option facilitating health coverage, to directly fund uncompensated care in hospitals. Philosophically, I am opposed to this notion of subsidizing institutions rather than people. I believe health plans will meet the true health care needs of individuals whereas hospitals can only help them when sick.

Also, supporting the bad debt and charity care of all hospitals may boost the wrong institutions.

Nevertheless, in the short run the importance of assuring access to needed care for all Americans is our goal. As we reform the tax system and make other changes to encourage broader coverage, it may be unnecessary to turn to this alternative option. From my view, as long as the objective is not forgotten and the process to get there is not forsaken, then this stopgap measure ought to be taken.

TAX TREATMENT FOR THE SELF-EMPLOYED

Seventy-five percent of uninsured Americans are employed or the dependents of employees. Most of these employed but uninsured individuals work for small businesses. Ninety percent of workers in businesses with more than 26 employees are offered health insurance, while less than half of small business employees get health insurance.

Part of the problem with small businesses, is that they are operated by self-employed individuals who can take a business deduction for the health benefits they provide employees but not for themselves. The inability of these employees to take the deduction for their health insurance reduces their incentives to offer coverage to their employees.

Under current tax law, the cost of employer-paid health insurance premiums is not counted as taxable income to workers. In small, unincorporated businesses, however, the owner-operator of the business receives no tax benefit for the cost of his own health insurance. If he offers health insurance to his employees, they do not pay any tax on the contribution the business makes to the cost of the premium, but the self-employed owner must pay his own full premium out of after tax dollars.

S. 2403 would change tax law to allow the self-employed individual to take as a business deduction for themselves the cost of the lowest paid premium they paid for an employee.

This small tax change should be made. Broader refinements are needed, as I have said, however, to put all Americans on an even footing as regards to the tax subsidy for health insurance coverage.

DEMONSTRATION PROJECTS

The final provision of the bill would fund studies and demonstration projects on improving health insurance availability for small employers and the self-employed.

Minnesota is already a laboratory for such activity. The Minnesota Association of Commerce and Industry [MACI] has a cost containment committee of 5,000 members, mostly small business people, to help control health care cost. Projects the committee has promoted include:

Pooling MACI members to negotiate for discounts for health plan packages—an effort which reduced health care premium costs by 10 percent on average.

Providing information to MACI members on how to be more prudent buyers of health care—for example, information on second opinion programs, outpatient surgery and shopping for health care services.

Efforts to inform small businesses about health plan design—that is, offering health plans with cost sharing and other facets to make employees more cost conscious about health care purchasing.

Mr. President, S. 2403 represents a vital next step in the process to provide access for all Americans to private health plan coverage. Gaps will remain even after this measure is passed. But, the bill keeps this Congress moving in the right direction.

Mr. President, while this bill provides a framework for new Federal initiatives and reforms of the existing Federal role in assuring access to health care, much more work will need to be done at both the State and Federal level to solve this problem. Many States have already taken the initiatives and established some type of plan for providing coverage to those currently without health insurance. S. 2403 and the other bills affecting incentives for health plan coverage I will introduce next week serve to clarify the appropriate Federal role in their efforts and to assure equity and fairness in the ways the Federal Government subsidizes private health plan coverage for all Americans.

Mr. President, I ask unanimous consent that my statement at this afternoon's press conference, the bill, and the bill summary be printed in the RECORD.

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

S. 2403

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Access to Health Care Act of 1986.".

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Sec. 1. Short title.
Sec. 2. Incentives for the establishment of statewide insurance pools.
Sec. 3. Requiring State programs for the uninsured and underinsured.
Sec. 4. Temporary extension of coverage for laid-off workers; open enrollment for spouses of unemployed workers.
Sec. 5. Deduction allowable for certain group health plan contributions by self-employed individuals.
Sec. 6. Demonstration projects on improving access to health insurance for small employers and self-employed individuals.

SEC. 2. INCENTIVES FOR THE ESTABLISHMENT OF STATEWIDE INSURANCE POOLS.

(a) GENERAL RULE.—Chapter 41 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subchapter:

"Subchapter B—Health Plans of Large Employers Not Members of Qualified State Pooling Associations

"Sec. 4912. Tax on expenses of health plans of large employers not members of qualified state pooling associations.

"SEC. 4912. TAX ON EXPENSES OF HEALTH PLANS OF LARGE EMPLOYERS NOT MEMBERS OF QUALIFIED STATE POOLING ASSOCIATIONS.

"(a) TAX IMPOSED.—In the case of a large employer, there is hereby imposed a tax equal to 10 percent of the amount of the nonqualified employee health expenses paid or incurred during the taxable year.

"(b) LARGE EMPLOYER.—For purposes of this section—

"(1) IN GENERAL.—Except as provided in paragraph (2), the term 'large employer' means an employer who, on each of some 20 days during the taxable year or the preceding taxable year, each day being in a different calendar week, employed for some portion of the day (whether or not at the same moment of time) 20 or more individuals.

"(2) EXCEPTION FOR GOVERNMENTAL UNITS.—The term 'large employer' shall not include the United States, any State or political subdivision thereof, or any possession of the United States or any agency or instrumentality of any of the foregoing (including the United States Postal Service and Postal Rate Commission); except that such term shall include any nonappropriated fund instrumentality of the United States.

"(c) NONQUALIFIED EMPLOYEE HEALTH EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'nonqualified employee health expenses' means the expenses paid or incurred by the employer for a group health plan to the extent such expenses are allocable—

"(A) to employment within a State, and

"(B) to a period during which neither

"(i) the employer, nor

"(ii) any entity through which benefits under the plan are provided,

is a member of a qualified pooling association in such State.

"(2) GROUP HEALTH PLAN.—The term 'group health plan' has the meaning given to such term by section 162(i)(3).

"(3) QUALIFIED POOLING ASSOCIATION.—The term 'qualified pooling association' means any organization which—

"(A) is a nonprofit corporation established pursuant to and regulated by State law;

"(B) permits any of the following doing business in the State to be participating members:

"(i) insurers writing expense incurred health insurance,

"(ii) hospital and medical service plan corporations,

"(iii) health maintenance organizations, and

"(iv) employers and other health financing entities (including self-funding entities and employee welfare benefit plans);

"(C) makes available (without regard to health conditions) to all residents of the State, who are not eligible for medicare, levels of health insurance typical of the levels of coverage provided through large employer groups, except that—

"(i) any such level of insurance must limit the amount of the annual out-of-pocket expenses for covered services under individual coverage to $1,500 and under family coverage to $3,000,

"(ii) any such level of insurance may not establish a lifetime benefit limit for any individual of less than $500,000,

"(iii) subject to clause (i), such insurance may provide for a choice of deductibles (in addition to the deductibles typical of levels of coverage provided through large employer groups), but not to exceed $1,000 for each covered individual, and

"(iv) such insurance may deny coverage for covered services for preexisting conditions for a period not to exceed 6 months;

"(D) charges a pool premium rate expected to be self-supporting based upon a reasonable actuarial determination of anticipated experience and expected expenses, such pool premium rate in no event to exceed 150 percent of average premium rates for individual standard risks in the State for comparable coverage; and

"(E) assesses losses of the pool equitably among all participating members.

Nothing in this paragraph shall be construed as preventing a State or other entity from providing for payment of part or all of the premium of an enrollee and from varying the amount of such payment based on the enrollee's income or other basis.

"(4) MEDICARE.—The term 'medicare' means the insurance program established under part A of title XVIII of the Social Security Act.

"(d) CROSS REFERENCE.—

"(1) For provision denying deduction for tax imposed by this section, see section 275(a)(6).

"(2) For provisions making deficiency procedures applicable to tax imposed by this section, see section 6211 et seq."

(b) CLERICAL AMENDMENTS.—

(1) Chapter 41 of such Code is amended by striking the chapter heading and inserting the following:

"CHAPTER 41—PUBLIC CHARITIES; CERTAIN HEALTH PLANS OF LARGE EMPLOYERS

"Subchapter A. Public charities.

"Subchapter B. Health plans of large employers not members of qualified State pooling associations.

"Subchapter A—Public Charities".

(2) The table of chapters for subtitle D of such Code is amended by striking the item relating to chapter 41 and inserting the following:

"Chapter 41. Public charities; certain health plans of large employers."

(3) Subparagraph (B) of section 6104(c)(1) of such Code is amended by striking "or chapter 41 or 42" and inserting ", subchapter A of chapter 41 or chapter 42".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning on or after January 1, 1988.

(2) EXCEPTION FOR TAXPAYERS LOCATED IN CERTAIN STATES.—

(A) IN GENERAL.—In the case of a taxpayer located in a State in which the first regular State legislative session does not end before January 1, 1988, the amendments made by this section shall apply to taxable years of the taxpayer beginning on or after the first January 1st that occurs after the close of the first regular State legislative session of the State.

(B) FIRST REGULAR STATE LEGISLATIVE SESSION DEFINED.—In subparagraph (A), the 'first regular State legislative session' refers to the first regular session of a State legislature that begins after the date of the enactment of this Act.

SEC. 3. REQUIRING STATE PROGRAMS FOR THE UNINSURED AND UNDERINSURED.

(a) MEDICAID STATE PLAN REQUIREMENT.—Section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) is amended—

(1) by striking "and" at the end of the paragraph (45),

(2) by striking the period at the end of paragraph (46) and inserting "; and", and

(3) by inserting after paragraph (46) the following new paragraph:

"(47)(A) have in effect a qualified State program of assistance for the uninsured and underinsured that meets the requirements of section 1903(s)(1), or

"(B) provide for health care coverage—

"(i) that may be a health maintenance organization or other management system of care, and

"(ii) that pays for the costs of (or provides) inpatient and outpatient hospital services in the State,

for all individuals in the State who (but for this subparagraph) would qualify to have payments for such services made under a program described in subparagraph (A)."

(b) REQUIREMENTS FOR QUALIFIED STATE PROGRAMS OF ASSISTANCE FOR THE UNINSURED AND UNDERINSURED.—Section 1903 of such Act (42 U.S.C. 1396b) is amended by inserting after subsection (r) the following new subsection:

"(s)(1) The requirements, referred to in section 1902(a)(47)(A), for a qualified State program of assistance for the uninsured and underinsured are as follows:

"(A)(i) The program must provide for payment for the unreimbursed costs incurred by each hospital in the State in furnishing medically necessary inpatient and outpatient services. Such unreimbursed costs may be determined on a patient by patient basis, on the basis of a prospectively approved budget for a hospital, on the basis of costs that are reasonable and necessary for the provision of services, or on another reasonable basis established by the State.

"(ii) Payment may not be made under the program for costs—

"(I) respecting care provided by a hospital pursuant to an assurance under title VI or XVI of the Public Health Service Act (commonly known as the Hill-Burton program) that the hospital will make available a reasonable volume of services to persons unable to pay therefor,

"(II) respecting obligations to pay taxes,

"(III) for which charges can reasonably be expected to be collected with suitable bill collection mechanisms,

"(IV) for care for which payment is made under title XVIII, or

"(V) for care for which payment is made under a State plan approved under this title.

"(B) The program must have adequate financing through a mechanism established by the State.

"(C) The program must not provide for a legal or regulatory limit on the amount of charity and unreimbursed care a hospital may provide.

"(2) Notwithstanding paragraph (1), a program may—

"(A) provide that no payment will be made under the program for any unpaid deductible or coinsurance amount not in excess of $250;

"(B) take into account, and require continuation of, the payment, from State and local taxes, of amounts for charity and unreimbursed care at the levels in effect during fiscal year 1985 (with such adjustments to take into account changes in prices, costs, tax collections, or other reasonable items as the program may provide), and

"(C) require, as a condition of payment under the program to a hospital, that the hospital (i) provide a certain level of charity and unreimbursed care for inpatient and outpatient hospital services, and (ii) meet minimum standards in its efforts to collect unpaid bills.

"(3)(A) If a State fails to meet the requirement of section 1902(a)(47) with respect to a calendar quarter—

"(i) if the calendar quarter is one of the first 4 calendar quarters in which the requirement applies to the State, the per centum that shall apply for purposes of subsection (a)(7) shall be one-half the per centum that would otherwise be specified, or

"(ii) if the calendar quarter is a subsequent calendar quarter, the per centum specified in subsection (a)(7) shall be reduced to zero.

"(B) Notwithstanding any other provision of this title, no financial penalty (other than that described in subparagraph (A)) may be imposed against a State for its failure to meet the State plan requirement described in section 1902(a)(47)."

(c) CONFORMING AMENDMENT.—Section 1903(a)(7) of such Act (42 U.S.C. 1396b(a)(7)) is amended by inserting "subject to subsections (r) and (s)," after "(7)".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to payments to States for calendar quarters beginning on or after January 1, 1988.

(2) EXCEPTION FOR HOSPITALS LOCATED IN CERTAIN STATES.—

(A) IN GENERAL.—In the case of a State in which the first regular State legislative session does not end before January 1, 1988, the amendments made by this section shall apply to calendar quarters beginning on or after the first January 1st that occurs after the close of the first regular State legislative session of the State.

(B) FIRST REGULAR STATE LEGISLATIVE SESSION DEFINED.—In subparagraph (A), the "first regular State legislative session" refers to the first regular session of a State legislature that begins after the date of the enactment of this Act.

SEC. 4. TEMPORARY EXTENSION OF COVERAGE FOR LAID-OFF WORKERS; OPEN ENROLLMENT FOR SPOUSES OF UNEMPLOYED WORKERS.

(a) DENIAL OF DEDUCTION FOR EMPLOYER CONTRIBUTION TO PLAN.—Paragraph (2) of section 162(i) of the Internal Revenue Code of 1954 (relating to deduction for trade or business expenses with respect to group health plans), as amended by section 10001(a) of the Consolidated Omnibus Budget Reconciliation Act of 1985, is amended—

(1) in the heading, by inserting "and open enrollment option for spouses of unemployed workers" after "certain individuals", and

(2) in subparagraph (A), by inserting "and the spousal open enrollment requirements of subsection (l)" after "subsection (k)".

(b) DENIAL OF EXCLUSION FOR HIGHLY COMPENSATED INDIVIDUALS.—Section 106(b) of such Code (relating to contributions by employer to accident and health plans), as amended by section 10001(b) of the Consoli-

dated Omnibus Budget Reconciliation Act of 1985, is amended—

(1) in paragraph (1), by striking "meet" and all that follows to the end of the paragraph and inserting the following: "meet—

"(A) the continuing coverage requirements of section 162(k), and

"(B) the spousal open enrollment requirements of section 162(l).",

(2) by striking "Paragraph (1)" in paragraph (2) and inserting "Paragraph (1)(A)", and

(3) by amending subparagraph (B) of paragraph (2) to read as follows:

"(B) a plan established and maintained for its employees by the Government of the United States, or by any agency or instrumentality of such, and a plan described in the second sentence of section 414(d), or".

(c) MODIFICATION OF CONTINUATION COVERAGE REQUIREMENTS.—

(1) EXTENSION OF CONTINUATION PERIOD.—Paragraph (2)(B)(i)(I) of section 162(k) of such Code (relating to maximum period of continuation coverage), as inserted by section 10001(c) of the Consolidated Omnibus Budget Reconciliation Act of 1985, is amended by striking "18 months" and inserting "22 months".

(2) CLARIFICATION OF RIGHT TO TERMINATE CONTINUATION COVERAGE.—Paragraph (2)(B) of such section (relating to period of continuation coverage) is amended by adding at the end the following clause:

"(vi) NOTICE OF TERMINATION OF COVERAGE.—The date on which the qualified beneficiary notifies the plan administrator, in writing, that the coverage should be terminated."

(3) EMPLOYER CONTINUATION OF PREMIUM PAYMENTS FOR 4 MONTHS.—

(A) IN GENERAL.—Paragraph (2) of such section (relating to continuation coverage) is further amended by adding at the end the following new subparagraph:

"(F) SPECIAL RULES FOR CERTAIN QUALIFIED BENEFICIARIES.—

"(i) IN GENERAL.—In the case of a qualifying event described in paragraph (3)(B) (relating to terminations and reduced hours), during the period described in clause (ii)—

"(I) the amount and frequency of payment of any premium charged under subparagraph (C) shall be under the same terms and conditions as if the qualifying event had not occurred, and

"(II) subparagraph (B)(iii) shall only apply to failures of the qualified beneficiary to pay the premium required with respect to the beneficiary.

"(ii) PERIOD OF APPLICATION.—The period described in this clause is the period beginning on the day after the date of the qualifying event and ending at the end of—

"(I) 4 months, or

"(II) the number of months (before the date of the qualifying event) for which the qualified beneficiary was provided coverage under the group health plan,

whichever is less."

(B) PROMPT ELECTION REQUIRED.—Paragraph (5) of such section (relating to the election of continuation coverage) is amended by adding at the end the following new subparagraph:

"(C) SPECIAL RULES FOR CERTAIN ELECTIONS.—In the case of an election respecting a qualifying event described in paragraph (3)(B) (relating to terminations and reduced hours), in order to obtain the benefits of paragraph (2)(F), the qualified beneficiary must make the election during the first 14 days of the election period.".

(4) NOTICE OF REQUIREMENTS.—Paragraph (6) of such section (relating to notice requirements) is amended—

(A) in subparagraph (A), by inserting "and subsection (l)" after "this subsection",

(B) in subparagraph (B), by inserting "(or 7 days in the case of a qualifying event described in paragraph (3)(B))",

(C) in the second sentence, by striking "within 14 days of the date on which the plan administrator is notified under subparagraph (B) or (C)" and inserting "within 7 days of the date on which the plan administrator is notified under subparagraph (B) or within 14 days of the date on which the plan administrator is notified under subparagraph (C)", and

(D) by adding at the end the following: "Each notice under subparagraph (D)(i), in the case of a qualifying event described in paragraph (3)(B), shall include information concerning the special rules in paragraphs (2)(F) and (5)(C)."

(d) SPOUSAL OPEN ENROLLMENT REQUIREMENT.—Section 162 of such Code is further amended by redesignating subsection (l) as subsection (m) and by inserting after subsection (k) the following new subsection:

"(l) SPOUSAL OPEN ENROLLMENT REQUIREMENTS OF GROUP HEALTH PLANS.—

"(1) IN GENERAL.—For purposes of subsection (i)(2) and section 106(b)(1), a group health plan meets the requirements of this subsection only if the plan provides for an open enrollment period (meeting the requirements of this subsection) for each married employee—

"(A) who is (or, but for a previous election, would be) covered under the plan, and

"(B) whose spouse loses or will lose coverage under a group health plan due to a qualifying event (described in subsection (k)(3)(B)).

"(2) OPEN ENROLLMENT PERIOD.—The open enrollment period must—

"(A) be a period of not less than 60 days, and

"(B) begin not earlier than 30 days before the date of the qualifying event and not later than such date, except, at the option of the employee, the period may be delayed to begin on a date not later than the date the employee's spouse actually loses coverage under a group health plan.

"(3) LOSS OF COVERAGE.—For purposes of this subsection, a spouse shall not be considered to have lost coverage during any period (after a separation from employment) in which the coverage is continued and for which a contribution toward the cost of the coverage is being made by an employer, union, or entity other than the spouse.

"(4) TERMS OF ENROLLMENT OPTION.—

"(A) NO REQUIREMENT OF INSURABILITY.—The terms of such an enrollment may not require, or discriminate on the basis of lack of, evidence of insurability.

"(B) BENEFITS AND ENROLLMENT.—Except as provided in subparagraph (C), the coverage and terms of an enrollment during an open enrollment period provided under this subsection shall be the same as the terms (including any option for coverage of immediate family members) most recently offered with respect to the enrollment of that employee or (at the employer's option) of newly hired or other employees similarly situated.

"(C) EFFECTIVE DATE OF COVERAGE.—Except as provided in subparagraph (D), the coverage provided pursuant to an individual's enrollment during an open enrollment period under this subsection shall be effective no later than—

"(i) the first day of the first pay period that begins more than 5 days after the date the individual enrolls, or

"(ii) 30 days after the date the individual enrolls,

whichever is earlier.

"(D) IMMEDIATE COVERAGE OF ADDED FAMILY MEMBERS.—If an employee was previously covered and only exercises the option to cover immediate family members, the coverage of the immediate family members shall begin not later than the first day of the first pay period that begins after the date the individual exercises the option.".

(e) EFFECTIVE DATES.—

(1) GENERAL RULE.—The amendments made by this section shall apply to plan years beginning on or after January 1, 1987.

(2) SPECIAL RULE FOR COLLECTIVE BARGAINING AGREEMENTS.—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act, the amendments made by this section shall not apply to plan years beginning before the earlier of—

(A) the date on which the last of the collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(B) July 1, 1987.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

(f) NOTIFICATION TO COVERED EMPLOYEES.—At the time that the amendments made by this section apply to a group health plan described in section 162(i) of the Internal Revenue Code of 1954, the plan shall notify each covered employee, and spouse of the employee (if any), who is covered under the plan at that time of the continuation coverage and open enrollment period required sections 162(k) and 162(l) of such Code. The notice furnished under this subsection is in lieu of notice that may otherwise be required under section 162(k)(6)(A) of such Code.

SEC. 5. DEDUCTION ALLOWABLE FOR CERTAIN GROUP HEALTH PLAN CONTRIBUTIONS BY SELF-EMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Section 162 of the Internal Revenue Code of 1954 (relating to trade or business expenses), as amended by section 4 of this Act, is further amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) DEDUCTION ALLOWABLE FOR CERTAIN GROUP HEALTH PLAN CONTRIBUTIONS FOR THE BENEFIT OF SELF-EMPLOYED INDIVIDUALS.—

"(1) IN GENERAL.—For purposes of this section and sections 212, 104, 105, and 106, in the case of a qualified group health plan which provides medical care benefits for any self-employed individual—

"(A) such individual shall be treated as an employee,

"(B) the employer of such individual shall be treated as being the person so treated under section 401(c)(4), and

"(C) contributions to such plan for medical benefits for such individual shall be treated as meeting the requirements of subsection (a) and section 212 to the extent

such contributions during the taxable year do not exceed the lowest per/employee contribution to the plan made by the employer during such year.

"(2) DEDUCTION CANNOT EXCEED TAXABLE INCOME FROM ACTIVITY.—The deduction allowed to any individual by reason of this subsection for any taxable year shall not exceed the portion of the taxable income of such individual (determined without regard to this subsection) for such year which is allocable or apportionable to such individual's interest in the employer.

"(3) QUALIFIED GROUP HEALTH PLAN.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'qualified group health plan' means, with respect to any self-employed individual, any group health plan (as defined in subsection (i)(2)) of an employer if—

"(i) such plan is not a self-insured plan, and

"(ii) such plan meets the requirements of subparagraphs (B) and (C).

"(B) ONE-HALF OF PARTICIPANTS MUST BE EMPLOYEES WHO ARE NOT SELF-EMPLOYED INDIVIDUALS OR EMPLOYEE FAMILY MEMBERS OF SUCH INDIVIDUALS.—

"(i) IN GENERAL.—A plan meets the requirements of this subparagraph with respect to any self-employed individual only if at least half of the participants in the plan (on each day of the taxable year of such individual) are employees who are not—

"(I) self-employed individuals to whom a deduction is allowable by reason of this subsection with respect to contributions to such plan, or

"(II) family members of any self-employed individual described in subclause (I).

"(ii) FAMILY MEMBER.—For purposes of clause (i), the term 'family member' means, with respect to an individual, such individual's brothers and sisters (whether by the whole or half blood), spouse, ancestors, and lineal descendants.

"(C) PLAN MUST BENEFIT ALL EMPLOYEES (OTHER THAN PART-TIME AND SEASONAL EMPLOYEES) NOT COVERED BY ANOTHER GROUP HEALTH PLAN.—A plan meets the requirements of this subparagraph only if such plan benefits all employees (other than part-time and seasonal employees) of the employer who do not benefit under a group health plan of an unrelated employer.

"(D) SELF-INSURED PLAN.—The term 'self-insured plan' means any plan under which medical care benefits are not provided under a policy of accident and health insurance.

"(4) LOWEST PER/EMPLOYEE CONTRIBUTION.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'lowest per/employee contribution' means, with respect to any taxable year of a self-employed individual, the smallest contribution made by the employer during such taxable year to the plan with respect to any employee—

"(i) who is not a self-employed individual,

"(ii) with respect to whom a contribution to the plan was made during such year, and

"(iii) who is in the same category of coverage as the self-employed individual.

"(B) CATEGORIES OF COVERAGE.—For purposes of subparagraph (A), the categories of coverage are—

"(i) self only, and

"(ii) self and family.

"(C) SELF-EMPLOYED INDIVIDUALS WHO ARE PARTICIPANTS FOR LESS THAN ENTIRE TAXABLE YEAR.—In the case of a self-employed individual who is a participant in the plan for less than the entire taxable year, the lowest per/employee contribution applicable to such individual shall be the same portion of amount determined under subparagraph (A) as the portion of the taxable year during which such individual was a participant in the plan bears to the entire taxable year.

"(D) SPECIAL RULES.—For purposes of subparagraphs (A)—

"(i) only contributions for coverage during the taxable year shall be taken into account, and

"(ii) the contributions with respect to any employee who is not a participant in the plan for the entire taxable year shall be determined on an annualized basis.

"(5) OTHER DEFINITIONS.—For purposes of this subsection—

"(A) SELF-EMPLOYED INDIVIDUAL.—The term 'self-employed individual' has the meaning given such term by section 401(c)(1)(B).

"(B) MEDICAL CARE BENEFITS.—The term 'medical care benefits' means, with respect to any self-employed individual, compensation for the medical care (as defined in section 213(d)) of such individual, the spouse of such individual, and dependents of such individual.

"(C) DEPENDENT.—The term 'dependent' has the meaning given such term by section 152. Any child to whom section 152(e) applies shall be treated as a dependent of both parents.

"(6) SPECIAL RULES.—

"(A) COORDINATION WITH SECTION 213.—Any amount allowed as a deduction by reason of this subsection shall not be treated as an amount paid for medical care under section 213.

"(B) AGGREGATION OF EMPLOYER PLANS.—If any self-employed individual is a participant in 2 or more qualified group health plans of the employer, all such plans shall be treated as 1 plan for purposes of this subsection."

(b) TECHNICAL AMENDMENT.—Subsection (g) of section 105 of such Code (relating to self-employed individual not considered an employee) is amended by striking out "For purposes of this section" and inserting in lieu thereof "Except as provided in section 162(m)(1), for purposes of this section".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1986.

SEC. 6. DEMONSTRATION PROJECTS ON IMPROVING ACCESS TO HEALTH INSURANCE FOR SMALL EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS.

(a) STUDIES AND DEMONSTRATION PROJECTS.—The Secretary of Health and Human Services shall provide for the conduct of studies and demonstration projects on ways to reduce the costs for small employers and self-employed individuals in obtaining health insurance. In particular the Secretary shall examine, demonstrate, and evaluate how savings in marketing and administrative costs can be achieved through the use of—

(1) standardized policy packages,

(2) State arrangements for the pooling of health insurance,

(3) State or Federal reinsurance of group health contracts,

(4) contracts with banks to offer such insurance to depositors or other groups,

(5) contracts with medicare carriers,

(6) contracts or grants to Chambers of Commerce or similar groups representing business, and

(7) other innovative means.

(b) REPORT.—The Secretary shall report to Congress on the results of the studies and demonstration projects not later than January 1, 1988.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each fiscal year (beginning with fiscal year 1987) such sums as may be appropriate to carry out this section.

BILL SUMMARY

Sec. 1. Short title: "Access to Health Care Act of 1986."

Sec. 2. Incentives for the establishment of statewide insurance pools.

Sec. 2 places an excise tax on large employers equal to 10% of the expenses for employee health benefits if that employer does not participate in a state established health insurance pooling association.

The section defines the minimum standards for a qualified health insurance pooling association. Such association must offer individuals and their dependents who are residents of the state, and not medicare eligibles, a health insurance policy which at minimum has:

A limit of annual out-of-pocket expenses for covered services of $1,500 for individual coverage and $3,000 for family coverage.

A lifetime limit of payment for covered services for any individual not less than $500,000,

Deductibles which do not exceed $1,000, and

Denies covered services for preexisting conditions for no more than 6 months.

The pool premium rate is not to exceed 150% of the average premium rates for individual standard risks in the state for comparable coverage.

The losses to the pool will be assessed equally by the association and all its participating members.

Sec. 3. Requiring state programs for the uninsured and under insured.

Sec. 3 requires the States to develop programs to meet health care needs for its uninsured and underinsured residents. The States are at risk of losing federal matching funds for Medicaid administrative expenses if they fail to develop the program by January 1, 1988 or on the first January 1 following state legislative sessions which do not occur before January 1, 1988.

In developing programs, states may either provide for health coverage—by the means it determines. The coverage may be in the form of a health maintenance organization or other managed system of care or traditional insurance. Or, the States may develop a program which remunerates hospitals for the inpatient and outpatient uncompensated and charity care these institutions provide to the uninsured or underinsured.

Sec. 4. Temporary extension of coverage for laid-off workers; open enrollment for spouses of unemployed workers.

Sec. 4 amends the section of the Consolidated Omnibus Budget Reconciliation Act of 1985 which requires employers to offer terminated employees and their dependents the option to maintain their participation in the employer's health insurance group coverage (if the beneficiary pays the premium costs)

A. The Amendment would require employers to maintain its contribution to the health benefits for a period up to 4 months if the employee has been laid-off involuntarily.

The amendment also requires that employers provide employees an open-enrollment period to sign for health insurance when that employee's spouse has lost employment and the family was covered only

on the former employer's health benefit program.

Sec. 5. Deduction allowable for certain group health plan contributions by self-employed individuals.

Sec. 5 allows self-employed individuals to take a business deduction for health benefits when that individual provides health insurance coverage to his or her employees. For the payers of the provision the tax deduction can not exceed the lowest paid employee contribution made to the firm's health plan.

Sec. 6. Demonstration Projects on improving access to health insurance for small employers and self-employed individuals.

Sec. 6 instructs the Secretary of Health and Human Services to carry out studies and demonstration projects on ways to reduce the costs of obtaining health insurance for small employers and self-employed individuals. The Secretary is to report back to Congress by January 1, 1988 on these projects.

ACCESS TO HEALTH CARE ACT OF 1986

(Remarks of Senator Durenberger)

Some of you may remember, a few years back, President Reagan had an idea called "New Federalism." It never really caught fire, mostly because in practice it became a mechanism to shift a lot of burdens onto the states without helping them meet the new responsibilities.

But the basic concept is a very important one: Namely, that while some things are properly done by state and local government, there are certain fundamental national responsibilities or purposes of the federal government—certain needs of rights that can only be secured at the national level.

One of those duties of the federal government is to secure for all Americans access to quality health care. Not just those who can afford it . . . not just those who are employed or have working spouses . . . not just those who work for somebody else . . . not just those who are poor enough to receive direct government help . . . not just those healthy enough to be a good risk . . . and not just those who are old enough to vote. All Americans.

In reality, access to health care has to mean some form of health insurance, public or private, for every citizen. We've made admirable strides toward achieving that goal. The vast majority of Americans are covered either by private health insurance, or by Medicare and Medicaid.

But as Ted has pointed out, there are still a great number of people—a growing number—who are unable to attain or afford health insurance. Thirty-seven million Americans. Right here, that just looks like a figure on a pie-chart. Let me put it in perspective for you.

Thirty-seven million people is equal to the combined population of Alaska, Wyoming, Vermont, Delaware, North and South Dakota, Montana, Nevada, New Hampshire, Idaho, Rhode Island, Hawaii, Maine, Utah, Nebraska, West Virginia, Arkansas, Kansas, Mississippi, Oregon, Arizona and Colorado. In case you weren't counting, that's 23 states. Nine times the population of my own state of Minnesota. That many Americans are uninsured.

But numbers don't really tell the story either. The real story is in the uninsured individuals and families themselves who are denied medical care. I heard many of those stories at a hearing I held last fall on infant mortality.

One of them concerned a Minnesota woman who was pregnant and living in a battered women's shelter. She was ineligible for Medicaid, and couldn't afford to buy insurance. The only way she could get proper care for her unborn child and her other children was to go back to her husband. The unborn baby was later injured in the womb by her husband's continued battering.

Five or six years ago we probably wouldn't be here proposing the types of solutions we're talking about today. But there's been a significant change in both the nature of the problem and the health care system itself.

Recent years have brought the start of a revolution in our health care system, and the force behind that revolution is consumer choice. We are putting the power of choice in the hands of health care consumers, and letting marketplace competition work to hold costs down.

But there's an ironic side-effect of that process. Competition exacerbates the problems of those Americans who cannot take advantage of the marketplace, particularly those who fall through the holes in our safety nets.

Back in 1980, before the health revolution, the uninsured got their health care from a sort of unofficial national health plan, consisting mainly of community and non-profit hospitals who cared for anybody in need regardless of ability to pay. The hospitals had to absorb those costs or pass them on to other patients.

Today it's a lot harder for hospitals to do that. The country's biggest health care consumer, the federal government, has changed the way it buys their services. We've given them incentives for efficiency and cost-control. But unfortunately, cost efficiency is not very compatible with patients who cannot afford to pay for services.

At the same time, government is increasingly unwilling or unable to pick up the slack. Welfare reforms in 1981 tightened eligibility for AFDC and Medicaid, throwing more than 440,000 families off the rolls. In a study by the Children's Defense Fund, as many as 24 percent of those families who lost their benefits either were refused necessary medical care, or didn't seek medical care because they could no longer afford it.

Moreover, state and local governments are less able to fill in the gaps. Between 1981 and 1984, aid to state and local governments was cut more than any other segment of federal spending.

Add to all of these changes the ominous upward trends in numbers of poor, near-poor and uninsured. Today one out of five children is born into poverty, and children account for fully one-third of the uninsured. The rural economy is disintegrating, throwing formerly self-sufficient families into poverty, and forcing others to forego health insurance in favor of food and shelter. The same is true in other depressed parts of our economy, such as industries hurt by competition from foreign imports.

The sum total of this change in the national climate is that red wedge on the chart—37 million people.

We have recently taken some positive steps toward filling in the rest of the health insurance pie. S. 1211, which I introduced last year, contained a successful proposal to extend company health plan coverage for those who lose that coverage for a variety of reasons. That provision became law as part of COBRA, the Budget Reconciliation Act. Also in COBRA was the legislation Ted and I worked on to ensure life-saving hospital treatment for those who can't afford to pay.

Our new legislation goes several steps further. It specifically requires planning and establishment of programs on the state level to meet the health care needs of the uninsured and underinsured. It will encourage the formation of insurance pools to take on high-risk insurance cases. Some 10,000 Minnesotans are already benefiting from such a pool, which includes every health insurer in the state. Some eight other states have pools as well. It helps ensure health coverage for workers who are laid off. And it works toward cutting the cost of health insurance for small employers and the self-employed.

The self-employed face particular barriers to getting affordable health insurance. I'd like to quickly illustrate one major facet of the problem, the inequitable tax treatment of health benefits for the self-employed.

This unnamed corporate chairman, who may look familiar to you, earned $1.6 million in straight salary and bonuses last year. That doesn't include long-term compensation like stock options, which brings the total to something over $11 million. His company has a very generous health plan, and the benefits are, of course, tax-free. The value of those benefits totalled $3,300 last year.

Compare that to the average farmer in Southern Minnesota. With the agricultural economy in a steep decline, that farmer earned only about $5,400 in income last year. The vast majority of farmers are self-employed, and that means they buy their own health insurance—if they can afford it. No tax exclusion on his benefits. He got zip, compared to our executive's $3,300. If that seems fair to you, we don't have much to talk about.

The bill we are introducing today is a significant part of our effort to make health insurance more available to the self-employed, but clearly the puzzle-piece that will close this pie-chart is tax reform. Next week I will be introducing a package of bills on health care taxation that I hope will fill in that gap.●

By Mr. RIEGLE (for himself and Mr. LEVIN):

S.J. Res. 338. Joint resolution to designate November 18, 1986, as "National Community Education Day"; to the Committee on the Judiciary.

NATIONAL COMMUNITY EDUCATION DAY

● Mr. RIEGLE. Mr. President, I am introducing today a joint resolution to designate November 18, 1986 as National Community Education Day. National Community Education Day was first observed in many States in 1982. The day provides communities and schools an opportunity to showcase programs and projects and to develop new relationships among schools, parents, and organizations and agencies.

I had the opportunity to attend community schools in Flint, MI where this concept originated over 50 years ago and I am particularly proud of the success of this program in my home community. What began as a small recreation program in 1935 has now become a strong, positive force not only in Flint but in many other communities across the country. The community education program now provides needed recreational, education, cultur-

al, social, and medical services in some 3,500 school districts across the country.

I was the original sponsor of legislation to provide the Federal support for the community schools program. Over the last 4 years, Governors in 39 States have proclaimed Community Education Days in recognition of the strong relationships that have developed between public schools and the communities they serve.

Strengthening community involvement through this concept has helped to improve the classroom performance of our younger students and to open up classrooms for adult education programs to fight illiteracy and help people gain the skills they need to participate fully in our increasingly technical workplace and society. The program has also helped reach alienated and isolated groups in our society who need special assistance. One of the greatest values of community schools is that they help reestablish a sense of community, to give people a sense of connection and of shared purpose.

Mr. President, I feel this has been a very valuable program and I strongly urge my colleagues to join me in cosponsoring this joint resolution.●

ADDITIONAL COSPONSORS

S. 519

At the request of Mr. EVANS, the name of the Senator from Maryland [Mr. MATHIAS] was added as a cosponsor of S. 519, a bill to require a study of the compensation and related systems in executive agencies, and for other purposes.

S. 524

At the request of Mr. ARMSTRONG, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 524, a bill to recognize the organization known as the Retired Enlisted Association, Inc.

S. 942

At the request of Mr. DANFORTH, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 942, a bill to promote expansion of international trade in telecommunications equipment and services, and for other purposes.

S. 1704

At the request of Mr. MCCLURE, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1704, a bill to authorize an increase in the appropriation ceiling for the North Loup Division, Pick-Sloan Missouri Basin Program, Nebraska.

S. 2050

At the request of Mr. METZENBAUM, the names of the Senator from Connecticut [Mr. DODD] and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of S. 2050, a bill to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers, and for other purposes.

S. 2090

At the request of Mr. PRYOR, the names of the Senator from Alabama [Mr. HEFLIN] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 2090, a bill to provide that the Internal Revenue Service may not before July 1, 1987, enforce its regulations relating to the tax treatment of the personal use of vehicles, and for other purposes.

S. 2181

At the request of Mr. D'AMATO, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 2181, a bill entitled the "Construction Industry Labor Law Amendments of 1986".

S. 2183

At the request of Mr. METZENBAUM, the names of the Senator from Montana [Mr. MELCHER], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of S. 2183, a bill to improve services for individuals with Alzheimer's disease and their families.

S. 2187

At the request of Mr. DECONCINI, the name of the Senator from Florida [Mr. CHILES] was added as a cosponsor of S. 2187, a bill to amend title 38, United States Code, to exempt from sequestration certain benefits for veterans and dependents and survivors of certain veterans which are paid based on the service-connected disability or death of veterans.

S. 2209

At the request of Mr. DOLE, the names of the Senator from Oregon [Mr. HATFIELD], the Senator from North Dakota [Mr. BURDICK], and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of S. 2209, a bill to make permanent and improve the provisions of section 1619 of the Social Security Act, which authorizes the continued payment of SSI benefits to individuals who work despite severe medical impairment; to amend such Act to require concurrent notification of eligibility for SSI and medicaid benefits and notification to certain disabled SSI recipients of their potential eligibility for benefits under such section 1619; to provide for a GAO study of the effects of such section's work incentive provisions; and for other purposes.

S. 2270

At the request of Mr. SIMON, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 2270, a bill to amend the Immigration and Nationality Act to deter immigration-related marriage fraud and other immigration fraud.

S. 2274

At the request of Mr. KASTEN, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 2274, a bill to provide that certain individuals who are not citizens of the United States and certain persons who are not individuals shall be ineligible to receive financial assistance under the price support and related programs administered by the Secretary of Agriculture.

S. 2290

At the request of Mr. FORD, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 2290, a bill to amend the Communications Act of 1934 to prohibit the encoding of satellite-transmitted television programming until decoding devices are fully available at reasonable prices.

S. 2294

At the request of Mr. WEICKER, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 2294, a bill to reauthorize certain programs under the Education of the Handicapped Act, to authorize an early intervention program for handicapped infants, and for other purposes.

S. 2295

At the request of Mr. GOLDWATER, the names of the Senator from California [Mr. CRANSTON], and the Senator from Washington [Mr. EVANS] were added as cosponsors of S. 2295, an original bill to amend title 10, United States Code, to reorganize and strengthen certain elements of the Department of Defense, to improve the military advice provided the President, the National Security Council, and the Secretary of Defense, to enhance the effectiveness of military operation, to increase attention to the formulation of strategy and to contingency planning, to provide for the more efficient use of resources, to strengthen civilian authority in the Department of Defense, and for other purposes.

S. 2333

At the request of Mr. DURENBERGER, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 2333, a bill to amend title XIX of the Social Security Act to strengthen and improve medicaid services to low-income pregnant women and children.

S. 2348

At the request of Mr. MOYNIHAN, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 2348, a bill to authorize the procurement and installation of cryptographic equipment at satellite communications facilities within the United States, and for other purposes.

S. 2381

At the request of Mr. MURKOWSKI, the names of the Senator from California [Mr. WILSON], and the Senator from South Dakota [Mr. ABDNOR] were added as cosponsors of S. 2381, a bill to revise the guaranteed loan limi-

tation amount applicable to chapter 37 of title 38, United States Code, for fiscal year 1986, for the purpose of implementing any order issued by the President for such fiscal year under any law providing for sequestration of new loan commitments.

SENATE JOINT RESOLUTION 241

At the request of Mr. DOLE, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Joint Resolution 241, a joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week".

SENATE JOINT RESOLUTION 305

At the request of Mr. SIMON, the names of the Senator from Mississippi [Mr. STENNIS], the Senator from Michigan [Mr. RIEGLE], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of Senate Joint Resolution 305, a joint resolution to designate the week of April 27, 1986, through May 3, 1986, as "National Arts in the Schools Week".

SENATE JOINT RESOLUTION 306

At the request of Mr. D'AMATO, his name was added as a cosponsor of Senate Joint Resolution 306, a joint resolution to designate the week beginning November 23, 1986, as "National Adoption Week".

SENATE JOINT RESOLUTION 326

At the request of Mr. WALLOP, the names of the Senator from Georgia [Mr. MATTINGLY], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from South Carolina [Mr. THURMOND], the Senator from Alabama [Mr. DENTON], the Senator from Utah [Mr. GARN], and the Senator from Nevada [Mr. LAXALT] were added as cosponsors of Senate Joint Resolution 326, a joint resolution to proclaim May 21, 1986, as "Andrei Sakharov Honor and Freedom Day."

SENATE JOINT RESOLUTION 335

At the request of Mr. CHILES, the names of the Senator from South Dakota [Mr. ABDNOR], the Senator from Oklahoma [Mr. BOREN], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Arizona [Mr. DECONCINI], the Senator from Alabama [Mr. DENTON], the Senator from Mississippi [Mr. COCHRAN], the Senator from Illinois [Mr. DIXON], the Senator from Missouri [Mr. EAGLETON], the Senator from Nebraska [Mr. EXON], the Senator from Ohio [Mr. GLENN], the Senator from Tennessee [Mr. GORE], the Senator from Texas [Mr. GRAMM], the Senator from Alabama [Mr. HEFLIN], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Vermont [Mr. LEAHY], the Senator from Michigan [Mr. LEVIN], the Senator from Indiana [Mr. LUGAR], the Senator from Georgia [Mr. NUNN], the Senator from New York [Mr. MOYNIHAN], the Senator from Oklahoma [Mr. NICKLES], the Senator from Rhode Island [Mr. PELL], the Senator from Mississippi [Mr. STENNIS], the Senator from South Carolina [Mr. THURMOND], the Senator from Virginia [Mr. WARNER], and the Senator from Connecticut [Mr. WEICKER] were added as cosponsors of Senate Joint Resolution 335, a joint resolution to designate May 8, 1986, as "Naval Aviation Day."

SENATE JOINT RESOLUTION 337

At the request of Mrs. HAWKINS, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Utah [Mr. GARN], the Senator from Michigan [Mr. LEVIN], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from North Dakota [Mr. BURDICK], the Senator from Louisiana [Mr. LONG], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Virginia [Mr. WARNER], were added as cosponsors of Senate Joint Resolution 337, a joint resolution designating May 18-24, 1986, as "Just Say No to Drugs Week."

SENATE CONCURRENT RESOLUTION 125

At the request of Mr. HEINZ, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of Senate Concurrent Resolution 125, a concurrent resolution recognizing the achievements of the Ireland Fund and its founder, Dr. Anthony J.F. O'Reilly.

SENATE CONCURRENT RESOLUTION 135

At the request of Mr. WILSON, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of Senate Concurrent Resolution 135, a concurrent resolution expressing the sense of the Congress concerning essential verification improvements to the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty and the long-term goal of a comprehensive agreement banning nuclear testing.

SENATE RESOLUTION 297

At the request of Mr. DIXON, the names of the Senator from North Dakota [Mr. ANDREWS], the Senator From Hawaii [Mr. MATSUNAGA], the Senator from Illinois [Mr. SIMON], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of Senate Resolution 297, a resolution to call for an International Congress on Terrorism.

SENATE RESOLUTION 373

At the request of Mr. WILSON, the names of the Senator from Tennessee [Mr. GORE], the Senator from Ohio [Mr. METZENBAUM], the Senator from New York [Mr. MOYNIHAN], the Senator from North Dakota [Mr. BURDICK], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Nebraska [Mr. ZORINSKY], the Senator from Michigan [Mr. RIEGLE], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of Senate Resolution 373, a resolution expressing the sense of the Senate regarding the search for, and appropriate judgment and prosecution of, Nazi war criminals.

RESOLUTION COMMENDING ROGER CLEMENS OF THE BOSTON RED SOX

Mr. KENNEDY. Mr. President, on behalf of Senator KERRY and myself, I send to the desk a resolution and I ask for its immediate consideration.

Last Tuesday evening at Fenway Park, a pitcher for the Boston Red Sox accomplished one of the greatest individual performances in the history of major league baseball.

Roger Clemens, a 23-year-old, right-handed pitcher for the Red Sox with a 95-mile-an-hour fast ball, struck out 20 batters of the Seattle Mariners, setting a new major league strikeout record.

The old record was 19 strikeouts, set by Steve Carlton of the St. Louis Cardinals in 1969, and equaled by Tom Seaver of the New York Mets in 1970 and by Nolan Ryan of the California Angels in 1974—three of the finest pitchers in baseball. But in the 111-year recorded history of baseball, no pitcher had ever struck out 20 batters in a 9-inning game before Roger Clemens took the mound in Fenway Park on Tuesday night.

Baseball so captivates the national imagination because of its grace and its infinite variety of achievement. There are feats of endurance that cap long careers and dominate the game's history, such as Hank Aaron's home runs, Ty Cobb's lifetime average, Pete Rose's hits, Lou Brock's stolen bases, Lou Gehrig's consecutive games, or Cy Young's victories. There are awesome feats over a single season, such as Babe Ruth's 60 home runs and Roger Maris' 61, and Joe DiMaggio's 56-game hitting streak; and there are also individual performances in single games that electrify the baseball world, such as pitching a perfect game, hitting 4 home runs in a game, or Johnny Vander Meer's back-to-back no-hitters.

To these latter feats, we now add Roger Clemens' astonishing performance last Tuesday, which in my view ranks with the 4-minute mile and exalted peaks in other sports that few, if any, thought could ever be attained.

When fans from around the world travel to the Baseball Hall of Fame in Cooperstown, NY, they will already be able to see Roger Clemens' cap, spikes, glove, and recordsetting baseball. At the age of 23, Roger Clemens has many great years ahead—and perhaps more records too. But his place in the record books is already secure, and I congratulate him on this unique and historic achievement.

I urge the adoption of the resolution, and I ask unanimous consent that the text of the resolution and articles from the Boston Globe and the Boston Herald may be printed in the RECORD.

S. RES. 393

Whereas on April 29, at Fenway Park in Boston, Roger Clemens, 23-year-old pitcher for the Boston Red Sox, struck out twenty batters in a game against the Seattle Mariners.

Whereas the twenty strikeouts by Roger Clemens broke the major league baseball record that had stood for seventeen years for strikeouts in a nine-inning game.

Whereas sports fans everywhere are celebrating the outstanding accomplishment of Roger Clemens as one of the all-time great individual performances in the history of baseball.

Resolved, That the Senate of the United States joins with the people of Massachusetts and sports fans throughout the world in honoring Roger Clemens of the Boston Red Sox for his historic achievement as a pitcher in establishing a new strikeout record in major league baseball.

[From the Boston Globe, Apr. 30, 1986]

CLEMENS FANS A RECORD 20—SOX PITCHER BAFFLES MARINERS, 3-1

(By Dan Shaughnessy)

Smoke Got In Your Eyes. In one of the most sensational pitching performances in baseball history, Red Sox right-hander Roger Clemens last night struck out a major league record 20 batters en route to a three-hit, 3-1 victory over the Seattle Mariners at Fenway Park.

Has any pitcher ever been more overpowering? In 111 years of major league baseball, Clemens is the first hurler to strike out 20 batters in a nine-inning game. He walked none.

"The people who were here tonight (13,414) saw history that won't be broken," said ancient Mariner Gorman Thomas (one strikeout and a homer for Seattle's run). "When the last out was made, I wanted to tip my hat. He was that good. It's the finest effort you'll ever see."

Watching the Mariners try to hit Clemens was like watching a student driver navigate Storrow Drive at 4:30 on Friday afternoon. Slumping Seattle is on a record-setting strikeout pace, and Clemens was at the top of his high-octane game. You didn't need Dick Albert, Jimmy the Greek Snyder or Carnac the Magnificent to tell you what was going to happen. But no one could have envisioned the magnitude of Clemens' mound mastery.

Sir Roger struck out the side three times. The Mariners put only 10 balls in play, and only two of those were pulled.

"I was playing catch with Geddy (Sox catcher Rich Gedman) all night long," said Boston third baseman Wade Boggs. "It was an easy night."

Clemens threw 138 pitches, 97 for strikes. A Toronto radar gun clocked several serves at 97 miles per hour, and his fast ball averaged 95 m.p.h.

Red Sox manager John McNamara said, "I saw Catfish Hunter pitch a perfect game and I saw Mike Witt pitch a perfect game and Tom Seaver pitch some great games—but that was the most awesome display of pitching I've ever seen."

In addition to setting the coveted nine-inning strikeout record, Clemens tied the American League record with eight straight punchouts (matching Nolan Ryan and Ron Davis), broke the single-game Red Sox strikeout record (17 by Bill Monbouquette in 1961), and shattered the Fenway mark (16 by Jack Harshman of the White Sox in 1954). If you're looking for a little more perspective, remember that they've been playing baseball at Fenway for 75 years.

The ninth inning was electric. Clemens struck out Spike Owen swinging, then fanned Phil Bradley on three pitches for the magic No. 20. Ken Phelps grounded to short to end it.

"The ninth was all on adrenaline," said Clemens.

After Phelps grounded out, Clemens was mobbed by his teammates. He worked his way over to the backstop and hugged his wife, Debbie. "I wanted to give her the ball, but she was afraid somebody would take it from her," said Clemens. "So I kept it."

The record-smashing outing came very close to being a heartbreaking loss for Clemens. He trailed, 1-0, after Thomas' center-field homer in the top of the seventh, and the frustrated Sox had run into three outs while trying to score on Seattle righty Mike Moore.

Dwight Evans broke the spell with a two-out, three-run seventh-inning homer, his first homer since the opening pitch of the season.

But Evans' blast will serve as little more than a footnote when baseball bards sing of this night. It was not an evening for hitters or fielders.

"This will be something I'll cherish for a long time," said Clemens. "And I hope it stands for a while."

The fireballing righty was the last person the Mariners wanted to see. They came into the game with 166 strikeouts, 55 more than the league runners-up (Texas, 111). Seattle is on a pace which would shatter the major league strikeout record (1,203) by more than 200.

Clemens (4-0, 1.62 ERA) was perfect in the first three innings. Owen, Bradley and Phelps all went down swinging in the first. Thomas led off the second with a hard liner to Jim Rice in left, then Jim Presley and Ivan Calderon (called) struck out. In the third, rookie Danny Tartabull grounded to second, Dave Henderson was called out on strikes and Steve Yeager flied to left. Clemens was in danger of walking five of the first nine batters, but never threw ball four.

Clemens' no-hitter/perfect game was punctured in the fourth when shortstop Owen led off with a single to right on a 0-2 curve ball. Clemens punished the Mariners by whiffing the next eight batters.

Don Baylor had a big assist in the eight-straight record. After Clemens got Bradley and Phelps swinging, Baylor (playing first while Bill Buckner DH'd) dropped a Thomas popup in foul territory.

Baylor's blunder served history well. Thomas was called out by Vic Voltaggio on a 3-2 pitch as Clemens closed the door on the fourth.

Clemens was at his best in the fifth when he fanned Presley with a 2-2 heater, then blew Calderon away on three pitches and got Tartabull on a 2-2 looker. All three Mariners were called out on strikes. Seen that lately? Clemens had 12 strikeouts at the end of five.

With an assist from Baylor, Clemens had become the third pitcher in Sox history to fan six straight batters. The immortal Buck O'Brien turned the trick against the Senators on April 25, 1913, and Ray Culp punched out six straight Angels on May 11, 1970.

O'Brien and Culp fell out of the Sox record book when Henderson fanned on a 2-2 pitch leading off the sixth. Seven straight.

Yeager was next and fell behind 0-2, then looked at a 2-2 curve ball. Eight straight, four swinging, four called. Clemens had tied the league record shared by Ryan (1972 and 1973) and Davis (1981).

Owen broke the string by flying to center to end the sixth. Through six innings, Clemens had fanned 14 and thrown 92 pitches, 60 for strikes. The Mariners had put only four balls into play.

The fires were still burning in the seventh. Bradley and Phelps struck out swinging.

Enter Thomas. With the count 1-and-2 and the crowd on its feet and roaring, Thomas interrupted the euphoria. He drove a fly which landed in the first row of the center-field bleachers, Clemens trailed.

Evans got it back, with interest, in the bottom of the seventh.

With two outs and no one on, Steve Lyons slapped a single to left. Glenn Hoffman walked (Ed Romero ran for Hoffman), then Evans drove a 1-0 pitch off the back wall in center for a 3-1 lead.

"That picked me up," said Clemens.

He picked up strikeouts No. 17 and 18 (setting the ballpark and club records) in the eighth, and went into the major league record book in the ninth. It was Clemens' 20th big league victory.

[From the Boston Globe, May 1, 1986]

A WHIFF OF IMMORTALITY

(By Leigh Montville)

The daze continued into the next day. Roger Clemens awoke—well, didn't exactly awake, because he never really had slept—into a lovely strangeness.

His mother was on the telephone. Crying. His brothers were on the phone. Crying. People magazine wanted him. Sports Illustrated. "The CBS Morning NEWS." Gentle pulls. Affectionate tugs. The Baseball Hall of Fame in Cooperstown wanted his glove, his cap, his shoes.

And, of course, the baseball.

"I'm in the Hall of Fame," the 23-year-old Red Sox pitcher said yesterday in the soft Texas accent, again and again, as if he were a lottery winner still staring at the numbers and only half believing what he saw. "That's something nobody can take away from me now."

Twenty strikeouts. He did that. No pitcher in 111 years of major league baseball ever had struck out 20 batters in a nine-inning game. He did that.

Nowhere in sport are the records as meaningful, as consistent, as in professional baseball. The line of history goes from today to the furthest yesterday, encompassing all the names and all the eras, everyone whoever played. Roger Clemens now was part of that. Part? His name now was at the top of the strikeout list.

"I still don't think he realizes what he did," friend and teammate Al Nipper said. "I picked him up today and drove him to the park and I still don't think it's hit him. He's still spinning."

Who can wake up in the morning and realize that he has done something that Christy Mathewson never did? That Walter Johnson never did. That Bob Feller, Nolan Ryan, Tom Seaver, no one ever did. Who can do that? Who can realize—truly real-

ize—how special a special night like that could be?

"I got home, I couldn't sleep," Roger Clemens said. "I tried—it's important for a pitcher to get that rest for his arm—but I just couldn't. I was tossing all night."

He dipped into sleep only once. He said he had a weird dream. He was back on the mound in the middle of the game Tuesday night, on the way to the 3-1 win over the Seattle Mariners. The game suddenly changed.

A fan came out of the stands—as, indeed, two fans did during the real game—and ran onto the field. This fan ran to the mound to talk to Roger Clemens. Roger Clemens whacked the fan in the head. The police arrived, not to take away the fan, but to arrest Roger Clemens.

"That's when I woke up," Roger Clemens said. "The police were taking me away from hitting the dude in the head."

Was that the way it happened? No, not the way. The strikeouts happened. That was what was real. The strikeouts. Twenty strikeouts.

He remembered the game mostly as a concentrated blur. He was concentrating on what he was doing with each batter on each pitch. He knew he was pitching as well as he ever had pitched, that his fast ball was going where he wanted it to go, 97 miles per hour, that he felt really strong, but he had no time for counting. He was in the middle of Fenway Park, not history..

"I was in the trainer's room between innings," he said. "I usually put my jacket on with two outs and get out of there, but once, before I left, I did hear the announcers say I had a chance at the record for eight strikeouts in a row. That's all I knew until the final inning."

A numbness seemed to extend everywhere. Clemens didn't know he was heading toward history. His catcher, Rich Gedman, had no idea. The home plate umpire, Vic Voltaggio, had no idea. Everyone knew that something good was happening, but nobody seemed to know how good.

"The fans were cheering after every pitch," Gedman said. "I couldn't figure out why they were cheering. I didn't know what it was all about."

"I'm glad I didn't know." Voltaggio said. "All I knew was that I was working the best pitching performance I'd ever seen. I told that to the batboy after the seventh. That this was the best I'd ever seen. Anywhere."

The players in the dugout noticed that some fans in the centerfield bleachers had begun to place K's on the outfield wall. When had that started? There were no K's on the wall for the first five innings, but suddenly there were K's and more K's, each of them signifying another strikeout.

"Where'd they come from?" Nipper asked. "Did those guys run out and get the cardboard and paint? Suddenly they were there."

The media contingent was as small as possible for a weeknight game. The pro football draft had been held in the afternoon. The Celtics were playing the Altanta Hawks in a play-off game at the Garden at the same time. A Red Sox official looked down at the little photographers' box along the first base line early in the game and saw only one cameraman. The cameraman was the offical Red Sox photographer.

The night seemed to start at the bottom level of interest—The Seattle Mariners? Who cared?—and grow and grow. Better and better. More and more. On the way to history.

"I was checking with Roger every inning after the fifth," Red Sox manager John McNamara said. "I've been doing that every game this year, making sure his arm feels good."

"My legs feel tired," Clemens reported after the seventh. "They're starting to cramp."

"What about your arm?" McNamara asked.

"Fine."

"Keep going."

The news that he was going for a record was given to Clemens before the start of the ninth by Nipper. Clemens had no idea how many strikeouts he had or how many would be the record. Nipper told him he needed one to tie and two to set the record.

"I had to do it," Nipper said. "Wouldn't it be a shame if a guy had a chance for something like that and didn't try for it? I wanted him to know. He's not the type of guy who would be affected by knowing."

The rest . . . the rest was more of the blur. Swinging third strike by Spike Owen to tie the record. Called third strike to Phil Bradley to set the record. Third baseman Wade Boggs rushed over to shake hands, and Roger Clemens didn't know why. Was this the end of the game? No, one more out to go.

"We should get the ball to save it," trainer Charlie Moss said in the dugout.

"You don't have to," pitcher Bruce Hurst, charting the game, said. "That ball ain't going anywhere."

Sure enough. No foul balls. No ball out of play. A final ground out to short and the record was the record and the ball was safe in Roger Clemens' glove.

"What would you tell people about yourself?" Roger Clemens was asked yesterday. "What would you tell people who read your name and what you did and say, 'Who is this guy?' "

"First of all," the pitcher said, still in his lovely daze, "I hope they don't think it's a misprint."

Twenty strikeouts? Twenty strikeouts. Yes, he did that.

[From the Boston Herald, May 1, 1986]

MY RECORD-BREAKING DAY—BY ROGER CLEMENS

(Roger Clemens became the first pitcher in Major League Baseball history to strike out 20 batters in a nine-inning game Tuesday when he dazzled the Seattle Mariners at Fenway. One day after his amazing feat, Clemens talked about his performance and how it feels to be the strikeout king.)

It was a tough game. It was tough because it was the type of game where Mike Moore was pitching a great game against me.

I was throwing the ball 97 to 98 miles per hour and all they (Seattle batters) had to do was put the head of their bat on the ball and get an upward trajectory and it was going to jump out of this park.

And it happened (in the seventh inning). I turned the ball over and it ran back across the middle of the plate and Gorman Thomas got it. That upset me because I thought I was getting the wind out of their sails over there.

I was trying to keep the momentum as best I could and keep it in our dugout. After Dewey (Evans) hit that home run (in the bottom of the seventh), it put about 10 more innings in my arm. There was nothing that was going to stop us then.

Before the ninth inning, I was sitting inside. I wasn't sure how many (strikeouts) I had. Nip (Red Sox pitcher Al Nipper) came up next to me and said 'Rocket, do you know you have a chance to set an all-time record?' He said I had to go for it.

I knew I would, because when I made the decision to play this game, I was going to give it everything I had. I've worked hard since I had the (arm) injury.

I decided to concede and give the ball up last year, something which I didn't want to do. I had been pitching some pretty good games against some top named pitchers with severe pain in my arm, but I was still keeping us in the ballgame.

But I had to give the ball up, and I decided after they did the arthroscopic shoulder surgery, I was going to put everything I had into it and it wasn't going to set me back. I was going to come to spring training ready.

Arm injuries to pitchers scare you any time. I feel fortunate mine was a minor case. I'm a power pitcher; those things are going to happen. I'm going to go out there as long and as hard as I can throw and win ballgames for us.

As for other goals, the only thing I want to do is get in the playoffs somehow, whatever it takes I want to get there. If we can get in the playoffs, this town is going to be unbelievable.

Heck, the crowd was real loud last night, I remember that. It was a once-in-a-lifetime night for me. Playing here, being in this ballpark with all the great players who've played here and all the records that have been established in this ballpark, I'm glad I did it here.

I wish my father were still alive to see it, but I'm sure he was watching somehow.

It really hasn't sunk in yet with all the media around and everything happening.

The fact that my teammates got to see something like that, that's what makes it all fun for me.

It has started to sink in a little bit with everybody calling. I just didn't know it was going to be that big of a feat.

This morning, I pretty much took the phone off the hook from eight o'clock until about ten o'clock and tried to get some rest. Usually at times like this, like the 15-strikeout game I had, or like my first major-league win, I don't drink at all. But I should have had a couple of beers I think because I didn't sleep a wink all Tuesday night. I probably needed something to relax me.

I think I finally dozed off about 4:30 in the morning. I tossed and turned pretty much up until that time. I tried to count sheep and everything I was supposed to. Maybe I should have started to count Ks or something.

Most of the calls that came last night were from family people. Both my brothers cried, my mother cried—she couldn't believe it. As they kept telling me and telling me it kept sinking in more and more that I'm going to the Hall of Fame.

I'm going to the Hall of Fame and I'm the youngest person to ever do this. All of the other guys are older, all with more years in the league. It's something no one can ever take away from me now. It's all mine and they can't take it away from me right now.

Records are meant to be broken and I broke one. But you never know, somebody might come along and get this one or maybe one day, I'll be fortunate enough that I'll have the same kind of stuff and go out there and maybe get a couple more.

This was something special, though, the way my teammates were in awe or whatever. But personally, it just hasn't quite hit me that way yet. I've had some big highlights in my baseball career. The final game in the

college World Series, pitching that and winning that. It took a while for that to sink in.

That time and the 15 strikeouts against Kansas City are two big highlights, but nothing can top what I did Tuesday night, not in my baseball career.

The PRESIDING OFFICE. The Clerk will report the resolution.

The legislative clerk read as follows:

A Senate resolution (S. Res. 393) commending Roger Clemens of the Boston Red Sox for his record-breaking preformance.

The Senate proceeded to consider the resolution

Mr. KENNEDY. Mr. President, I move the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENTS SUBMITTED

FIRST CONCURRENT RESOLUTION ON THE BUDGET

D'AMATO (AND OTHERS) AMENDMENT NO. 1816

Mr. D'AMATO (for himself, Mr. WEICKER, Mr. PRESSLER, and Mr. WILSON) proposed an amendment to the concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989; as follows:

On page 2, increase the amount on line 19 by $7,156,000.

On page 2, decrease the amount on line 20 by $275,000.

On page 2, decrease the amount on line 21 by $15,000.

On page 5, increase the amount on line 10 by $7,156,000.

On page 5, decrease the amount on line 11 by $275,000.

On page 5, decrease the amount on line 12 by $15,000.

On page 6, decrease the amount on line 12 by $47,160,000.

On page 6, decrease the amount on line 11 by $37,727,000.

On page 6, decrease the amount on line 19 by $46,440,000.

On page 6, decrease the amount on line 20 by $46,575,000.

On page 7, decrease the amount on line 3 by $46,620,000.

On page 7, decrease the amount on line 4 by $46,575,000.

On page 7, decrease the amount on line 12 by $2,687,000.

On page 7, decrease the amount on line 13 by $2,552,000.

On page 7, decrease the amount on line 21 by $3,176,000.

On page 7, decrease the amount on line 22 by $3,151,000.

On page 8, decrease the amount on line 6 by $3,149,000.

On page 8, decrease the amount on line 7 by $3,151,000.

On page 8, decrease the amount on line 16 by $188,000.

On page 8, decrease the amount on line 17 by $179,000.

On page 8, decrease the amount on line 24 by $222,000.

On page 8, decrease the amount on line 25 by $221,000.

On page 9, decrease the amount on line 7 by $220,000.

On page 9, decrease the amount on line 8 by $221,000.

On page 9, decrease the amount on line 16 by $448,000.

On page 9, decrease the amount on line 17 by $425,000.

On page 9, decrease the amount on line 25 by $529,000.

On page 10, decrease the amount on line 1 by $525,000.

On page 10, decrease the amount on line 9 by $525,000.

On page 10, decrease the amount on line 10 by $525,000.

On page 10, decrease the amount on line 19 by $448,000.

On page 10, decrease the amount on line 20 by $425,000.

On page 11, decrease the amount on line 4 by $529,000.

On page 11, decrease the amount on line 5 by $525,000.

On page 11, decrease the amount on line 13 by $525,000.

On page 11, decrease the amount on line 14 by $525,000.

On page 11, decrease the amount on line 23 by $233,000.

On page 11, decrease the amount on line 24 by $221,000.

On page 12, decrease the amount on line 8 by $275,000.

On page 12, decrease the amount on line 9 by $273,000.

On page 12, decrease the amount on line 17 by $273,000.

On page 12, decrease the amount on line 18 by $273,000.

On page 13, decrease the amount on line 2 by $202,000.

On page 13, decrease the amount on line 3 by $191,000.

On page 13, decrease the amount on line 11 by $238,000.

On page 13, decrease the amount on line 12 by $236,000.

On page 13, decrease the amount on line 20 by $236,000.

On page 13, decrease the amount on line 21 by $236,000.

On page 14, decrease the amount on line 5 by $233,000.

On page 14, decrease the amount on line 6 by $221,000.

On page 14, decrease the amount on line 14 by $275,000.

On page 14, decrease the amount on line 15 by $273,000.

On page 14, decrease the amount on line 23 by $273,000.

On page 14, decrease the amount on line 24 by $273,000.

On page 16, decrease the amount on line 13 by $179,000.

On page 16, decrease the amount on line 14 by $170,000.

On page 16, decrease the amount on line 22 by $212,000.

On page 16, decrease the amount on line 23 by $210,000.

On page 17, decrease the amount on line 6 by $210,000.

On page 17, decrease the amount on line 7 by $210,000.

On page 17, increase the amount on line 16 by $99,100,000.

On page 17, increase the amount on line 17 by $80,271,000.

On page 17, increase the amount on line 24 by $99,100,000.

On page 17, increase the amount on line 25 by $99,100,000.

On page 18, increase the amount on line 7 by $99,100,000.

On page 18, increase the amount on line 8 by $99,100,000.

On page 21, decrease the amount on line 23 by $1,836,000.

On page 21, decrease the amount on line 24 by $1,744,000.

On page 22, decrease the amount on line 8 by $2,170,000.

On page 22, decrease the amount on line 9 by $2,153,000.

On page 22, decrease the amount on line 17 by $2,152,000.

On page 22, decrease the amount on line 18 by $2,153,000.

On page 23, decrease the amount on line 2 by $940,000.

On page 23, decrease the amount on line 3 by $893,000.

On page 23, decrease the amount on line 10 by $1,112,000.

On page 23, decrease the amount on line 11 by $1,103,000.

On page 23, decrease the amount on line 18 by $1,102,000.

On page 23, decrease the amount on line 19 by $1,103,000.

On page 24, decrease the amount on line 2 by $37,391,000.

On page 24, decrease the amount on line 3 by $35,521,000.

On page 24, decrease the amount on line 10 by $44,197,000.

On page 24, decrease the amount on line 11 by $43,854,000.

On page 24, decrease the amount on line 18 by $43,829,000.

On page 24, decrease the amount on line 19 by $43,854,000.

STEVENS AMENDMENT NO. 1817

Mr. STEVENS proposed an amendment to the concurrent resolution (S. Con. Res. 120), supra; as follows:

SEC. ( ). For the purpose of Senate consideration of appropriations bills for defense spending, outlay estimates shall be determined for prior year expenditures at levels consistent with estimates provided by the Office of Management and Budget. The Office of Management and Budget shall be required to limit actual expenditures from enacted appropriations in accordance with the outlay limitations established by this resolution.

McCLURE AMENDMENT NO. 1818

Mr. McCLURE proposed an amendment to the concurrent resolution (S. Con. Res. 120), supra; as follows:

On page 44, between lines 8 and 9, insert the following:

(z)(1) It is the sense of the Senate that each committee of the Senate or the House of Representatives which, pursuant to subsections (a) through (y) of this subsection, is

required to report changes in law to reduce budget authority or outlays, or both, for one or more fiscal years shall submit, as feasible, to the Committee on the Budget of its respective House with such changes a statement specifying, with respect to each program for which such changes are reported—

(A) an estimate (utilizing the baseline upon which the levels and amounts set forth in this concurrent resolution are based) of the total amount of budget authority and outlays for such program for each such fiscal year after such changes are made; and

(B) an estimate (utilizing the current law baseline) of the total amount of budget authority and outlays for such program for each such fiscal year after such changes are made.

(2) For purposes of this subsection, the term "current law baseline" means, with respect to budget authority and outlays for a program, the amount of budget authority which would be provided for such program for a fiscal year and the amount of outlays which would be made under such program for a fiscal year under the laws in effect on the date of adoption of this concurrent resolution, without any change in policy.

(3) It is further the sense of the Senate that the Committee on the Budget of the House and the Committee on the Budget of the Senate shall include, as feasible, in the report accompanying a reconciliation bill or resolution reported to its respective House under subsection (a) of this section the statements received by such Committee under paragraph (1) of this subsection.

McCLURE (AND OTHERS) AMENDMENT NO. 1819

Mr. McCLURE (for himself, Mr. RUDMAN, Mr. WARNER, Mr. RIEGLE, Mr. HEINZ, and Mr. ROCKEFELLER) proposed an amendment to the concurrent resolution S. Con. Res. 120, supra; as follows:

On page 9, increase the amount on line 16 by $172,000,000.

On page 9, increase the amount on line 17 by $43,000,000.

On page 9, increase the amount on line 25 by $172,000,000.

On page 10, increase the amount on line 1 by $158,000,000.

On page 10, increase the amount on line 9 by $172,000,000.

On page 10, increase the amount on line 10 by $164,000,000.

On page 19, increase the amount on line 18 by $900,000,000.

On page 19, increase the amount on line 19 by $900,000,000.

On page 20, increase the amount on line 3 by $700,000,000.

On page 20, increase the amount on line 4 by $700,000,000.

On page 20, increase the amount on line 13 by $500,000,000.

On page 20, increase the amount on line 14 by $500,000,000.

On page 28, decrease the amount on line 6 by $943,000,000.

On page 28, decrease the amount on line 7 by $943,000,000.

On page 28, decrease the amount on line 15 by $858,000,000.

On page 28, decrease the amount on line 16 by $858,000,000.

On page 28, decrease the amount on line 24 by $664,000,000.

On page 28, decrease the amount on line 25 by $664,000,000.

On page 2, increase the amount on line 19 by $129,000,000.

On page 2, increase the amount on line 20 by $14,000,000.

On page 2, increase the amount on line 21 by $8,000,000.

On page 5, increase the amount on line 10 by $129,000,000.

On page 5, increase the amount on line 11 by $14,000,000.

On page 5, increase the amount on line 12 by $8,000,000.

SYMMS (AND OTHERS) AMENDMENT NO. 1820

Mr. SYMMS (for himself, Mr. SPECTER, Mr. MURKOWSKI, and Mr. ABDNOR) proposed an amendment to the concurrent resolution (S. Con. Res. 120), supra; as follows:

At the end of the concurrent resolution, add the following:

It is the sense of the Senate that over the next three fiscal years the cash balance in the Highway Account of the Highway Trust Fund should be reduced toward a minimum level of reserves, in a manner consistent with sound financial practices.

DOMENICI (AND CHILES) AMENDMENT NO. 1821

Mr. DOMENICI (for himself and Mr. CHILES) proposed an amendment to the concurrent resolution (S. Con. Res. 120), supra; as follows:

On page 29, decrease the amount on line 24 by $70,000,000.

On page 29, decrease the amount on line 25 by $70,000,000.

On page 29, decrease the first amount on line 26 by $230,000,000.

On page 29, decrease the second amount on line 26 by $230,000,000.

On page 30, decrease the amount on line 1 by $290,000,000.

On page 30, decrease the amount on line 2 by $290,000,000.

On page 30, decrease the amount on line 11 by $16,000,000.

On page 30, decrease the amount on line 12 by $16,000,000.

On page 30, decrease the first amount on line 13 by $57,000,000.

On page 30, decrease the second amount on line 13 by $65,000,000.

On page 30, decrease the amount on line 14 by $123,000,000.

On page 30, decrease the amount on line 15 by $123,000,000.

On page 30, line 17, strike out "(A)" and insert in lieu thereof "(1)".

On page 30, line 21, strike out "(B)" and insert in lieu thereof "(2)".

On page 30, line 24, strike out "(C)" and insert in lieu thereof "(3)".

On page 30, decrease the first amount on line 25 by $840,000,000.

On page 30, decrease the second amount on line 25 by $383,000,000.

On page 31, decrease the amount on line 1 by $823,000,000.

On page 31, decrease the amount on line 2 by $1,003,000,000.

On page 31, decrease the first amount on line 3 by $615,000,000.

On page 31, decrease the second amount on line 3 by $535,000,000.

On page 31, decrease the first amount on line 14 by $58,000,000.

On page 31, decrease the second amount on line 14 by $63,000,000.

On page 31, decrease the amount on line 15 by $68,000,000.

On page 31, decrease the amount on line 16 by $71,000,000.

On page 31, decrease the first amount on line 17 by $68,000,000.

On page 31, decrease the second amount on line 17 by $69,000,000.

On page 32, decrease the first amount on line 3 by $377,000,000.

On page 32, decrease the second amount on line 3 by $377,000,000.

On page 32, decrease the second amount on line 5 by $21,000,000.

On page 32, decrease the second amount on line 7 by $36,000,000.

On page 32, decrease the first amount on line 18 by $81,000,000.

On page 32, decrease the second amount on line 18 by $69,000,000.

On page 32, decrease the amount on line 19 by $87,000,000.

On page 32, increase the amount on line 20 by $63,000,000.

On page 32, decrease the first amount on line 21 by $92,000,000.

On page 32, increase the second amount on line 21 by $58,000,000.

On page 33, decrease the first amount on line 7 by $5,491,000,000.

On page 33, decrease the amount on line 8 by $7,777,000,000.

On page 33, decrease the second amount on line 9 by $8,499,000,000.

On page 33, decrease the amount on line 13 by $2,500,000,000.

On page 33, decrease the first amount on line 14 by $2,800,000,000.

On page 33, decrease the second amount on line 14 by $2,900,000,000.

On page 33, decrease the first amount on line 25 by $310,000,000.

On page 34, decrease the amount on line 1 by $48,000,000.

On page 34, decrease the second amount on line 2 by $79,000,000.

On page 34, decrease the first amount on line 13 by $175,000,000.

On page 34, strike out the comma immediately following the first amount on line 13.

On page 34, decrease the second amount on line 13 by $170,000,000.

On page 34, decrease the amount on line 14 by $270,000,000.

On page 34, strike out the comma immediately following the amount on line 14.

On page 34, decrease the amount on line 15 by $265,000,000.

On page 34, decrease the first amount on line 16 by $182,000,000.

On page 34, strike out the comma immediately following the first amount on line 16.

On page 34, decrease the second amount on line 16 by $192,000,000.

On page 34, decrease the first amount on line 23 by $41,000,000.

On page 34, decrease the second amount on line 23 by $42,000,000.

On page 34, decrease the amount on line 24 by $42,000,000.

On page 35, decrease the amount on line 11 by $644,000,000.

On page 35, decrease the amount on line 12 by $758,000,000.

On page 35, decrease the first amount on line 13 by $948,000,000.

On page 35, decrease the second amount on line 13 by $1,020,000,000.

On page 35, decrease the amount on line 14 by $660,000,000.

On page 35, decrease the amount on line 15 by $819,000,000.

On page 35, decrease the amount on line 20 by $1,005,000,000.

On page 35, decrease the amount on line 21 by $1,079,000,000.
On page 35, decrease the amount on line 22 by $1,125,000,000.
On page 36, decrease the amount on line 6 by $356,000,000.
On page 36, decrease the amount on line 7 by $356,000,000.
On page 36, decrease the first amount on line 8 by $473,000,000.
On page 36, decrease the second amount on line 8 by $473,000,000.
On page 36, decrease the amount on line 9 by $512,000,000.
On page 36, decrease the amount on line 10 by $512,000,000.
On page 36, decrease the amount on line 20 by $70,000,000.
On page 36, decrease the amount on line 21 by $70,000,000.
On page 36, decrease the first amount on line 22 by $230,000,000.
On page 36, decrease the second amount on line 22 by $230,000,000.
On page 36, decrease the amount on line 23 by $290,000,000.
On page 36, decrease the amount on line 24 by $290,000,000.
On page 37, decrease the amount on line 7 by $16,000,000.
On page 37, decrease the amount on line 8 by $16,000,000.
On page 37, decrease the first amount on line 9 by $57,000,000.
On page 37, decrease the second amount on line 9 by $65,000,000.
On page 37, decrease the amount on line 10 by $123,000,000.
On page 37, decrease the amount on line 11 by $123,000,000.
On page 37, line 13, strike out "(A)" and insert in lieu thereof "(1)".
On page 37, line 17, strike out "(B)" and insert in lieu thereof "(2)".
On page 37, line 20, strike out "(C)" and insert in lieu thereof "(3)".
On page 37, decrease the first amount on line 21 by $840,000,000.
On page 37, decrease the second amount on line 21 by $383,000,000.
On page 37, decrease the amount on line 22 by $823,000,000.
On page 37, decrease the amount on line 23 by $1,003,000,000.
On page 37, decrease the first amount on line 24 by $615,000,000.
On page 37, decrease the second amount on line 24 by $535,000,000.
On page 38, decrease the amount on line 9 by $175,000,000.
On page 38, decrease the amount on line 10 by $170,000,000.
On page 38, decrease the first amount on line 11 by $270,000,000.
On page 38, decrease the second amount on line 11 by $265,000,000.
On page 38, decrease the amount on line 12 by $182,000,000.
On page 38, decrease the amount on line 13 by $192,000,000.
On page 38, decrease the amount on line 18 by $41,000,000.
On page 38, decrease the amount on line 19 by $42,000,000.
On page 38, decrease the amount on line 20 by $42,000,000.
On page 39, decrease the first amount on line 8 by $139,000,000.
On page 39, decrease the second amount on line 8 by $1,821,000,000.
On page 39, decrease the first amount on line 10 by $155,000,000.
On page 39, decrease the second amount on line 10 by $2,920,000,000.
On page 39, decrease the first amount on line 12 by $160,000,000.
On page 39, decrease the second amount on line 12 by $3,750,000,000.
On page 39, decrease the first amount on line 23 by $3,524,000,000.
On page 39, decrease the first amount on line 24 by $4,452,000,000.
On page 40, decrease the second amount on line 1 by $4,477,000,000.
On page 40, decrease the first amount on line 12 by $377,000,000.
On page 40, decrease the second amount on line 12 by $377,000,000.
On page 41, decrease the amount on line 1 by $5,000,000.
On page 41, decrease the second amount on line 2 by $3,000,000.
On page 41, decrease the second amount on line 3 by $1,000,000.
On page 41, decrease the amount on line 14 by $158,000,000.
On page 41, decrease the second amount on line 15 by $163,000,000.
On page 41, decrease the amount on line 17 by $169,000,000.
On page 42, decrease the first amount on line 2 by $8,000,000.
On page 42, increase the second amount on line 2 by $142,000,000.
On page 42, decrease the amount on line 3 by $8,000,000.
On page 42, increase the amount on line 4 by $142,000,000.
On page 42, decrease the first amount on line 5 by $9,000,000.
On page 42, increase the second amount on line 5 by $141,000,000.
On page 42, decrease the amount on line 15 by $644,000,000.
On page 42, decrease the amount on line 16 by $758,000,000.
On page 42, decrease the first amount on line 17 by $948,000,000.
On page 42, decrease the second amount on line 17 by $1,020,000,000.
On page 42, decrease the amount on line 18 by $660,000,000.
On page 42, decrease the amount on line 19 by $819,000,000.
On page 42, decrease the amount on line 24 by $1,005,000,000.
On page 43, decrease the amount on line 1 by $1,079,000,000.
On page 43, decrease the amount on line 2 by $1,125,000,000.
On page 43, decrease the amount on line 11 by $356,000,000.
On page 43, decrease the amount on line 12 by $356,000,000.
On page 43, decrease the first amount on line 13 by $473,000,000.
On page 43, decrease the second amount on line 13 by $473,000,000.
On page 43, decrease the amount on line 14 by $512,000,000.
On page 43, decrease the amount on line 15 by $512,000,000.
On page 43, decrease the first amount on line 25 by $2,019,000,000.
On page 44, decrease the amount on line 1 by $2,716,000,000.
On page 44, decrease the second amount on line 2 by $2,928,000,000.
On page 44, increase the amount on line 6 by $16,780,700,000.
On page 44, increase the first amount on line 7 by $24,772,400,000.
On page 44, increase the second amount on line 7 by $26,870,200,000.

DOMENICI (AND CHILES) AMENDMENT NO. 1822

Mr. DOMENICI (for himself and Mr. CHILES) submitted an amendment to the concurrent resolution (S. Con. Res. 120, supra); as follows:

On page 2, decrease the amount on line 3 by $5,962,000,000.
On page 2, decrease the amount on line 4 by $7,941,000,000.
On page 2, decrease the amount on line 5 by $9,893,000,000.
On page 2, decrease the amount on line 8 by $5,962,000,000.
On page 2, decrease the amount on line 9 by $7,941,000,000.
On page 2, decrease the amount on line 10 by $9,983,000,000.
On page 2, decrease the amount on line 19 by $2,405,000,000.
On page 2, decrease the amount on line 20 by $1,483,000,000.
On page 2, decrease the amount on line 21 by $1,738,000,000.
On page 2, decrease the amount on line 24 by $3,750,000,000.
On page 2, decrease the amount on line 25 by $2,879,000,000.
On page 3, decrease the amount on line 1 by $3,486,000,000.
On page 3, increase the amount on line 5 by $2,282,000,000.
On page 3, increase the amount on line 6 by $5,330,000,000.
On page 3, increase the amount on line 7 by $6,894,000,000.
On page 3, increase the amount on line 10 by $4,610,000,000.
On page 3, increase the amount on line 11 by $10,470,000,000.
On page 3, increase the amount on line 12 by $17,957,000,000.
On page 3, increase the amount on line 15 by $2,782,000,000.
On page 3, increase the amount on line 16 by $5,860,000,000.
On page 3, increase the amount on line 17 by $7,487,000,000.
On page 4, increase the amount on line 2 by $14,500,000,000.
On page 4, increase the amount on line 4 by $12,400,000,000.
On page 4, increase the amount on line 9 by $3,700,000,000.
On page 4, increase the amount on line 11 by $4,600,000,000.
On page 4, increase the amount on line 16 by $5,300,000,000.
On page 4, increase the amount on line 18 by $7,000,000,000.
On page 5, decrease the amount on line 5 by $5,962,000,000.
On page 5, decrease the amount on line 6 by $7,941,000,000.
On page 5, decrease the amount on line 7 by $9,893,000,000.
On page 5, increase the amount on line 10 by $2,475,000,000.
On page 5, decrease the amount on line 11 by $1,215,000,000.
On page 5, decrease the amount on line 12 by $1,251,000,000.
On page 5, decrease the amount on line 15 by $5,862,000,000.
On page 5, decrease the amount on line 16 by $5,782,000,000.
On page 5, decrease the amount on line 17 by $6,418,000,000.
On page 5, increase the amount on line 22 by $100,000,000.
On page 5, increase the amount on line 23 by $2,159,000,000.

On page 5, increase the amount on line 24 by $3,475,000,000.

On page 6, increase the amount on line 10 by $5,900,000,000.

On page 6, increase the amount on line 11 by $2,000,000,000.

On page 6, increase the amount on line 19 by $3,200,000,000.

On page 6, increase the amount on line 20 by $1,300,000,000.

On page 7, increase the amount on line 3 by $3,600,000,000.

On page 7, increase the amount on line 4 by $2,182,000,000.

On page 7, decrease the amount on line 12 by $278,000,000.

On page 7, decrease the amount on line 13 by $108,000,000.

On page 7, decrease the amount on line 21 by $50,000,000.

On page 7, decrease the amount on line 22 by $63,000,000.

On page 8, decrease the amount on line 7 by $40,000,000.

On page 8, decrease the amount on line 16 by $720,000,000.

On page 8, decrease the amount on line 17 by $503,000,000.

On page 8, decrease the amount on line 24 by $715,000,000.

On page 8, decrease the amount on line 25 by $732,000,000.

On page 9, decrease the amount on line 7 by $552,000,000.

On page 9, decrease the amount on line 8 by $598,000,000.

On page 9, decrease the amount on line 16 by $406,000,000.

On page 9, decrease the amount on line 17 by $431,000,000.

On page 9, increase the amount on line 25 by $100,000,000.

On page 10, increase the amount on line 1 by $90,000,000.

On page 10, increase the amount on line 9 by $100,000,000.

On page 10, increase the amount on line 10 by $90,000,000.

On page 13, increase the amount on line 2 by $4,000,000.

On page 13, decrease the amount on line 3 by $753,000,000.

On page 13, increase the amount on line 7 by $14,500,000,000.

On page 13, increase the amount on line 9 by $12,400,000,000.

On page 13, increase the amount on line 11 by $3,000,000.

On page 13, decrease the amount on line 12 by $7,000,000.

On page 13, increase the amount on line 16 by $3,700,000,000.

On page 13, increase the amount on line 18 by $4,600,000,000.

On page 13, increase the amount on line 20 by $8,000,000.

On page 13, decrease the amount on line 21 by $6,000,000.

On page 13, increase the amount on line 25 by $5,300,000,000.

On page 14, increase the amount on line 2 by $7,000,000,000.

On page 14, decrease the amount on line 5 by $5,000,000.

On page 14, decrease the amount on line 6 by $5,000,000.

On page 14, decrease the amount on line 14 by $7,000,000.

On page 14, decrease the amount on line 15 by $7,000,000.

On page 14, decrease the amount on line 23 by $8,000,000.

On page 14, decrease the amount on line 24 by $8,000,000.

On page 15, decrease the amount on line 9 by $9,000,000.

On page 15, decrease the amount on line 10 by $4,000,000.

On page 15, decrease the amount on line 18 by $9,000,000.

On page 15, decrease the amount on line 19 by $8,000,000.

On page 16, decrease the amount on line 2 by $10,000,000.

On page 16, decrease the amount on line 3 by $8,000,000.

On page 16, decrease the amount on line 13 by $1,018,000,000.

On page 16, decrease the amount on line 14 by $116,000,000.

On page 16, decrease the amount on line 22 by $1,733,000,000.

On page 16, decrease the amount on line 23 by $558,000,000.

On page 17, decrease the amount on line 6 by $1,734,000,000.

On page 17, decrease the amount on line 7 by $1,266,000,000.

On page 17, increase the amount on line 16 by $526,000,000.

On page 17, increase the amount on line 17 by $271,000,000.

On page 17, increase the amount on line 24 by $305,000,000.

On page 17, increase the amount on line 25 by $238,000,000.

On page 18, increase the amount on line 7 by $339,000,000.

On page 18, increase the amount on line 8 by $295,000,000.

On page 19, increase the amount on line 18 by $450,000,000.

On page 19, decrease the amount on line 19 by $950,000,000.

On page 20, decrease the amount on line 3 by $637,000,000.

On page 20, decrease the amount on line 4 by $1,167,000,000.

On page 20, decrease the amount on line 13 by $590,000,000.

On page 20, decrease the amount on line 14 by $1,183,000,000.

On page 21, decrease the amount on line 23 by $156,000,000.

On page 21, decrease the amount on line 24 by $140,000,000.

On page 22, decrease the amount on line 8 by $191,000,000.

On page 22, decrease the amount on line 9 by $191,000,000.

On page 22, decrease the amount on line 17 by $195,000,000.

On page 22, decrease the amount on line 18 by $195,000,000.

On page 24, decrease the amount on line 2 by $20,000,000.

On page 24, decrease the amount on line 3 by $20,000,000.

On page 26, decrease the amount on line 3 by $764,000,000.

On page 26, decrease the amount on line 4 by $764,000,000.

On page 26, decrease the amount on line 12 by $253,000,000.

On page 26, decrease the amount on line 13 by $253,000,000.

On page 26, decrease the amount on line 21 by $463,000,000.

On page 26, decrease the amount on line 22 by $463,000,000.

On page 27, decrease the amount on line 5 by $1,383,000,000.

On page 27, decrease the amount on line 6 by $1,375,000,000.

On page 27, decrease the amount on line 13 by $2,464,000,000.

On page 27, decrease the amount on line 14 by $2,489,000,000.

On page 27, decrease the amount on line 21 by $3,913,000,000.

On page 27, decrease the amount on line 22 by $3,966,000,000.

On page 28, decrease the amount on line 6 by $852,000,000.

On page 28, decrease the amount on line 7 by $852,000,000.

On page 28, increase the amount on line 15 by $462,000,000.

On page 28, increase the amount on line 16 by $462,000,000.

On page 28, increase the amount on line 24 by $754,000,000.

On page 28, increase the amount on line 25 by $754,000,000.

On page 29, increase the amount on line 24 by $500,000,000.

On page 29, increase the amount on line 25 by $500,000,000.

On page 29, line 7, strike "May 15" and insert "May 30".

On page 30, increase the second amount on line 25 by $289,000,000.

On page 31, increase the amount on line 2 by $257,000,000.

On page 32, increase the first amount on line 3 by $1,886,000,000.

On page 32, increase the second amount on line 3 by $1,886,000,000.

On page 33, decrease the amount on line 13 by $5,962,000,000.

On page 33, decrease the first amount on line 14 by $7,941,000,000.

On page 33, decrease the second amount on line 14 by $9,893,000,000.

On page 33, increase the first amount on line 25 by $632,000,000.

On page 34, increase the amount on line 1 by $1,314,000,000.

On page 34, increase the second amount on line 2 by $2,029,000,000.

On page 34, increase the second amount on line 13 by $289,000,000.

On page 34, increase the amount on line 15 by $257,000,000.

On page 36, increase the amount on line 20 by $500,000,000.

On page 36, increase the amount on line 21 by $500,000,000.

On page 37, increase the amount on line 21 by $289,000,000.

On page 37, increase the amount on line 23 by $257,000,000.

On page 38, increase the amount on line 10 by $289,000,000.

On page 38, increase the second amount on line 11 by $257,000,000.

On page 40, increase the first amount on line 12 by $1,886,000,000.

On page 40, increase the second amount on line 12 by $1,886,000,000.

On page 41, increase the amount on line 14 by $632,000,000.

On page 41, increase the second amount on line 15 by $1,314,000,000.

On page 41, increase the amount on line 17 by $2,029,000,000.

On page 44, decrease the amount on line 6 by $5,962,000,000.

On page 44, decrease the first amount on line 7 by $7,941,000,000.

On page 44, decrease the second amount on line 7 by $9,893,000,000.

At the end of the concurrent resolution, add the following new section:

NASA SPACE SHUTTLE PROGRAM

SEC. . Upon the enactment of legislation authorizing up to $976,000,000 in fiscal year 1987, $915,000,000 in fiscal year 1988, and $752,000,000 in fiscal year 1989 for the NASA Space Shuttle program, and upon the enactment of legislation increasing revenues

in an amount equal to the amount authorized and in addition to amounts of increased revenues required to be reported pursuant to section 2 of this concurrent resolution, the authorized amount of budget authority and outlays shall be allocated to the Senate Committee on Appropriations, and that same amount will be added to the total amounts of budget authority and outlays provided for in this concurrent resolution.

NOTICE OF HEARINGS

SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY AND SUBCOMMITTEE ON SOCIAL SECURITY AND INCOME MAINTENANCE PROGRAMS

Mr. QUAYLE. Mr. President, I would like to announce that the Subcommittees on Employment and Productivity and on Social Security and Income Maintenance Programs (chaired by Mr. ARMSTRONG) will hold joint hearings on "Work and Welfare" at 9:30 a.m. on July 17 and 22 in room 430 of the Dirksen Senate Office Building.

The purpose of the hearings is to examine how and to what extent employment can lead to economic independence for AFDC recipients. The subcommittees are particularly interested in answers to the following questions:

What kind of education, training and employment services are needed by recipients?

Should such policies be targeted to particular groups of recipients?

Who should be responsible for administering employment and training programs for recipients?

Should recipients be provided jobs in lieu of welfare?

How can children of working parents be assured of proper care?

Should other economic or tax policies be used to reduce welfare dependency?

The hearings expect to focus on lessons to be learned from experience gained under JTPA, WIN, community work experience and other employment and training programs currently serving AFDC recipients.

Due to the limited time available for the hearings, witnesses will be selected by the Subcommittees. Any person wishing to submit a statement for the record should contact Betty Scott-Boom, 219 Dirksen Senate Office Building, Washington, DC 20510.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON NATURAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Subcommittee on Natural Resources Development and Production of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, May 1, 1986, to hold an oversight hearing on impacts of coal and electricity imports on the domestic coal industry.

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

SUBCOMMITTEE ON DEFENSE ACQUISITION POLICY

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Defense Acquisition Subcommittee of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, May 1, to hold a hearing to receive testimony on the following:

S. 2151, to amend title 10 of U.S. Code to require the Department of Defense to exclude from consideration for contracts those firms which a hostile foreign government or a covered foreign national, owns or controls a significant interest;

S. 2380, to amend title 10 of U.S. Code to require the heads of DOD agencies to consider U.S. Foreign Policy objectives before entering into a procurement contract with a foreign government.

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

ADDITIONAL STATEMENTS

NATIONAL SENIOR CITIZEN MONTH

● Mr. BINGAMAN. Mr. President, I am pleased to take the floor today to remind my colleagues that May has been designated by the President as "National Senior Citizen Month." As part of the national celebration, the Administration on Aging has decided to honor one program from each State which emphasizes the theme of National Senior Citizen Month—"Lifestyle Changes in Nutrition, Exercise, Accident Prevention, Drug Abuse and Smoking Cessation."

The New Mexico recipient of this Health Promotion Award is the Therapeutic Water Exercise Program of the Albuquerque/Bernalillo County Office of Senior Affairs [OSA]. Its program exemplifies the growing recognition in the senior community of my State that fitness not only fosters independence but plays a major role in improving the quality of life. It also reduces the need for institutionalization and the cost of remedial health care.

The New Mexico program began in Albuquerque in 1977 as a joint effort of the OSA and the University of New Mexico Therapeutic Recreation Program under the directorship of Charlotte Piper. It envisioned the use of a water environment to increase the enjoyment of exercise by older adults, and it offered a practical laboratory for adaptive PE majors, recreation therapy majors, and nursing students to gain experience in working with older and handicapped seniors.

Under the program manager, Pam Groves, who is here today to receive the award, the exercises were developed for every ability level from fully functioning to wheelchair-bound seniors. Volunteers assist the students, working one-on-one with those most severely handicapped. The program was coordinated with the New Mexico Arthritis Foundation.

Over the years the program has become increasingly popular in the senior citizen community. It is especially beneficial to senior who cannot participate in other senior center exercise activities because of physical limitations.

During 1985, 2,091 sessions in the pool were held and 51,603 people participated. This is a duplicated count since many participate regularly. A monthly average is 170 sessions involving 3,700 participants—duplicated count.

An average session is an hour long. The seniors exercise to music or swim laps. A wheelchair ramp has been added to allow easy access to the water. Individualized programs are available on request, and participants have noted the improvement in their strength, endurance, and self-esteem.

Participants include the full spectrum of minority and income levels. The fact that it is never too late to feel better is emphasized. Many seniors who did not know how to swim have become proficient swimmers, and most importantly, many who suffered severe muscular limitations from arthritis have significantly improved.

I am pleased that this excellent and innovative program has been recognized. And I wish to congratulate Dr. Charlotte Piper, Pam Groves, the staff of OSA, and the participants of the Therapeutic Water Exercise Program.●

HARD TIMES HURT NORTHWEST GOOD LIFE

● Mr. KENNEDY. Mr. President, late last year I journeyed to three different States to see firsthand and to call attention to some of the major problems confronting American families.

There are those in our Nation whose portrayal of middle America as a place of plenty is a portrayal that, to say the least, is less than accurate. Only through study and firsthand observation and appropriate attention to the problems of our people can we begin to address them before they become even more widespread.

I was able to undergo that kind of exposure in Kansas, Missouri, and West Virginia. Although inclement weather prevented me from personally visiting Washington State, a member of my staff at the Senate Labor and Human Resources Committee spent several days there.

What follows are excerpts from her report to me, a report on which I and my colleagues will base much of our work during the 1986 legislative session. Working with Congressman NORM DICKS, who filled in for me on the tour of Seattle and Tacoma, and

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others hopefuly we can all better represent those families of America who know full well that there are major problems in the heartland of America that need full congressional attention.

The excerpts follow:

HARD TIMES HURT NORTHWEST "GOOD LIFE"

(By Mona Sarfaty, M.D.)

John Folger started working at Tacoma's ASARCO Smelter six days after he was graduated from high school. He worked there for 21 years. When the smelter closed several months ago he was a foreman earning $36,000. Today, he is supporting his wife and two children working as a concrete laborer for $11,000.

He is having difficulty making his mortgage payments and fears he won't be able to afford to send his children to college.

Ronald Warton, his wife, and six children have gone on welfare for the first time. A year ago he was a glass company glazier earning $10 an hour. Though he collected unemployment insurance after he lost his job, he was recently denied an extension because he refused to take a job which payed $5.17 an hour. That salary would be less than he received from unemployment insurance or welfare.

TOO ILL TO WORK

Hard times are stressing the family's resources. Mrs. Warton feels their house has become the most dilapidated on the block and their children complain of being teased at school about their clothing and about being poor.

Barbara Primus is a divorced mother of four. Though she earned $12 per hour at her last two industrial jobs, she is now unemployed and on welfare. She lost her unemployment insurance when her doctor certified that her gall bladder condition made it impossible for her to work. Even then, she avoided welfare and lived on savings until medical bills made welfare unavoidable.

She doesn't plan to stay on welfare, though. She was recently accepted for a training course as a correctional officer. She sees this as a secure job with a decent starting salary.

Clark Hoker, now also on welfare for the first time, lost his job as an air traffic controller when President Reagan fired the striking controllers. After trying various jobs, he turned to driving a cab until a leg injury eliminated that income.

Last year, his income was $13,000, down from the $35,000 he was earning four years ago. Clark described his efforts to make ends meet as "living on the razor's edge."

Though stories like these might not seem unusual coming from depressed Midwestern industrial states, the experiences reported here are those of residents of the Pacific Northwest. They once lived the American dream. Now they find themselves on the brink of poverty.

There is a profound contradiction between encouraging reports of improvement in the American economy since the 1982-83 recession and the realife experiences of people like these. While monthly statistical reports do show steady decreases in unemployment and increases in new jobs, community organizations, food banks and shelters for the homeless report significant increases in demand for their services.

Much of the disparity is explained by focusing on families with children. Between 1979 and 1984, there has been a decline in mean real income for all families with children—except for those in the top 20 percent of the income ladder. For a family living at the median income level, there has been a 9.6 percent decline in income since 1973. Most of the decline has occurred since 1979.

The share of income earned by families in the lower 60 percent of the income ladder also has declined. The largest decline occurred between 1979-85. In 1979, the share of income for the lower 60 percent was 36 percent of aggregate family income. In 1985, it was 32.8 percent.

During this time, the poverty rate also has increased significantly. In 1984, 17.4 percent of all families with children were living below the poverty line. In 1979, it was 12.7 percent.

HIGH-PAY JOBS GONE

Economists attribute these changes to several factors. The growing percentage of families whose heads have low weekly earnings has meant that a full-time job no longer provides sufficient income to maintain a family above the federal poverty level. Another important factor is the increase in the proportion of families headed by women. In addition, the decline after 1973 in the real value of government assistance has contributed to the increased number of families living well below the poverty line.

Lower earnings by the chief wage earner are tied to the decline in manufacturing employment. As of April 1985, manufacturing employment was still 665,000 below the July 1981 level. Though there has been considerable new job creation during this time, 75 percent of the new jobs have been in low paying service jobs.

Washington state has lost 20,000 manufacturing jobs since 1979. Tacoma has lost 5,000.

Tacoma illustrates some of the problems of the declining American industrial economy. Pierce County, which includes Tacoma, has never been an affluent county.

But Tacoma was a solid industrial town with a solid industrial future until just a few years ago. For those who were enterprising enough to make their future with it, it offered the promise of an ample life based on hard work and savings. But, in 1985, the unemployment rate in Tacoma was substantial at 9.5 percent.

Daniel Neigen is a good example. He grew up in Tacoma, graduated from high school there and completed two years of college. He became an experienced welder, took all the improvement courses offered by his union, and was working at Tacoma Boat Co. earning $27,000 a year until he was laid off five months ago.

A few years ago he had bought a little land on the beach and built his own beach house. When his income was cut to the $740 per month that he receives from unemployment insurance it changed his life.

His Christmas gift to his small son this year was a pair of shoes and he visited Christmas House, a free mini-department store that was visited by more families this year than ever before. More than 300 families a day lined up outside the building to await the intake interview. The interviews showed that 60 percent of the families had never come to Christmas House before in its 10 years of operation.

The unemployed in Tacoma search in a larger and larger radius around their homes. There is always at least a passing thought given to relocating. For most, selling their homes would mean losing what they have invested because the housing market is poor in a city with a high unemployment rate.

Seattle, a half hour away, attracts hopeful people who are searching for jobs. Seattle's better unemployment rate, 7 percent, and more generous services for the poor and unemployed, has, in fact, caused a steady flow of job seekers into the city from all over the country. But many exhaust their resources just getting there.

HOMELESS IN SEATTLE

The Sacred Heart Shelter for homeless families provides an opportunity to speak to adventurous souls who have relocated—with their families—in the hope of finding a job.

One is a single mother whose boy, a third grader, goes to school from the homeless shelter while she combs the city for a sales job. On his sweater, the boy wears the gymnastics medal he won in a competition in his elementary school at home. His mother worries because the shelter does not reopen until 4 p.m. and he gets out of school at 3 p.m.

Joseph Plummer also moved to Seattle in the hope of finding a job. When his wife left him with his 2-year-old son (she took the 4-year-old girl) he moved into the Sacred Heart Shelter until he could find a job.

Joseph is a construction worker. He and his wife were living in another city in the Northwest until financial problems made them decide to move. During the best times he was earning $30,000. With both of them working, they owned their own home, two cars, a TV, and the other amenities of a good middle-class life.

When his work dropped to part-time, they used their savings, sold one car, pawned the TV and jewelry and finally had to give up their home. They moved to Seattle, one block from the union hall where Joe could be available for work. When his wife left, Joe wasn't sure where to turn. The counselors at the shelter are helping him to find day care for the baby.

Success may not come instantly but Seattle does offer more opportunities and support than many other cities. The Northwest Harvest food bank system is another example of what the citizens of Seattle offer to help out their neighbors who are facing rough times. Demand for the food banks' services has grown dramatically.

The development officer for Northwest Harvest describes the change he has seen in the people who use the food bank in the past five years. Rather than elderly or homeless, he describes the new users as bewildered young people.

The Infant Corner at Northwest Harvest—established only two years ago—is part of the response to this change. The typical mother who uses Infant Corner is young, and black, and on Aid to Families with Dependent Children. She has one or two young children. If there is a man in the family, he is generally either disabled or unemployed. These mothers get about $400 a month from AFDC and an additional $100 from food stamps.

By the end of the second or third week of each month when the food stamps are exhausted, many of these mothers turn to Northwest Harvest for help. There they get formula strained baby food and diapers. You can't buy diapers with food stamps and Northwest Harvest tries to keep a supply available. It is one of the very few food banks around the country that provide for infant needs. Two years ago, Northwest Harvest established its infant section in response to the cutbacks in the federal Women, Infants and Children nutrition program.

Northwest Harvest is one of the largest voluntary food distribution networks in the

country. Its budget has grown from $150,000 to $4.5 million. In 1985, it distributed 8 million pounds of food. But its director takes great pains to point out that though Northwest Harvest gets lots of honors, it is not the answer.

COH BUDGET STRAINED

Most other services offered by the city are heavily reliant on government support and public charity. Cutbacks in federal government programs have hammered local services. Voluntary organizations have picked up the slack. But they go only so far.

Children's Orthopedic Hospital is a good example. It has a nationwide reputation and provides a wide range of services, including the only major rehabilitation service for children in the Northwest. It is also one of Seattle's major charities. Last year it provided $11 million of its $60 million budget as charity care.

This year, Children's will fall short of meeting its expenses by $5 million. The hospital has already eliminated its primary care outpatient medical and dental services.

Like many states, Washington has tried to increase local resources available to help launch its citizens from under the poverty line and provide a safety net when they fall back below it. But the task has been increasingly difficult due to federal cutbacks.

Unless there is a turnaround in the health of the economy or a fundamental change of policy on taxes and programs the future is only likely to be more difficult.●

GOODWILL SERVES DETROIT FOR 65 YEARS

● Mr. RIEGLE. Mr. President, I would like to recognize the fine work that Goodwill Industries in Detroit has provided for the past 65 years.

The Mission of Goodwill Industries of Greater Detroit is to help the physically, mentally, and socially disabled achieve greater independence and self-esteem through training, work experience, and other services designed to improve their ability to become more self-reliant, self-supporting, and contributing members of society. In 1985 alone, 3,423 handicapped individuals in southeastern Michigan were served through Goodwill's various programs. 480,000 hours of employment was provided for 805 disabled employees and 402 people were placed into competitive employment through job placement programs.

During National Goodwill Week, May 4-10, 1986, Goodwill Industries of Greater Detroit will hold its Third Annual Awards Luncheon to honor volunteers as well as clients for their accomplishments and also the community for its support. Mr. John A. Doyle, executive director of the National Association of Rehabilitation Facilities [NARF] will be the keynote speaker. At the awards luncheon several individuals and businesses will be recognized for their work and accomplishments.

I would like to take this opportunity to congratulate these recipients:

Special Awards: Clay Howell, president, United Foundation.

Community Services: American Sunroof; Ford Motor Co., Parts and Service Division and General Motors Corp.

Volunteer of the Year Awards: Kay Leonard, president, Women's Assn.; Betty Fuchs, Junior Group & Jolly Cheers.

"Mental Health" Award: Mary Ann Simone, New Center Vocational Program [NCVP].

"Worker of the Year" Award: Paul Kasch, Macomb Rehabilitation Center.

"Competitive Employment" Award: Lawrence Menna, Job Club.

"Employer of the Year" Award: Mountain Jack's Restaurant (Project GUIDE).●

INDEPENDENCE FOR NAMIBIA

● Mr. SIMON. Mr. President, recently I received a copy of a letter from the Reverend Dr. Robert J. Marshall, former president of the Lutheran Church in America and now with the Lutheran Theological Southern Seminary in Columbia, SC.

Reverend Marshall had written one to our colleagues to discuss the issue of independence and self-government for the people of Namibia. I found Reverend Marshall's insight and analysis to be valuable for those of us who continue to grapple with the problems in southern Africa. In order that my colleagues may read it, I ask that Reverend Marshall's letter be printed in the RECORD.

The letter follows:

LUTHERAN THEOLOGICAL
SOUTHERN SEMINARY,
Columbia, SC, April 2, 1986.

DEAR SENATOR: Recently I read the statement you made in the Senate concerning Namibia. It's obvious we have quite different views on the situation there, and I would like to offer mine for your consideration.

My interest in and knowledge of Namibia goes back to my tenure as President of the Lutheran Church in America and work with the Lutheran World Federation, of which two Namibian Lutheran churches are also members. These two churches, the Evangelical Lutheran Church in Namibia (ELC) and the Evangelical Lutheran Church in Namibia (ELOC), count more than half the Namibian population in their membership. It is no exaggeration to say that these churches, along with the Episcopal, Roman Catholic, and Methodist Churches, play a role in Namibia similar to that played by the Roman Catholic Church in Poland.

(The two churches' names have been made similar as they progress toward church unity. The ELC stands for "Evangelical Lutheran Church," which was the former name of one church. It was started nearly a century ago by German missionaries from the Rhenish Mission when Namibia was a German colony. The "ELOC" stands for "Evangelical Lutheran Ovambokavango Church," the former name of the second, and largest, church. It was started more than a century ago by Finnish Lutheran missionaries.)

First, I am unsure from your statement whether you applaud the offer made by South African President Botha to implement United Nations Security Council Resolution 435 by August 1st provided that an agreement on the withdrawal of Cuban troops from Angola can be made. I can assure you that the churches of Namibia, as well as the Lutheran Church in America, does not. The Namibian churches were rightly calling for an end to South Africa's occupation of Namibia long before Portugal's withdrawal from Angola, or the entrance into Angola of any foreign troops—Cuban or South African. Namibians continue to wonder why their own independence from South Africa must depend upon something they have no control over.

The Namibian people's desire for—and right to—independence is just on its own merits, and ought not be preconditioned or delayed because of political problems that have no bearing on their lives.

That brings us to the second disagreement between us. Namibia is not independent now, and ought to be. The "Namibian Transitional Government of National Unity" is nothing but a sham. You say that the members of the government were duly elected or designated. That is partially correct. They were designated by the few political parties in Namibia which South Africa allowed to establish a government. But what elections do you refer to? The government's own founding document establishes the principle that "because this is to be a government of natonal unity, no elections are necessary." And no elections have been held in Namibia to found a government on. Indeed, that is the heart of UNSCR 435—free elections in Namibia. Presently there are no duly elected leaders of any national government of Namibia.

It is this fear of contesting a free election in Namibia which causes this "Council of Ministers" to make statements like the one you inserted into the Congressional Record. Their first paragraph is nothing but an artfully worded avoidance of support for UNSCR 435 and internationally supervised elections.

In their second paragraph they make two points. First, they demand that the United Nations, "including the Security Council" demonstrate their impartiality. It is true that the U.N. General Assembly has voted to designate SWAPO as the "sole and legitimate" representative of the Namibian people. It is equally true that at the commencement of the 435 process, that designation lapses. Further, the Security Council, under which responsibility for implementation of 435 falls, has never acted impartially with respect to Namibia, except to support the ruling of the ruling of the International Court of Justice that the South African occupation of Namibia is illegal, a ruling concurred by the U.S. judge on the court, and stemming from a General Assembly action supported by the United States.

Second, the "Council of Ministers" proposes that a constitutional conference be held before elections. This is in direct contravention to Resolution 435, because it still fails to decide who shall draft the constitution. This sham government, as you may know, has already appointed a committee to begin drafting a constitution. You may not be aware that the chairman of that committee is a South African. So much for the independence of this governmemt from South Africa, and so much, frankly, for any expectation that the people of Namibia will approve any constitution which arises from it.

In their third paragraph, the "Council" makes the praiseworthy statement that

they have released all political prisoners "who were previously imprisoned in South Africa." What they don't say is that more than fifty people are currently detained for political offenses in Namibia, and they have made no effort to release them. What they are claiming is that their "Namibian" government has the power to open prison doors in South Africa, where it is not sovereign, while their actions show they won't open them in Namibia. This is more clear evidence that it is not a government independent from the South Africa government, which controls South African prisons, or from the South African Defense Force, which controls the security forces in Namibia.

The statement then goes on to call on SWAPO to agree to an immediate cease-fire. Did you know that SWAPO has been calling for a cease-fire and implementation of UNSCR 435 ever since it was approved by the Security Council in 1978? Did you know that it was the South African government which walked out of a U.N. meeting in Geneva, Switzerland, rather than respond to SWAPO's public call for a cease-fire and implementation of 435?

As for the pledge to "provide the best government possible" for the people of Namibia, the short history of this sham government is already rife with violations of that pledge. As you say, "It is difficult to conceive of an independent Namibia without considering the views of the majority of its people." As the views of General DeGaulle and the Free French Forces more clearly reflected the views of the people in occupied France than did the views of Marshall Petain, the views of the independent churches of Namibia far more clearly reflect the views of the majority of the people of Namibia than does this sham government.

I look forward to hearing from you on this matter, and to your cooperation in assisting the people of Namibia to become independent and self-governing. I would be pleased to have Martin Sövik of our church's Washington office provide you or your staff with more information about the current situation in Namibia and its history.

Sincerely,

Rev. Dr. ROBERT J. MARSHALL.●

NUCLEAR TESTING AND ARMS CONTROL

● Mr. GARN. Mr. President, it is a pleasure for me to join with my colleagues, Senators WILSON, WALLOP, and QUAYLE, in introducing Senate Concurrent Resolution 135, a resolution concerning nuclear testing and arms control. Unfortunately, the public is being treated to a feast of rhetoric on these subjects that runs contrary to the security interests of the United States and its allies. It is, therefore, important that the Senate make a strong, reasoned statement on the subject of nuclear testing.

The resolution is intended to provide such a statement. It addresses four basic points, namely:

The need for the Soviet Union to bring its weapons programs back into compliance with existing arms control agreements.

The requirement for verification improvements to the Threshold Test Ban and Peaceful Nuclear Explosive Treaties to address current uncertainties in estimating Soviet nuclear test yields.

The positive effects derived from a program of limited, underground nuclear tests; and

The security conditions under which a comprehensive ban on nuclear testing would contribute to the interests of the United States and its allies.

The fundamental message of this resolution stands in marked contrast to the proposal, House Joint Resolution 3, that was adopted by the House in February. House Joint Resolution 3 calls for the immediate ratification of the TTBT and PNET, without verification improvements, and the resumption of negotiations on a comprehensive test ban agreement. In my view, the President was correct in pointing out that:

> The actions called for in House Joint Resolution 3 do not serve the interests of the United States, our allies, and our friends. They would undercut the initiatives I have proposed to make progress on nuclear test limitations issues, and they would set back prospects on a broad range of arms control efforts, including the achievement of deep stabilizing, and verifiable arms reductions.

Mr. President, I have noted with interest statements by Soviet officials, including General Secretary Gorbachev, indicating a willingness to accept appropriate verification provisions—including onsite inspection measures—in the context of United States-Soviet arms control negotiations. I welcome such statements, but the fact remains that these public sentiments have yet to find their way into the private negotiating positions of the Soviet Government. With respect to the test ban treaties, specifically, the United States has consistently attempted to engage the Soviets in a dialog on necessary verification improvements to the unratified TTBT and PNET.

Most recently, President Reagan has made a concrete proposal to the Soviets to incorporate into the verification regimes of these agreements the CORRTEX system, or its equivalent. CORRTEX is a hydrodynamic yield measurement technique which the United States has used to calculate the yields of its own nuclear tests. The use of such a system to monitor compliance with the TTBT and PNET would allow the United States to reduce substantially the uncertainties that currently exist in using seismic estimating techniques to measure test yields. The fact is that these uncertainties cloud the issue of Soviet compliance and must be removed before the President or the Senate move forward with the ratification of the TTBT and PNET. Progress is now within our grasp, and it is incumbent upon the Soviet leaders to take the President up on his offer to discuss the necessary verification improvements to the test ban agreements.

With respect to a comprehensive test ban, I believe that it should be noted that our current program of limited, underground testing has had—and will continue to have—the beneficial effect of contributing to the reliability and safety of our nuclear weapons arsenal. I am not in the habit of quoting favorably from the New York Times, but I would point out to my colleagues that the Times recently observed that:

> A freeze (on testing) 20 years ago would have prevented development of lower yield warheads and of permissive action links, the safety devices that prevent the unauthorized use of nuclear weapons.

The credibility of the U.S. nuclear deterrent is essential to the security of our allies and friends. This is true today, and is likely to be true for the foreseeable future. Limited, underground testing contributes to ensuring the reliability, and therefore, the credibility of our nuclear weapons. Thus, until our security situation changes dramatically, a comprehensive ban on testing should remain no more than a long-term objective of U.S. policy. Certainly, it should not detract from current U.S. efforts to negotiate deep and verifiable reductions in existing nuclear weapons.

The Senate has an opportunity to speak on these critical matters in a responsible fashion. I would hope, therefore, that careful and favorable consideration be given to the resolution we are introduced yesterday.

Mr. President, I ask that statements by the Director of the Arms Control and Disarmament Agency, Kenneth Adelman, and Deputy Assistant Director for Verification and Intelligence at ACDA, Dr. Robert Barker, be printed in the RECORD.

STATEMENT OF KENNETH L. ADELMAN, DIRECTOR, U.S. ARMS CONTROL AND DISARMAMENT AGENCY

Many in Congress today are interested in nuclear testing limitations: namely, in a comprehensive test ban (CTB) and in ratification of the 1974 Threshold Test Ban Treaty (TTBT) and the Peaceful Nuclear Explosions Treaty (PNET). Significantly different issues are involved in each. Therefore, I would like to treat them separately.

A comprehensive test ban remains a long-term objective of the United States. We believe such a ban must be viewed in the context of a time when we do not need to depend on nuclear deterrence to ensure international security and stability, and when we have achieved broad, deep, and verifiable arms reductions, substantially improved verification capabilities, and greater balance in conventional forces.

As long as we must rely on nuclear weapons for deterrence, nuclear testing will continue to be required. Nuclear testing is required for the reliability, safety and survivability of our nuclear forces, to ensure the survivability of non-nuclear forces and command-and-control, and also for modernization. It is critical that we be able to continue to modernize to respond to Soviet modernization and other activities which diminish the credibility of our deterrent.

Verification of a comprehensive test ban also poses tremendous problems. While our

ability to *detect* nuclear explosions by seismological means has greatly—through enormous effort—improved, we still cannot distinguish at low—but militarily significant yields—a nuclear explosion from other seismological events such as earthquakes or chemical explosions.

In the nuclear testing area, the United States places a high priority on improved verification of the 1974 Threshold Test Ban Treaty (TTBT) and the 1976 Peaceful Nuclear Explosions Treaty (PNET). The United States has observed the 150 kiloton threshold of the TTBT since 1976, but has not ratified it. The Soviet Union has stated that it would observe the 150 kiloton threshold—but as the President's reports on compliance make clear, the Soviets have likely violated this limit.

Some argue that the verification provisions of the TTBT, which would come into effect with the ratification of the treaty, are adequate to verify the level of Soviet testing. These claims are not accurate. The TTBT and its associated Protocol contain provisions for the exchange of geophysical data and for announcing the yields of two explosions for calibration purposes. But the Treaty provides no mechanism for one Party to validate independently the accuracy of the data provided by the other Party.

Data provided on two Soviet tests would be of little value unless it can be independently verified by the United States. And even if the particular data exchanges were accurate, that data is limited and would not reduce the overall, uncertainty in the seismic yield estimation process to acceptable levels.

Additional verification measures are included in the PNET since it involved explosions conducted away from military test sites and permitted aggregates of multiple tests to be above 150 kilotons. Provisions were, therefore, included for on-site measurements of each explosion by downhold instrumentation similar in result to the current CORRTEX equipment. Seismic instruments were also to be allowed in the test area to detect non-standard explosive emplacement or hidden explosives. However, even if the PNE Treaty had been ratified, this does not solve the problem of the TTBT. Moreover, these PNET verification measures would not have been implemented up to now because the Soviets have apparently never reached the yield threshold for PNEs that would trigger installation of U.S. devices on Soviet territory.

As you are aware, the United States has made several specific suggestions to the Soviet Union aimed at ensuring effective verification of the TTBT and PNET.

In 1984 President Reagan proposed an exchange of Soviet and U.S. experts to measure directly the yields of tests of nuclear weapons at each other's test sites. In mid-1985, the President unconditionally invited Soviet experts to measure such a test at the Nevada Test Site, bringing with them any instrumentation devices they deemed necessary for such measurement.

In December 1985, the President proposed to Secretary General Gorbachev that U.S. and Soviet experts on nuclear testing limitations meet in February, 1986, to discuss our respective verification approaches and to address initial tangible steps to resolve this issue. On March 14, 1986 the President proposed that the Soviet Union join the United States in bilateral discussions on finding ways to reach agreement on essential verification improvements of the TTBT and PNET. The President invited Mr. Gorbachev to send his scientists to the U.S. test site the third week of April 1986 to monitor a planned U.S. nuclear weapons test and to examine the CORRTEX system. The President stated that, if the Soviets would join us in an agreement for effective verification, including the use of CORRTEX, the United States would be prepared to move forward on ratification of the TTBT and the PNET.

To date the Soviet Union has not responded either to the serious U.S. concerns in this area or to any of our initiatives to address these concerns in a constructive manner.

Our verification concerns cannot be satisfied by appending them to requests to the Senate for advice and consent on treaty ratification. They can only be satisfied by an honest exchange of technical views with the Soviets, as we have repeatedly proposed, on how verification can be improved and subsequent negotiation with the Soviets on the means which will permit effective verification.

Ratification without such verification improvements would provide no guarantee of their subsequent adoption. We need to fix the treaty before, not after we ratify. Failure to do so will only fuel future acrimony.

The United States seeks to achieve the eventual elimination of nuclear weapons in a way that strengthens the security and stability which the entire world desires. In this context, we are convinced that deep reductions in the offensive nuclear weapons of the Soviet Union and the United States must have our highest priority. In seeking deep reductions we will demand equality and require effective verification in any resultant treaty. Congressional support for U.S. efforts to achieve such reductions in the Geneva negotiations has been substantial and we believe such support is not lost on the Soviets.

TESTIMONY BEFORE THE SENATE ARMED SERVICES COMMITTEE

(By Dr. Robert B. Barker)

Good afternoon, I am happy to appear before this Committee for the purpose of providing an overview of the technical foundations for the Administration's views on nuclear test limitation treaties.

Careful study led us, over four years ago, to conclude that the Threshold Test Ban Treaty, in its current form, is not effectively verifiable; ratification of this treaty before verification improvements can be negotiated with the Soviet Union is not in the national security interest of the United States. The President has stated to Soviet General Secretary Gorbachev that he would be prepared to move forward on ratification of both the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty as soon as agreement is reached on the use of an effective verification system. He has described to Secretary General Gorbachev a technical system, using a technique known as CORRTEX, which we believe will determine yield with an acceptable level of uncertainty.

Thorough evaluation has led the Administration to reaffirm that a comprehensive test ban remains a long-term objective of the United States; an objective which we will seek to pursue within the context of broad, deep and verifiable arms reductions, substantially improved verification capabilities, a greater balance in conventional forces and at a time when a nuclear deterrent is no longer as essential an element as currently for international security and stability. There is much to be accomplished with respect to each of these objectives; it is not yet time to undertake negotiation of a Comprehensive Test Ban Treaty.

In a recent letter to Senator Dole, the President stated: Any limitations on nuclear testing must be compatible with our security interests and must be effectively verifiable. Because of the continuing threat that we face now and for the foreseeable future, the security of the United States, its friends and its Allies must rely upon a credible and effective nuclear deterrent. A limited level of testing assures that our weapons are safe, effective, reliable and survivable and assures our capability to respond to the continued Soviet nuclear arms buildup. Such testing, which is conducted underground, is permitted under the existing agreements on nuclear test limitations, all of which the United States fully complies with—the TTBT, the PNET, and the Limited Test Ban Treaty (LTBT).

NUCLEAR TESTING

The nuclear tests of the United States fall into four general categories: stockpile reliability/confidence tests; weapons effects tests; development tests; and tests designed to further understanding of the fundamental physical processes which occur in a nuclear explosion. Each category contributes to assuring that our deterrent is safe, effective, reliable, and survivable.

Stockpile reliability/confidence tests

Each year a small number of tests are directly conducted for stockpile reliability/confidence reasons. These tests can confirm that a recently produced nuclear weapon will perform properly or determine whether an older weapon is still performing as expected.

The use of the word "reliability", in conjunction with the need for nuclear testing, has confused many people. In everyday usage, reliability is associated with a statement about probability—such as 99 out of 100 weapons will operate properly. Thus, apparently, many people assume that a concern about nuclear weapons reliability is a concern that today's possible reliability of 99 percent may degrade to 95 percent or 90 percent sometime in the future. This is not what concern for nuclear weapon reliability is about. What we must be concerned about is a fault in the design which dramatically reduces the expected yield or makes a nuclear weapon unsafe. Such faults could be accidently built into a weapon during the production process or could be a result of chemical changes that occur as weapons grow old.

Such problems are not imaginary nightmares; the actual cases are all too real. While much still remains classified about problems with the U.S. nuclear stockpile, a great deal is revealed in a 1983 paper produced for the Department of Energy, authored by Jack W. Rosengren, and entitled "Some Little-Publicized Difficulties with a Nuclear Freeze." The paper discusses a half-dozen significant stockpile problems which required nuclear testing for their identification and/or fixing. This paper revealed that at one time 75 percent of one type of warhead designed for our Polaris submarines would have produced zero yield—no yield—if detonated. This is the kind of catastrophy that is the basis for our concern about nuclear weapon reliability, and, therefore, the reliability of our deterrent.

At the current time, a representative warhead, one of each new type produced, is tested to make sure that weapons from the production line will meet their design requirements. Every kind of military materiel, from boots to ammunition, to tanks, planes,

and submarines must be similarly "proof-tested", to ensure that the government is getting what it paid for—only in the case of nuclear wepons do some suggest such testing is unnecessary. While these critics of nuclear testing may believe that the computer calculations of nuclear weapon scientists are sufficient for a reliable nuclear deterrent, the Directors of the nation's nuclear weapon design laboratories are firmly on record stating that they cannot—in the absence of testing—retain confidence in the performance of weapons that their laboratories have designed.

In addition to tests of newly produced weapons, the category of stockpile reliability tests also includes the rare tests whose purpose it is to confirm that an older weapon from the U.S. inventory will still perform its function or to confirm a "fix" for a serious stockpile problem. Representative samples of older nuclear weapons are disassembled on a routine basis. Those parts of a weapon which can be fully tested in the laboratory—such as the electronic components—are so tested. The components which would produce nuclear yield are carefully examined by scientists and engineers from the nuclear weapons laboratory which was responsible for the initial design. Nuclear weapons are not immune from corrosion and decay. These scientists and engineers are asked to evaluate whether the changes wrought by time will adversely affect performance. Routinely their answer is that performance will not be compromised by the changes that have occurred.

But should changes be observed from which it is concluded that performance may be adversely affected, then a nuclear test will be devoted to determining the true situation. If there is a problem, a solution will be designed, tested in a nuclear test, and the entire inventory of that weapon will be recalled to install the design change.

What is unique about this process of stockpile evaluation is not that a test may be required—all military materiel is routinely tested to ensure that age has not unacceptably degraded its performance. What is unique is that testing for the effects of age is so rare. A nuclear weapon destroys itself in a test and each weapon and test are expensive items. Therefore, rather than conduct routine tests of the aging nuclear weapon, we depend upon the judgment of a very few nuclear weapon scientists and engineers to tell us whether everything is in order. Why should we trust the judgment of these people? Because, these same scientists and engineers are involved in the ongoing nuclear weapon design and testing program and are constantly having their judgments about design validated repeatedly by the results of underground nuclear tests.

Thus we see that while we categorize only a very few nuclear tests as stockpile confidence or reliability tests, in reality every nuclear test is a reliability test—because every test contributes to the competence of those upon whom we ultimately depend for assurance that our deterrent is reliable.

Weapons effects tests

The second category of nuclear tests is weapons effects tests. Again this is a small number of tests in any given year but it is these tests which establish another critical aspect of a deterrent in which we can have confidence. For our deterrent to be real we must believe, and so must the Soviet Union, that we will achieve sufficient warning of an attack to maximize the survivability of our deterrent and to ensure a response unacceptable to the Soviet Union. This requires that we design our space-based advanced warning systems and our space-based communication systems to be sufficiently hardened against the effects of nuclear detonations so that they cannot be too easily disabled. We also protect our military equipment against nuclear radiations and electromagnetic impulse—again so that the Soviet Union cannot calculate that our forces would be easily destroyed in a nuclear attack.

We convince ourselves that we have successfully achieved our hardness goals for our warning, communication, and all other relevant military materiel by exposing samples of these equipments to nuclear radiations in specially designed weapons "effects" tests managed by te Department of Defense's Defense Nuclear Agency. While small in number these tests are vital to ensuring the effectiveness of the U.S. deterrent.

Development tests

Development tests comprise a major part of the nuclear tests conducted by the United States each year. Some of these tests contribute to the engineering of a specific new nuclear weapon for a specific new weapon system; other tests investigate concepts which might have utility in some future U.S. weapon system or which might be employed by the Soviet Union and, therefore, need to be protected against. Typical concepts under investigation include improved nuclear weapon safety and security features as well as concepts important to the evaluation of the Strategic Defense Initiative, such as the x-ray laser.

Modernization of U.S. nuclear weapons delivery systems has been an ongoing process. Weapons systems based on newer technology replace those that have lost effectiveness because of obsolescence; for example, air-launched cruise missile carriers and B-1 bombers are to replace penetrating B-52s. Weapons systems whose survivability may be threatened are replaced with less vulnerable systems; thus the Trident missile system is replacing the Polaris and Poseidon systems.

In every case to date, the replacement system has required a nuclear weapon different from the weapon in the system that was replaced. In some cases, physical dimensions alone preclude use of the older weapon. In other cases, existing warheads cannot survive the heat, acceleration, vibration and other environmental extremes that a new nuclear weapon will meet in the stockpile or during delivery. Even the yield requirement of the new system may be different from that of the system it replaces. As J. Carson Mark, retired head of the Theoretical Division of Los Alamos, has noted in the Bulletin of the Atomic Scientists: The nuclear explosive and its carrier constitute a "weapon system" of which neither part is of much use without the other . . . The weapon, tailored for . . . [its] particular delivery mode, cannot easily be used in any other way.

The Navy designed its C-4 missile to have a longer flight range, thereby permitting the Poseidon and Trident submarines to operate in larger ocean areas. No existing Navy reentry body could survive the harsh reentry environments associated with the greater missile range: a new reentry body with a new warhead made the C-4 system possible. The B-1 bomber will replace the B-52 in its role as a penetrating bomber. For the new bomber to fulfill its mission of deterrence, it must credibly be able to penetrate Soviet air defense, deliver its weapons and escape. Accordingly, bombs delivered by the B-1 must be able to withstand release at greater speed, survive a more stressing ground impact, and delay detonation while the aircraft flies out of range of the bomb's explosion. The criteria are very different from those for bombs designed for delivery by the B-52. The weapons labs have developed new nuclear designs to enable the B-1 to fulfill its mission.

In the area of tactical nuclear weapons, new development work has established the survivability of nuclear weapons in long-range artillery. The original nuclear artillery shells were designed to withstand the acceleration associated with the range of the 8-inch and 155-mm howitzers of the 1960s. In the following decades, U.S. and Soviet artillery doubled in range. Without new nuclear shells, capable of withstanding the acceleration associated with the longer ranges, U.S. nuclear artillery would be "outranged" and therefore vulnerable to destruction by conventional weapon fire.

While concern for survivability is the primary motivation for modernizing nuclear weapons systems, there are other important reasons for doing so. The military effectiveness of established systems has declined as the hardness of intended targets has increased. To reestablish past destructive capability requires new nuclear weapons systems. Another motivation for modernization comes directly from developments in the area of nuclear weapons design. In the last decade the nuclear weapons laboratories have developed the technology to increase dramatically the safety and security of nuclear weapons.

Improved safety and security

In the laboratories' work on nuclear weapons safety, the concern is not that of an accidental nuclear explosion. As Mark has stated: The high explosives which have been mostly used in connection with nuclear weapons . . . can reliably withstand the jolts and impacts encountered in normal handling, even if they should be dropped from modest heights, but they might detonate on falling on to a hard surface from a plane, for example. The concern is not that a full-scale nuclear explosion would result, since that requires a thoroughly symmetric detonation of the explosive which could not be induced by impact at one point.

In fact, two aircraft accidents have caused the high explosives in nuclear weapons to detonate: in 1966 at Palomares, Spain, and in 1968 in Thule, Greenland. In both cases there was no nuclear chain reaction, but the explosions dispersed plutonium, requiring extensive cleanup operations to eliminate the hazard to health.

As a result of developments at the nuclear weapons laboratories, it is now possible to preclude accidents that disperse plutonium. There are some relatively insensitive high-explosive mixtures that can survive quite violent impacts. The laboratories are now in the process of incorporating such explosives in new weapons systems as they are modernized. Due to the number of different nuclear weapons designed in the U.S. stockpile, it will be many years before all the weapons incorporate this improved safety feature. Because the weapons with insensitive explosives are based on new designs that differ substantially from those using older explosives, nuclear testing must be conducted before the features are incorporated in the U.S. stockpile.

Security is another area where recent developments in design are leading to dramat-

ic improvements. Again, as weapons systems are modernized, features are being included that make it impossible for unauthorized persons to make use of a nuclear weapon. These features are an intimate part of the nuclear design and require nuclear tests to ensure that only authorized use would result in the expected performance.

Technical surprise

One long-standing mission of the nuclear weapons laboratories is to understand all means by which a nuclear explosion might be of military use. In part, this represents a desire to understand all the ways in which the U.S. might employ such explosives to enhance its security. It also represents a desire to avoid surprise from the advantages others might obtain from nuclear weapons developments.

The evolution of nuclear weapons design is not a one-dimensional process; there is no unique path that a nuclear weapons state must follow from its first nuclear explosion to subsequent developments. One cannot be confident that findings by the United States match those of the Soviet Union. With the maturity of the U.S. nuclear program, new concepts are less frequent, but they do occur. Nuclear testing is critical to determining whether a new concept will work.

Verification that a concept is feasible does not imply that it will be incorporated into weapons in the U.S. stockpile—far from it. But establishment of feasibility does permit the evaluation of the threat to this country should the Soviet Union have already incorporated it into its nuclear arsenal.

Physics tests

The fourth category of nuclear testing includes those tests which are devoted to improving the basic understanding of nuclear weapon performance. Despite the lengthy history of nuclear weapons testing in the United States, weapons scientists do not fully understand some fundamental phenomena that bear on the performance of nuclear explosives. The nuclear weapons laboratories possess the country's largest computer resources and a very impressive cadre of theoretical physicists. Yet, sometimes substantial discrepancies exist between calculation and experimental results; the mathematical models are just not yet adequate to predict reality. Economic considerations alone motivate the nuclear weapons laboratories to maximize the role of calculations in order to husband the scarce and expensive resource of nuclear tests. Thus, the objective of some nuclear tests is to improve calculations by exploring fundamental phenomena that are not yet understood, and which may be the cause of the discrepancies between calculation and experiment.

A further very real consideration since 1958 has been the recognition that a comprehensive test ban may some day preclude testing, leaving the laboratories with calculation as the sole tool for meeting their obligation to maintain confidence in the U.S. nuclear weapons stockpile. We are not at the point where we can maintain current confidence requirements with calculation alone. Even in the last few years we have been surprised at the results of nuclear tests of weapons in production and have had to modify designs as a result of such tests.

VERIFICATION

Comprehensive Test Ban Treaty

Effective verification is also a necessary condition for a Comprehensive Test Ban Treaty (CTBT). Today it does not exist. The U.S. has spent hundreds of millions of dollars on research to establish the basis for verifiable nuclear test limitations. This Administration is continuing that search. As part of that effort we have actively supported multilateral involvement in nuclear test ban verification studies at the 40-Nation Conference on Disarmament in Geneva.

A specific example of this research effort is U.S. support for the Norwegian Regional Seismic Array (NRSA) which uses a cluster of seismometers to detect and locate the sources of seismic disturbances—even those so weak that background noise would normally obscure them. Many of the features of NRSA would be expected to be incorporated into the in-country seismic stations which would be required as part of any future CTBT verification regime. The data from this seismic array is shared with the international community. It was dedicated in 1985 in a ceremony with international participation following its development and installation with funding provided by the Department of Energy and the Department of Defense's Advanced Research Project Agency.

The geophysical characteristics of the Norwegian site are such that the array is particularly sensitive. The research effort that will be required before such stations could be meaningfully applied to CTBT verification include: evaluation of the reliability of the instruments at the NRSA site; determination that sufficiently sensitive sites for in-country location of such arrays exist within the boundaries of potential signatory countries; and much better understanding of the transmission of weak seismic signals within the boundaries of signatory countries.

While only one example, NRSA demonstrates our commitment to establish a basis for effective verification should the other conditions established by the President for Comprehensive Test Ban negotiations be achieved.

Threshold Test Ban Treaty

Turning to the Threshold Test Ban Treaty, the President has made clear that he is prepared to move forward on ratification of both the TTBT and PNET as soon as we and the Soviets can reach agreement on the use of an effective verification system. We have described to the Soviets a technique that we call CORRTEX (Continuous Reflectometry for Radius Versus Time Experiment), which can provide acceptable uncertainty in estimating the yield of high yield nuclear tests consistent with the 150 kt threshold. CORRTEX will measure yield without compromising other potentially sensitive information about the performance of the nuclear explosion.

CORRTEX is a hydrodynamic yield measurement technique that measures the propagation of the underground shock wave from an explosion. This technique uses a coaxial cable which is shorted out by the shock wave as it propagates from the center of the explosion. The coaxial cable is emplaced in a hole parallel to the device emplacement hole. Precise measurements are made of the length of the cable by timing the return of low energy electrical pulses sent down to, and reflected from the cable end. When the nuclear device is detonated, a shock wave emanates through the ground, crushing and shortening the cable. The rate by which the cable length changes is recorded via measurements of the changing pulse transit times. This rate is a measure of the propagation rate of the explosive shock wave through the ground which is, in turn, a measure of the propagation rate of the explosive shock wave through the ground which is, in turn, a measure of the yield of the nuclear explosion.

CORRTEX has been shown to be accurate to within 30 percent of more direct, radiochemical yield measurements for tests of yield greater than 50 kilotons and in the geological media of the U.S. test site. This is based on over 100 tests with the sensing cable in the device emplacement hole and four tests with cables in a satellite hole. The accuracy of the technique is believed to be relatively independent of the geological medium, provided the satellite hole measurements are made in the "strong shock" region near the nuclear device explosion. At greater separation distances, the properties of the medium become much more important factors. A satellite hole separation distance of 14 meters (46 feet) is appropriate for a test near 150 kt.

The electronic device that provides the timing signals is a battery-powered suitcase-sized unit that may be remotely controlled. All equipment for power, recording, and data reduction can be contained in a small trailer.

The President invited the Soviets to send technical experts to our Nevada Test Site to observe CORRTEX measurements with the hope that this could begin the process of agreeing to its implementation as a basis for an effectively verifiable TTBT.

The test to which we invited the Soviets has already occurred—without the presence of a Soviet technical team. We hope that the Soviets will ultimately respond positively and observe similar measurements on a future U.S. nuclear test. Congressional support for the President's proposal can only enhance the prospects for a positive Soviet responsive which could lead to ratification of the TTBT and PNET.●

CONGRATULATIONS TO WATERBURY BAR ASSOCIATION FOR OBSERVANCE OF LAW DAY 1986

● Mr. WEICKER. Mr. President, I want to congratulate the Waterbury Bar Association for its observance of Law Day 1986. For those who honor the rule of law, this is an important year. It is a year of preparation, a pause to consider the importance of next year's 200th anniversary of the Constitution of the United States.

In this year of 1986, the best preparation I can think of is the chance Americans have once again to choose a variety of Federal, State, and local officers at the polls. Lately these elections have been more the result of default than choice, with 30 percent a majority to elect a President and even less for other elective jobs.

Across the spectrum of public affairs, goals and policies and priorities are set with a noticable lack of public participation. Ben Franklin said, "In this nation the people rule," and he was right. That is the legacy of the Constitution. To its credit, this document also ensures that the wheels of representative democracy will always roll no matter the level of public participation. But to its descendants in the third century of the Constitution,

this generation is leaving its own version of the Franklin quote: "In this nation, the active minority rules."

The topic of this year's Law Day observance is the "Foundations of Freedom," and the first foundation is the very sort of participation we find missing today. Uniting this Nation under a Constitution was the result of the greatest debate among individuals in history. That debate must be constantly renewed if the law and the Government that upholds it is to maintain its vital connection to American life and values. For its parts in pursuing citizen involvement in the law, I again congratulate the Waterbury Bar Association and all participants.●

THE NEW YORK TIMES EVALUATES THE SENATE'S WATER RESOURCES BILL

● Mr. STAFFORD. Mr. President, as the Senate prepares in the near future to go to conference with the House to resolve the differences over H.R. 6, I would like to call the attention of my colleagues to an editorial that appeared recently in the New York Times.

The editorial, like one that appeared previously in the Washington Post, points out the virtues and advantages of the Senate's version.

It is important that we pass a water resources law this year. To achieve such a law, the conference must send to the President a bill close to the Senate version. Mr. President, I ask that the editorial be printed in the RECORD.

The editorial follows:

[From the New York Times, Mar. 29, 1986]

WATER: NOT FREE AT LAST

Pssst—I'll vote to widen your barge canal if you vote to dredge my harbor . . . In mixing water with politics, Americans have usually ended up with pork. Typically, the decision to invest Federal dollars in water projects has had a lot to do with dealmaking and little with economic merit. Now, thanks to a decade of stubborn effort by two Presidents, the system is on the verge of change.

Under bills passed by both the House and Senate, the local beneficiaries of improvements in water transport irrigation, flood control and municipal supply will have to bear part of the expense. Neither bill is perfect; the House's version, authorizing $20 billion in new projects, is downright profligate. But the cost-sharing is likely to survive in the final legislation and should progressively deter the most deplorable boondoggles.

Particularly wasteful or environmentally damaging water projects have sometimes been challenged in Congress, and occasionally defeated. But the battles have had to be fought one at a time, and the odds against winning have always been long. Every member of Congress knows that the next project under attack may be his own.

President Carter challenged this cozy system in 1977, questioning wasteful water projects then under way and refusing to accept new ones. President Reagan has kept up the pressure, threatening vetoes to enforce a moratorium on all new projects until Congress agreed to reform. Now, after a decade without a single major new authorization, the legislators are reluctantly giving way.

The bill passed by the Senate last week requires that half the cost of all inland navigation construction be paid out of fuel taxes. Cargo fees would offset up to 45 percent of the costs of harbor maintenance. And for flood control projects, communities would have to cover 25 to 35 percent of construction costs, with 5 percent paid up front.

The cost-sharing provisions in the House bill are considerably weaker. The House, moreover, chose to authorize dozens of projects that haven't even been declared feasible by the Army Corps of Engineers. The Administration, which originally asked for 70 percent cost sharing, sensibly warns that any compromise leaning toward the House version will be vetoed.

But while tough battles lie ahead, some progress seems assured. Uncle Sam may continue to fund water projects, including some that can't be justified by economic criteria. From now on, however, users that reap most of the benefits will bear some of the burden.●

THE SERVICE CONTRACT REFORM ACT OF 1986

● Mr. HUMPHREY. Mr. President, on March 27 of this year, I introduced the Service Contract Reform Act of 1986, S. 2261. At this time, eight distinguished Members, Senators HECHT, THURMOND, EAST, HELMS, ZORINSKY, ARMSTRONG, SYMMS, and GRAMM have joined with me in cosponsoring this piece of legislation. Support for S. 2261 has also come from private-sector organizations. On April 25, I received a letter of endorsement for the reform measures of S. 2261 from Mr. David Y. Denholm, president of the Public Service Research Council of Vienna, VA. The Public Service Research Council has been a leading organization which aggressively has supported efforts in Congress to promote free and open competition in the workplace. I commend the PSRC for its excellent work in educating the public on the reforms of S. 2261. I ask that the letter of support from Mr. Denholm be printed in the RECORD.

The letter follows:

PUBLIC SERVICE RESEARCH COUNCIL,
Vienna, VA, April 23, 1986.

Hon. GORDON HUMPHREY,
U.S. Senate,
Washington, DC.

DEAR GORDON: On behalf of the members of the Public Service Research Council, I want to express our strong support for the Service Contract Reform Act, S. 2261, which you introduced on March 27, 1986.

This is a very well crafted piece of legislation. It is responsive to the concerns of those who desire to retain the original intent of the SCA while at the same time greatly lessening the ill effects inherent in such laws.

The urgent need for the government to eliminate waste and reduce spending should make S. 2261 a very popular proposal. We look forward to working with you to mobilize support for this vitally important legislation.

Sincerely yours,

DAVID Y. DENHOLM,
President.●

STINGER MISSILES AND TERRORISTS

● Mr. CHAFEE. Mr. President, I am pleased today to cosponsor Senator DECONCINI's legislation, S. 2286, requiring strict security measures for all Stinger antiaircraft missiles sold by the United States. If enacted, this legislation will help prevent these dangerous and extremely accurate weapons from getting into the wrong hands. I would like to commend Senator DECONCINI for his leadership on this issue, and for putting together this important bill.

It was revealed a few weeks ago that rebel forces in Angola and Afghanistan had begun receiving shipments of Stingers from the United States. This concerns me because of the danger that some of these shoulder-fired missiles, which have a range of 5 kilometers, might be diverted to the black market and become available to terrorists. The Stinger—with its advanced infrared targeting system and lethal precision—can destroy an airplane from 3 miles away, and is more advanced and reliable than comparable Soviet weapons. I have little doubt that the same fanatical terrorists who have recently singled out Americans for attack are greedily eyeing the Stinger.

The delivery of Stingers to rebels in Afghanistan and Angola provides a new opportunity for terrorists to obtain these weapons. Since they are being delivered to the Afghan and Angolan resistance forces without the strict security requirements we place on the Stingers we sell to other countries, the chances are greatly increased that Stingers could find their way into the hands of terrorists. Our legislation takes steps to prevent this.

The bill requires that the launcher and missile components of each Stinger be stored in separate areas. Each area must have a full-time guard and an intrusion-protection system, and must be surrounded by a 6-foot fence on steel or reinforced concrete posts. Other requirements include strict accounting of the number of missiles, inspection by U.S. officials, protection of information relating to the Stinger, and a separate key system under which two people are necessary in order to open the storage area.

Mr. President, I see no point to placing strict security requirements on the Stingers we send to some countries, but not on those we send to Angola and Afghanistan. Either we believe terrorists will try to obtain this weapon or we do not, and if we do, we must work to thwart them. I urge my

colleagues to consider the tragic possibility of terrorists using the best of our military technology to shoot innocent Americans out of the sky. With that terrible scenario in mind, I hope they will support this legislation.●

MARY THOMPSON HOSPITAL: A TRADITION OF EXCELLENCE

● Mr. DIXON. Mr. President, I would like to take this opportunity to recognize one of Chicago's oldest and most dedicated health care facilities.

On May 12, 1986, Mary Thompson Hospital, the city's second oldest existing hospital, will celebrate its 121st year of service to Chicago's Near West Side.

Mary Thompson Hospital has been, and continues to be, an important institution in the community and provides a diversity of high-quality medical services.

The hospital's founder, Dr. Mary Harris Thompson was the first female surgeon in the United States and a pioneer in community health care. When Dr. Thompson came to Chicago, neither of the two hospitals then open would allow women on their medical staffs, and one would not admit women or children as patients.

Chicago, at the time, was a thriving frontier town whose development had outpaced the growth of its health and sanitary facilities. The city was crowded with refugees uprooted by the Civil War, in addition to large numbers of needy soldiers' wives, widows, and orphans. Consequently, there was a tremendous need for medical care. Dr. Thompson opened her new hospital, called Chicago Hospital for Women and Children, in a large frame house at the junction of Rush and Indiana Streets. The hospital had a capacity of 14 beds and provided care for 766 patients in its first year. Although the fee for hospital care was only $5 a week, only one bill was paid in full that year.

The Chicago fire of 1871 destroyed the hospital but not Dr. Thompson's dedication. Within 24 hours she had found temporary quarters, and supplied only with pillows and blankets, treated the scores of burned and injured women and children. The hospital moved its location several more times before settling in 1929 at its present site at 140 North Ashland.

In 1866, Dr. Thompson established the first women's medical college in the Midwest as a branch of the hospital. It was later incorporated into Northwestern University and is now part of the McGraw Medical Center. In 1874, she established Chicago's first nursing school. In 1881, she became the vice president of the Chicago Medical Society, the first women elected as an officer. The pioneering tradition of Mary Thompson continued after her in 1895, with other landmarks for the hospital which included the first cancer detection clinic in the Midwest, Chicago's first mental hygiene clinic for working women, and the Midwest's first cardiac kitchen.

The hospital was renamed after Dr. Thompson's death to Mary Thompson Hospital. Today the 203-bed community hospital continues to fill the mission set forth by its founder by providing the highest quality of medical care in both its inpatient and outpatient facilities.

In honor of the hospital's 120th anniversary, a commemorative Mary Thompson, M.D., Award was given to a female physician in the Metropolitan Chicago area who embodies the qualities of dedication, innovation, and commitment that Dr. Thompson personified. This award is now an annual and prestigious presentation.

Mr. President, the staff and administration of Mary Thompson Hospital are dedicated to providing the best medical attention and service possible to its many patients who come from many neighborhoods of Chicago. As the hospital celebrates its 121st year in service, I would like to congratulate those involved for their invaluable contributions and wish them many more years of achievement and success.●

MACHINE TOOL IMPORTS

● Mr. HEINZ. Mr. President, last week in the Finance Committee, we debated putting trade discussions with Canada on a fast track. During that debate, I couldn't help but consider the irony that, while we were being admonished to support fast track trade talks, there is still no resolution of the section 232 machine tool import petition after more than 2 years of consideration by the White House. I understand that during the past 3 years, over 200 Members of Congress have urged the administration to put that petition on a fast track.

What is particularly worrisome is that section 232 of the trade laws is a national security provision. It is only to be used if the imports of a critical item are sufficient to jeopardize the Nation's ability to mobilize in time of war or national emergency. Over 2 years ago, the Secretary of Commerce reported to the President his findings of a full year investigation concerning machine tool imports. That report is classified, but it is common knowledge that sufficient findings were made to bring the issue to the attention of the President. After all, machine tools are the machines that build other machines. Without them, we could not expand production sufficiently to mobilize for war or national emergency. Machine tool capacity has been a bottleneck in every conflict in which this country has engaged since World War II.

● Mr. GRASSLEY. If the Senator will yield, I would like to add an additional point, since I whole-heartedly agree with my colleague's concerns. In fact, I sat in on the same hearings in the Finance Committee in which we discussed the fast track trade agreement with Canada, and the very first thing that came to my mind during these discussions was the 232 petition filed by the machine tool builders.

The delay in deciding the machine tool case is almost beyond comprehension. In fact, as a result of the delay, I introduced legislation last fall—S. 1679—which would impose a deadline on Presidential decisions in national security import relief cases filed under section 232 of our trade laws. This legislation has since been incorporated into the Trade Enhancement Act of 1985 as title 10 of the act.

When I first introduced my bill, the petition had been languishing in the White House for approximately 19 months. In the last several days, I have made some inquiries as to the status of the petition, and learned that finally there had indeed been a cabinet meeting to discuss the issue. Unfortunately, that meeting was held more than a month ago, and still no word from the White House on what action will be taken. I find this hard to comprehend since I have been told that experts present at the meeting agreed that a serious national security problem does exist due to the decline in the domestic machine tool production in the United States.

● Mr. HEINZ. I thank my friend for that information. I suppose that sometimes there are issues which, if ignored, will cure themselves or somehow go away. Unfortunately, the machine tool problem is not one of them. When the initial inquiry began in 1983, foreign machine tools comprised about 23 percent of the total U.S. market. Even at that level most experts believed the national security was threatened. But now, imports have increased to over 45 percent of the U.S. market and continue to grow rapidly.

● Mr. DANFORTH. If my colleague from Pennsylvania will yield, I would like to add a comment about this unconscionable delay. It doesn't matter what side of the issue one is on, a 2-year delay in deciding a national security issue of this magnitude is totally unwarranted.

I think it is worth pointing out that the U.S. machine tool industry has not spent the past 2 years sitting around waiting for import relief. Regretably, many companies have moved their production facilities offshore. Others have shifted from producing machine tools to importing them.

On the positive side, however, the industry itself appears to be undertaking a remarkable program of moderniza-

tion and development during the most unprofitable period of its existence. Last week, the National Machine Tool Builders' Association announced that it would contribute $1 million as seed money for a new research and development center that will facilitate cooperation between machine tool manufacturers and domestic users in creating state-of-the-art technology for use in the United States.

This new project will be called the National Center for Manufacturing Sciences. It will direct research and development to a variety of existing centers throughout the United States. This center has the potential to grow into a major national resource. I personally could not be more pleased. For years I have encouraged this type of self-help, cooperative research and development activity. The machine tool industry and its user groups deserve our strongest support and encouragement for this undertaking.

● Mr. GRASSLEY. The Senator from Missouri is absolutely right. He has been one of the most forceful advocates in Congress for research and development and knows what he is talking about. In my view, however, such efforts are necessary but not sufficient to solve our machine tool problem. All the research and development we can afford won't stop the unremitting surge of imports.

● Mr. HEINZ. The Senator is correct. I too applaud this new research and development effort. Let us hope there is an industry left in this country which will benefit from it. Time continues to be our worst enemy. Over 2 years have passed since the issue reached the White House. Now over a month has passed since the Cabinet met on the issue. If the administration wants to show us how to fast track something, maybe it first should demonstrate its ability on the machine tool issue.

● Mr. GRASSLEY. I agree.●

DOBYNS-BENNETT BAND AMONG THE NATION'S FINEST

● Mr. SASSER. Mr. President, it is a real pleasure for me to direct the attention of the U.S. Senate to a truly great musical organization, the Dobyns-Bennett High School Band of Kingsport, TN.

This nationally known band has captured the hearts of the people of Kingsport because of its excellence and because of its esprit de corps. When this band marches on the field with its measured cadence, there is an atmosphere of excitement and expectation. And the performances usually exceed expectations.

The band is in the expert hands of Mr. Tyler Fleming, the director, and Mr. Perry Elliott, assistant director, both accomplishment musicians and leaders of young people. They are friends to the 240 members of the band as well as directors and instructors.

This widely traveled band has excelled in competition. Its repertoire ranges from Bach to rock, by way of the top 40, and its intricate marching maneuvers often require an entire football field. It is strongly supported by the band boosters, the enthusiastic parents of band members, and others in the city who assist with expenses and logistics.

Mr. Fleming points out that Dobyns-Bennett also has a superb orchestra under the direction of Celia Bachelder and an outstanding chorus under the direction of Milton Nelson. Both of these groups have also won their share of honors and awards. Academically, Dobyns-Bennett, whose principal is Dr. A.D. Etienne, was rated 1 of the 10 outstanding high schools in Tennessee this year and the performance of the musical groups is a reflection of the school's overall record of excellence.

"We are one big, happy family," says Director Fleming. And many believe that this is the secret to the band's success.

Awards, honors and performance ratings bestowed upon the band include the following:

Judged "band of the day" as class AAAA winner in the 1983 Central Carolina Festival.

Participated in the nationally televised 1984 Macy's Thanksgiving Day Parade in New York City.

Marched in the 1984 Greatest Bands in Dixie Parade in New Orleans, LA.

Was chosen "grand champion" at the American High School Music Festival held at Opryland in Nashville in 1985.

Won highest honors—the Sweepstakes Trophy—in the Atlanta-Lafayette Marching Band Classic last year in competition with 30 other elite bands.

Received a superior rating for an outstanding performance last year in the Land of the Sky Marching Band Festival at Enka High School, Asheville, NC.

The band and its boosters host the Southern Bands Marching Band Invitational each year, featuring top bands from Tennessee, North Carolina and Virginia. More than 2,000 musicians compete in this event.

Mr. Fleming has commented to the press concerning the diversification and sophistication of today's high school bands that they are far more advanced now than they were even a few years ago.

The Dobyns-Bennett High School Band is truly Kingsport's foremost ambassador of goodwill.

One recent judge wrote on his scoring sheet, after watching the band perform: "A wonderful band—just tremendous."

In conclusion, I submit for the RECORD a letter to the editor of the Kingsport Times-News written by a parent of one of the band members last November 8, capturing the essence of the great musical group:

The letter follows:

SALUTE TO D-B BAND

I think the remarkable Dobyns-Bennett High School Band and its distinguished director Mr. Tyler Fleming deserve a resounding round of applause from this community. This band is a truly outstanding musical group, 240 strong, drilled to perfection, with every component strong and expressive.

The band has swept virtually every competition in which it has participated in the past two years or so—and on top of that, represented the city in the Macy's Christmas Parade.

This band is the best ambassador and the greatest asset this city has. It has class and style, character and charisma.

When the band marched on the field a few days ago in its competition in Atlanta Ga., with the percussion section pounding that distinctive, staccato beat, a stillness settled over the crowd. It sensed drama and perfection. And as the band performed, thunderous applause swept the audience as each component did its thing with verse and skill.

There were some 31 bands from six states in this compeition—and Dobyns-Bennett was rated tops for best overall performance. Individual groups like the majorettes, the drum majors, percussion, and color guard walked away with top or high honors. Although the Dobyns-Bennett Band was a "stranger," it captured the hearts of the judges and audience.

As for character, have you heard the great reception that members of the band give visiting bands at J. Fred Johnson Stadium? They not only applaud. They cheer and whistle and "stomp" their feet in warm approval of the visitors' performances. They make them feel welcomed and appreciated on a strange field.

This fine group of young people and the outstanding director work hard day after day to achieve near perfection. They represent this community with flair and elan and they provide excellent entertainment for the citizens of Kingsport. I, for one, thank them for the great thrill they give me every time they march on the field. Keep up the good work!●

LAW DAY 1986

● Mr. DODD. Mr. President, for almost 30 years, May 1 has been recognized throughout the country as Law Day, U.S.A. As the law creating the designation recognizes, this is a special day for all American people to celebrate our liberties and reaffirm our loyalty to the United States. It is a day to rededicate ourselves to the ideals of equality and justice under the law in our relations which each other as well as other nations. And it is a day to cultivate that respect for the law which is so vital to our democratic way of life.

Political, legal, and civic groups all over the country today will be observing Law Day, U.S.A. with appropriate ceremonies and celebrations. I know that various groups from my State of

Connecticut, including the Waterbury Bar Association, will be among those joining in the observance. I want to congratulate all such groups for working to build public awareness and appreciation of the principles embodied in Law Day.

A celebration of our individual liberties and the ideals of equality and justice under the law carries with it a commitment to work to maintain those very liberties and ideals. It is my hope that, more than anything else, Law Day 1986 will result in a renewed commitment among our people to work to preserve and strengthen the liberties we all cherish.●

STEGER INTERNATIONAL POLAR EXPEDITION

● Mr. DURENBERGER. Mr. President, I would like to take this opportunity to call to the attention of my colleagues the Steger International Polar Expedition.

Today, the closest most of us get to the adventures of the early explorers is through the pages of a historical novel or Jack London adventure. But the challenge to conquer the unknown—the rugged individualism and courage that enabled our forefathers to defy danger and death to explore and settle our frontiers—still exists in the hearts and minds of the members of the Steger International Polar Expedition as they seek to reach the North Pole.

When Will and his companions reach the North Pole they will have accomplished something that has never been done: Reach the true top of the world, totally self-contained, without outside support.

The Steger International Polar Expedition is headed by Will Steger of Ely, MN and includes Ann Bancroft, of Sunfish Lake, MN, who will be the first woman to reach the North Pole. The expedition is truly international in nature, with team members representing the United States, Great Britain, New Zealand, and Canada. I ask that the team profiles be printed in the RECORD at this point.

The material follows:

STEGER INTERNATIONAL POLAR EXPEDITION

NORTH POLE '86 TEAM PROFILES

William Raymond Steger, Co-Leader:

Age 40 (8-28-45), 5'9", 145 lbs.; B.S. Geology, M.A. Education, College of St. Thomas, St. Paul, Minn. Born: Richfield, Minn. Home: Ely, Minn. Unmarried: High School Teacher (2 years), photographer, wilderness skills instructor, Co-Director, Lynx Track Winter Travel School (group dogsled and ski expeditions), 11 major expeditions since 1960 including 4 Arctic kayak expeditions totaling 10,000 miles (1965-1969), mountain climbing in Peruvian Andes (1965), 4 Arctic dogsled expeditions totaling 12,000 miles (1979-1985).

North Pole '86 Roles: Expedition logistics, equipment and supplies, photographer, dog driver.

Paul David Schurke, Co-Leader:

Age 30 (7-18-55), 6'2", 170 lbs.; B.S. Natural Science, St. John's University, Collegeville, Minn., M.A. Science Journalism, University of Minnesota. Born: Minneapolis, Minn. Home: Ely, Minn. Married (Susan Hendrickson-Schurke, Expedition designer-seamstress, daughter Bria, born 8-85); writer, wilderness skills instructor, Co-Director Lynx Track Winter Travel School, Co-Founder/Director Wilderness Inquiry (wilderness dogsled and canoe excursions involving people with disabilities), numerous canoe, backpack, bike, and dogsled journeys.

North Pole '86 Roles: Expedition logistics, business manager, navigator, dog driver.

Robert Isaac Mantell:

Age 31 (1-18-54), 5'9", 150 lbs.; Born: Chicago, Illinois. Home: Anchorage, Alaska. Unmarried; carpenter, mechanic, dog trainer, numerous ski and dogsled journeys, traveled with Steger on 1982-83 7,500-mile Arctic trek, 2,500-mile solo dogsled journey across Alaska (1985).

North Pole '86 Roles: Sled design-construction, dog trainer, dog driver.

Richard Robert Weber:

Age 26 (6-19-59), 5'9", 145 lbs.; B.S. Mechanical Engineering, University of Vermont, Born: Edmonton, Alberta, Canada. Home: Cantley, Quebec. Unmarried ; a 7-year member of Canadian National Ski Team, 19 national titles, twice appointed to All American Ski Team, whitewater raft guide, summer work with high Arctic geology research team.

North Pole '86 Roles: Expedition diet rations, trail crew scout.

Ann Escott Bancroft:

Age 30 (9-29-55), 5'4", 125 lbs.; B.S. Physical Education, University of Oregon. Born: St. Paul, Minn. Home: Sunfish Lake, Minn. Unmarried; elementary school teacher, mountain climbing and ski instructor, numerous ascents of major North American mountains.

North Pole '86 Roles; Emergency medical equipment, trail crew.

Geoffrey Markus Carroll:

Age 35 (9-26-50), 5'11", 200 lbs.; B.A. Wildlife Biology, University of Alaska. Born: Wyoming. Home: Juneau, Alaska. Divorced (daughters Cameron, 8 and Samantha, 9); 3,000-mile Yukon canoe expedition (1976), numerous sea kayaking and mountaineering trips in the Alaska range and Wrangell mountains, developed and currently supervises whale census for Alaska's North Slope Borough on the Chukchi Sea off Pt. Barrow, Alaska.

North Pole '86 Roles: Dog training, sea ice tools, trail crew.

Brent Boddy:

Age 31 (6-19-54), 6'2", 170 lbs.; Born: Edmonton. Alberta, Canada. Home: Frobisher Bay, Northwest Territories. Married (Nala, son Nigel, 7, daughter Crystal, born 10-85); hospital stores supervisor, directs Nuna-Kuuk Outfitters (Arctic dogsled and kayak expeditions), numerous first ascents by kayak of Arctic rivers.

North Pole '86 Roles: Training Canadian Eskimo sled dogs, sled design/construction, skin clothing, dog driver.

Robert James McKerrow:

Age 37 (3-21-48), 5'9", 190 lbs.; B.A. Sociology, Massey University, New Zealand. Born: Dunedin, New Zealand. Home: Anikiwa, New Zealand. Married (Joan, five daughters, 2-9 years); Director, New Zealand Outward Bound School, seismology technician—Antarctica (1969-1970), disaster relief officer for International Red Cross (1973-1981—lived in 12 third-world countries), numerous mountain climbing and ski expeditions in Peru, Borneo, Africa, the Himalayas.

North Pole '86 Roles: Radio technician, cinematographer, trail crew.

Mr. President, throughout the age of exploration, attaining the North Pole represented the ultimate challenge to man's ingenuity and resourcefulness. When the early exploring parties headed out across the pack ice, all of their life lines with civilization were cut. Their survival depended entirely upon themselves and the supplies they carried with them. The era of aircraft and radio changed all of that. While surface expeditions to the pole will always be rigorous and dangerous, aircraft offer the option of resupplies of food, dogs, and dry clothes and sleeping bags.

When the Steger expedition left Ward Hunt Island on March 8, they did so on skis and dog sleds, taking with them all of their provisions for the expedition—each dog sled carrying 1,000 pounds of food and equipment. They left with the confidence that they can accomplish their goal. Prior to their departure, they conducted one of the most extensive polar field testing and training programs ever. Their designs for equipment and sleds and their breed of dogs were tested and refined on over 10,000 miles of dogsled travel.

In addition to reaching the pole through the power and perseverance of men and dogsleds, the expedition is dedicated to seeking answers to two key lingering questions in the history of polar exploration. First, can the Earth's most remote destination, the North Pole, be reached unaided?

Second, were the efforts of early explorers to reach the pole without the benefit of such modern technology as aircraft realistic? All expeditions that are confirmed successes have involved air support. By not relying on airplanes for reconnaissance or resupplies, this expedition seeks to shed much light on the plausibility of claims made by such early explorers as Adm. Robert Peary and Dr. Frederick Cook by conducting the first field studies and tests on their travel systems, daily mileage data and navigational methods.

This is a bold and historic adventure. I consider it an honor to have been personally involved with it since its inception, first in obtaining corporate contributions, and more recently as the honorary chairman of the Minnesota Support Campaign.

The "National Geographic" has termed the 1986 polar expedition a "landmark in polar exploration." The expedition is now within 30 miles of the pole, 30 miles to making history, 30 miles to solving lingering historical questions, and 30 miles from realizing life long dreams. We congratulate

them and celebrate with them the great American spirit of adventure.●

WORLD TRADE FORUM

● Mr. HART. Mr. President, today I have the pleasure of introducing to the Senate a truly novel organization called the World Trade Forum. The World Trade Forum is an informal broad-based group of companies, trade associations, farm groups, and civic and consumer groups which share an interest in, and commitment to, the principle of open and expanding world trade. This group consists of over 90 organizations which represent well over half of all U.S. farmers, nearly 100 percent of U.S. exporters and importers, and through major business trade associations, the majority of the Nation's businesses.

The farsighted members of the World Trade Forum endorse eight principles as the cornerstone of a competitive national trade policy. These principles encourage aggressive action to create a climate more favorable for the exportation of U.S. goods without imposing protectionist trade barriers or threatening the economies of our friends and allies. Mr. President, I am sure that the Members of the Senate share these goals and will join me in supporting the World Trade Forum's eight guiding principles:

1. The United States should move swiftly and aggressively under existing authority against unfair trade practices that harm American business and workers.
2. The Federal Government should move quickly and comprehensively to address important factors contributing to the U.S. trade deficit, including the federal budget deficit and the highly valued dollar.
3. U.S. trade policy should be developed in a comprehensive manner, recognizing that exports create jobs, and should avoid actions that benefit one sector to the detriment of others and the national interest.
4. Any new trade legislation should be consistent with U.S. international obligations and should have the effect of strengthening the President's ability to expand U.S. exports rather than creating new U.S. import restrictions.
5. U.S. international policy must recognize the critical need to enhance our exports and to minimize export disincentives.
6. The Federal Government should promote the retraining of workers adversely affected by shifts in world trade through cost-effective efforts involving both the public and private sectors.
7. U.S. trade policy should not undermine the economies of our trading partners in developing countries, which will only shrink long-term U.S. export markets and threaten the international financial system.
8. The U.S. should actively promote comprehensive multilateral negotiations to expand trade in goods and services and should work toward the strengthening of the international economic system.

Mr. President, I ask that a list of those business and trade organizations which have endorsed these laudable principles be included in the RECORD.

The following is a list of the organizations endorsing the "Principles to Govern U.S. Trade Policy," as of March 7, 1986:

1. American Association of Exporters and Importers.
2. American Association of Nurseryman, Inc.
3. American Association of Port Authorities.
4. American Electronics Association.
5. American Fair Trade Council.
6. American International Automobile Dealers Association.
7. American Retail Federation.
8. American Soybean Association.
9. Arizona Forage and Grain Growers, Inc.
10. Arkansas Association of Wheat Growers.
11. Arkansas Retail Merchants Association.
12. Association of General Merchandise Chains.
13. Automobile Importers of America.
14. California Association of Wheat Growers.
15. Citizens for a Sound Economy.
16. Colorado Association of Wheat Growers.
17. Computer and Business Equipment Manufacturers Association.
18. Connecticut Retail Merchants Association.
19. Consumers for World Trade.
20. Direct Selling Association.
21. Emergency Committee on American Trade.
22. Fertilizer Institute.
23. Florida Retail Federation.
24. Footwear Retailers of America.
25. Georgia Retail Association.
26. Idaho Retailers Association, Inc.
27. Idaho State Wheat Growers Association.
28. Illinois Retail Merchants Association.
29. Indiana Retail Council, Inc.
30. International Apple Institute.
31. Jewelers of America.
32. Kansas Association of Wheat Growers.
33. Kansas Retail Council.
34. Louisiana Retailers Association.
35. Maryland Retail Merchants, Inc.
36. Michigan Merchants Council and Associates, Inc.
37. Millers' National Federation.
38. Minnesota Association of Wheat Growers.
39. Minnesota Retail Merchants Association.
40. Missouri Retailers Association.
41. Montana Grain Growers Association.
42. Montana Retail Association.
43. National Association of Retail Druggists.
44. National Association of Stevedores.
45. National Association of Wheat Growers.
46. National Constructors Association.
47. National Cooperative Business Association.
48. National Corn Growers Association.
49. National Federation of Export Associations.
50. National Foreign Trade Council.●

DEATH OF RAFAEL MEZA-AGUIRRE

● Mr. DECONCINI. Mr. President, it is with sadness that I have learned of the death of my dear friend, Rafael Meza-Aguirre. Although a native of Sonora, Mexico, Rafael made a name for himself in Tucson, AZ. Rafael was active in many community organizations, and, though his presence will be missed, his accomplishments will remain with us.

I offer my condolences to his wife, Bernadina, and their children. Rafael and I were friends for many years and I will miss him.●

CONGRATULATIONS TO EMPEROR HIROHITO AND THE PEOPLE OF JAPAN

● Mr. SIMON. Mr. President, yesterday was Emperor Hirohito's 85th birthday, a popular national holiday in Japan. On this day, thousands of Japanese people gather at the Emperor's palace to join in the celebration of his birthday in the hope of getting a glimpse of him.

Emperor Hirohito presided over Japan during the militarist era of the 1930's and through the victorious early days of World War II and its disasterous end. In 1947 he became a constitutional monarch. The Emperor has seen the country develop into one of the world's greatest economic powers. Japan is a major figure in international trade and the combined efforts of Japan and the United States can be utilized to promote peace and prosperity throughout the world.

Although Emperor Hirohito is a politically powerless symbol of Japan under the current constitution, he is a symbol of continuity to the Japanese. The celebration of the Emperor's birthday is also a symbol of tradition and respect for the early leader of the nation. The holiday is a reminder of peace and stability for the Japanese. I join in this festive spirit and extend my best wishes to Emperor Hirohito and to the Japanese-Americans on this day of celebration.●

WAYNE MEISEL HONORED BY COMMON CAUSE

● Mr. LAUTENBERG. Mr. President, this Saturday, the citizens' lobby Common Cause will present its annual Public Service Achievement Awards to seven individuals whose outstanding contributions to the public interest deserve our recognition. One such individual is Wayne Meisel, a recent Harvard graduate who grew up in Princeton, NJ.

Wayne is being honored for his work in promoting campus-based community service. A little over a year ago, Wayne established the Campus Outreach Opportunity League [COOL], an organization that provides detailed technical assistance to college and university students and administrators seeking to improve volunteer community service programs. Since its inception, COOL has organized several national student conferences on volunta-

rism, the most recent of which was held in February at Brown University. In addition, the organization sponsors workshops and provides a clearinghouse for public service careers. Based on his recent work, Wayne this year coauthored a reference work on community service, "Building a Movement: Students in Community Outreach."

Through his energetic efforts, Wayne secured an initial 1 year grant of $17,400 from New Haven's Edward W. Hazen Foundation to fund COOL. He and Robert Hackett, COOL's codirector, also were awarded a $60,000 grant in 1985 from the Lyndhurst Foundation in Tennessee. They have used this grant to expand their work to southern universities and colleges. COOL has offices at Yale and Duke Universities, and will be opening a national office in Washington this summer.

After graduating from Harvard in 1982, Wayne spent a year setting up a community service program linking each of Harvard's college houses with a Cambridge neighborhood.

Next, Wayne set off on a 5-month, 1,500-mile trek down the east coast, starting in January 1984 in Maine and finishing in Washington at the end of May. He stopped at 70 colleges and universities along the way, meeting with administrators and student leaders to discuss ways of promoting and facilitating student community service projects. He decided to form COOL after finishing his journey.

Mr. President, one story that has been shared with me seems to best sum up Wayne's integrity, and his level of commitment to his cause: During his 1984 walk, Wayne traveled from Princeton to Philadelphia for a meeting with the University of Pennsylvania's provost. However, in order to make the meeting on time, he had not walked, but instead had taken a train to Philadelphia. Later, he hopped on a train back to Princeton, retracing his path so that he could walk the 40 miles to Philadelphia.

Wayne has been said to represent the "best of America's youth." His work recognizes that along with freedom comes a strong measure of responsibility. In giving of himself, he has in turn inspired others to give of themselves. His own idealism has proven infectious: "Young people do care," he has written. "They have tremendous, too-often untapped wells of spirit, energy, and creativity. Young people are thoughtful and are asking the right questions. Idealism isn't dead."

For his dedicated and generous spirit, for his sense of purpose and commitment to public service—and, just as importantly, for his warmth, humor, and modesty—Wayne Meisel is to be commended. His work is an inspiration to all of us.

I ask that the text of a recent "Youth Policy" magazine column written by Wayne Meisel be printed in the RECORD:

The article follows:

AMERICAN YOUTH NEED A CALL TO SERVICE

(By Wayne Meisel)

If you have grown up in the 1970s and '80s, the label 'me generation' is something you are all too familiar with. In graduation speeches, media reports and surveys we continue to discover that young people are self-centered, materalistic and apathetic.

There is a problem. Young people seem less involved in community issues. Except for an occasional outburst, the level of social action on college campuses is low. There is heavy pessimism, throughout society and among students themselves, that the youth of today are shirking their responsibilities.

Yet, to conclude that the young people have lost all sense of community, commitment and service is overly simplistic, if not wrong. If we go beyond the symptoms and begin to analyze why young people appear this way, we will begin to shed some light on the cause of this discouraging situation. More importantly, we will begin to uncover some solutions.

If we look at the situation from their point of view, it is not altogether surprising that we find students reacting as they do. They are frightened that they won't have jobs, they won't rate with their peers and the world will blow up. The economic, social and political pressures they face are tremendous.

Today's economic climate has a major influence on the behavior of college students. Education costs have sky-rocketed and so, in turn, has pressure for students to get their money's worth. Yet this does not encourage one to seek a total educational experience. Instead, everyone is worried about their marketability after college. As college becomes more of an economic investment, the growing tendency is to tie education directly to financial return. Thus one needs to find a high-paying job to justify spending all that money for a college degree. So much for liberal arts education. Throughout our campuses a tremendous undercurrent encourages this way of thinking, and it continues to gain in strength.

Unsure of what to do after graduation, seniors often go to graduate school to think about it a while longer. Since so many graduates have little clear direction, we find the graduate schools overloaded with students. Giving the student something to do for the next couple of years takes the pressure off parents and peers.

The state of the world also has young people discouraged, even terrified. My experience has shown me that young people have given serious thought to issues like the arms race, the hunger crisis in Africa, and the turmoil in the Middle East. Yet, the ambiguity of some situations and the helplessness of others often turns them off, creating an attitude that there is nothing they can do to help.

There is, in short, a "crisis of conscience" in young people today. Students doubt their talents and skills and their ability to make a difference. On campus, with a heavy course load and a multitude of activities vying for one's attention, it is difficult to feel a small, personal effort every week makes much difference. When the feeling of accomplishment is lost, the incentive to continue is weakened. Students are increasingly asking themselves, "What's the point?"

STRUCTURAL APATHY

There is good news, however. It it were true that young people simply did not care, they they had successfully divorced themselves from the concerns of their society, then we would have a huge task before us. But young people do care. They have tremendous, too-often-uptapped wells of spirit, energy and creativity. Young people are thoughtful and are asking the right questions. Idealism isn't dead. There just isn't anyone listening to students, helping them find ways to get involved in the search for answers to issues of social justice and community concern. Given the proper leadership, structure and a clear challenge, our youth will act forcefully and quickly.

Traditionally, religious and political institutions have provided direction and mechanisms for action. Yet many of today's youth have no such affiliations. Often students feel alienated from any established religious or political group. But such organizations are needed now more than ever.

Their absence leaves us with a system suffering from what I term "structural apathy." We are missing the impetus and the structure necessary to draw out and link the idealism of young people with the needs of society. We are failing to inspire, challenge and support young people to battle their sense of isolation and impotence. We are failing to give our young people a sense of purpose, hope and importance.

We need to begin new efforts. Structural apathy can be fixed. It can be addressed in relatively inexpensive ways. Higher education can take the lead in developing a structure that is responsive to students' need for positive, constructive, active involvement in their society.

It is crucial to understand what students will respond to. Today's students seem much more inclined to get involved in community service than in political issues. Many would rather teach English in a Spanish-speaking neighborhood than work for a political action group. They would rather work with a senior citizen than with city politics. Such direct service is motivated not out of political interest, but rather out of concern for real human needs.

Though community service is frequently less flashy and dynamic than public policy, its importance cannot be overstated. Social service is social action. By encouraging young people to get involved in community service, we can spur their interest in public policy as another means toward addressing these problems. And public policy, when shaped by experience, is more effective.

COMMUNITY OUTREACH ON CAMPUS TODAY

Most colleges have organizations designed to place students in community activities. The size, structure and effectiveness of these organizations vary greatly, and many suffer in terms of the number of participants, strength of programming, amount of funding, and prestige on campus. As a result, they often fail to have a large impact on the student body.

Given the proper leadership, young people will participate. This will not happen by itself. Leadership has to be cultivated and supported. It cannot just be any leadership, but one that is both sensitive and aggressive in its presentation to students. A supportive structure must be re-established. The programs that exist today have all but collapsed. The pitch is often faint, if not just plain dull.

Too often the people I talk to suggest that student participation and interest in community and social issues is something which cannot be pushed, that is cyclical and will increase again in time. This "come what may" attitude has much to do with the apathetic appearance of the campus community service programs. The structure and leadership that is supposed to champion civic activities and run their operations, in too many instances, is simply not doing the job.

The service movement itself is divided. Dozens of factions push their own version of community outreach. Many don't communicate or cooperate. A school may have a "volunteer" program that has nothing to do with community projects using work-study money. Social action programs usually differ from social service projects. The former claim that the latter is band-aid work, while the service groups charge social action groups with being too radical and alienating. There are internship offices that often won't have anything to do with either of these programs.

The differences too often overshadow the similarities and the common goals that all these groups share. That is detrimental to the movement in general. What is needed is a broad interpretation of community outreach. While people have their own ideas, it is divisive to think that theirs is the only way.

Our society is faced with dozens of complex issues, both domestic and international, that call for action. In comparison to the issues of world hunger, illiteracy, teenage unemployment, drug abuse and the decay of our public schools, the issue of student involvement in the community may seem trivial.

But students have the time, the setting and the energy to provide effective resources to needy communities and contribute locally to alleviating many of these problems. At the same time, students are in need of ways to express their idealism, utilize their skills, and feel a part of society and a part of the solution.

We need to cultivate an engaged youth. This will provide positive results both for students and the community. It will also insure a future generation of thoughtful, sensitive and active citizens and leaders. This is the essential ingredient both to our form of government and our health as a society.●

EXPLANATION OF VOTE ON WILSON AMENDMENT NO. 1811

● Mr. DURENBERGER. Mr. President, yesterday, by an overwhelming margin of 95 to 2, the Senate approved an amendment offered by the distinguished junior Senator from California, PETE WILSON. The purpose of the amendment, as stated by Senator WILSON, was to reduce funds for Senate mailing expenses in order to increase funds for Alzheimers and AIDS research. Because I happened to be in the underwhelming minority of two which voted against the amendment, I want to take this opportunity to explain my vote and how that vote relates to my position on AIDS research and Senate mailing expenses.

First, my vote was not designed to show opposition to increased funding for AIDS or Alzheimers research. For while the Senate Budget Committee's resolution assumes a $500 million budget for AIDS research, I suspect that twice that figure is needed. In fact, had the amendment sought to offset the increased spending with increased taxes, I would have supported it wholeheartedly.

Last year, I voted with my Senate colleagues to allot over $200 million for AIDS research, treatment, and prevention programs for fiscal 1986. That more than doubled the funding for fiscal 1985, and was $50 million more than the Secretary of Health and Human Services had requested.

We have to find a cure for AIDS. We have to educate the public about preventing the spread of AIDS. We need dollars to accomplish these challenging goals. You can be sure that I am committed to doing what I can to see that this Nation achieves these goals.

Today, in my home State of Minnesota, the Minnesota Health Department released a landmark study on AIDS. It reports what we can expect in Minnesota between now and 1990 in terms of the number of people who will acquire AIDS, and how much these cases of AIDS will cost us, both in dollars and the loss of human life. While the number of AIDS victims in Minnesota is small, 95 this year, in just 4 short years, that number will mushroom to somewhere between 1,000 and 2,000. And the economic costs will between $433 and $846 million.

The report out of Minnesota gives us a frightening preview of what our Nation must face in the next few years. Given these sobering facts, you bet I am committed to supporting the research and education efforts that are now underway. This Nation's health care providers and scientists are searching desperately for a cure, a treatment, and better ways to spread the word on how we can prevent AIDS from taking any more American lives, and they have my full support.

As AIDS takes the young from us in the summer of their lives, Alzheimer's disease takes those in the autumn of their lives. This degenerative disease afflicts over 2 million of our Nation's older citizens, not to mention the devastating impact, both emotionally and financially, it has on their loved ones.

As chairman of the Senate Finance Health Subcommittee, I am well aware of the impact of this disease on our Nation's elderly and their families. The cost of providing care to Alzheimer's patients is approaching $30 million each year. But, the emotional cost of the disease is immeasurable. The Federal Government must make research on the treatment, cure, and care of Alzheimer's disease victims one of our national priorities.

Last year, I cosponsored legislation designating November as National Alzheimer's Disease Month. While setting aside a month to give special attention to Alzheimer's disease is important to draw this Nation's attention to the impact this disease has on our elderly, it is only one of many things the Federal Government must do.

As with our commitment to solving this crisis of AIDS, this Nation must focus on our elderly with Alzheimer's disease. The Federal Government has a crucial role to play in addressing both these tragedies.

The congressional franking privilege performs an important function in our democracy. When used properly, it can be a vital tool for keeping our constituents informed on how their representatives are serving them. But we all know privileges can be abused. For my own part, I have made every effort not to do so, and my staff tells me that I am among the bottom half of Senate spenders on congressional mail.

So my vote yesterday was not intended as a blank check for unlimited congressional franking privileges. Far from it. We have a serious problem here that has to be redressed. The cost of mass mailings has skyrocketed in recent years. In 1986 alone, an estimated $144 million will be spent by House and Senate Members on their mail, up from $86 million last year and $111 million in 1984. Because of these increases and the budget belt-tightening required by Gramm-Rudman, Congress is expected to exhaust its annual appropriation for mail by June.

Fortunately, we have a process for dealing with this issue—and it is working. Two weeks ago, the Rules Committee reported out a plan for correcting the Senate's portion of this overspending, without an additional appropriation. The committee's plan would limit each Member's mailing allocation for the remainder of this year. It considered, but did not endorse, a proposal to cut off funds for mass mailings of the type which passed yesterday. I believe we owe it to the members of the Rules Committee to hear them out and consider their proposal before endorsing an ad-hoc proposal on the floor. Each of us who spends the time working on issues in our own committees expects the same courtesy, and public policy is much the better for it. It is as simple as that.

As is evident, my vote in opposition to the Wilson amendment had nothing to do with increased funding for AIDS research. Rather, my vote was cast in opposition to putting the Senate on record as supportive of eliminating Senate mass mailings prior to the Senate Rules Committee completing its work on the matter. It is very easy to criticize the tremendous waste associated with newsletters and the like, particularly when the chairman of the authorizing committee—Senator MATHIAS—was not around to defend the committees prerogatives. But the committee is working on a reform package

and, meaningless or not, the Wilson amendment was designed to prejudge the committee's work. As one who believes very strongly about the need to communicate with one's constituents, I could not in good conscience support such an action.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. BOSCHWITZ. Mr. President, I rise today with the recent Passover Seder on my mind, to speak out for those who cannot speak out for themselves—Jews in the Soviet Union who are not allowed to partake in a Passover Seder.

The Soviet Union has the third largest number of Jews. It has, with historical continuity, violated the rights of those Jews. It is a state that refuses to allow the Jews to live in their homeland with dignity, without the freedom to be Jews, denying them the right to leave to fulfill these dreams.

As you know, despite international human rights agreements—most notably the Helsinki accords—which guarantee an individual's rights to freedom of religion, cultural practices and emigration, the situation in the Soviet Union has worsened.

The closing of synagogues, the banning of Hebrew language instruction, the pervasive discrimination in education, employment and social life, and the confiscation of prayer books are all a part of a sinister state policy to destroy Jewish culture.

Yet, as the Kremlin denies antisemitism, it continues its harsh policy of keeping its exit gates shut and keeping these Jews caged within their own country. In 1985, fewer than 1,000 Soviet Jews were allowed to emigrate. This is the lowest level in over a decade.

One family in the Soviet Union, Natasha and Gennady Khassin, have attempted to practice Judaism for many years. They have been continuously harassed by the police, their home has been searched, and, in May of 1981, a fire was started deliberately at their apartment, followed by a burglary the next day. In October of the same year, the Khassins' apartment was searched and many Jewish items were confiscated, including Tefillin—phylacteries, Tallit—prayer shawl, records and cassettes of Jewish songs, letters from abroad, two mezuzot, Hebrew books, dictionaries, and Sabbath candles.

In 1984, the regular exit visa refusal of Natasha Khassin was changed to a final refusal. In March 1986, KGB officials visited Gennady Khassin at his workplace and suggested that Natasha publicly admit her crimes against the Soviet Union. The officials said that if she agreed to this, the family would receive exit visas, but if she refused, the Khassin family would not be allowed to leave Russia until the year 2000.

With emigration at an abyss, and with Soviet authorities accelerating their harassment of Jewish activists, congressional statements are extremely essential to the moral and cultural survival of the Jewish minority trapped within the Soviet Union. We must emphasize to the Soviets at every opportunity that we consider the issue of human rights—including the emigration of Soviet Jews—of great importance in evaluating our overall relations with them.

It is critical that each of us in our own way lets the citizens of the Soviet Union know that we care and that we have not abandoned, and will never abandon, their cause. We must continuously denounce the forced surrender of basic human rights to the arbitrary will of a repressive government. It is crucial that we do not lessen our efforts on their behalf, even if other momentous events temporarily overshadow the suffering of Soviet Jewry.

Let us band together to voice congressional concern about those who have repeatedly been denied the right to practice their religion freely and the right to emigrate. Unfortunately, there are thousands of refuseniks like Natasha and Gennady Khassin who so desperately yearn for freedom.

The political and social pressure of the free world have in many cases stopped the tyranny of Soviet authority. It is up to us to see that the pressure continues. And perhaps next year, Soviet Jews who wish to emigrate shall celebrate the Passover Seder in Israel.●

HEALTH RESEARCH

● Mr. SIMON. Mr. President, the other day I was given a copy of the newsletter written by Congressman DAVID OBEY of Wisconsin.

It is on the subject of health research, but it is as fine a condensation of where we are and what our needs are as anything I have seen.

Our House colleague has these words that we ought to heed more often than we do:

> Tomorrow at breakfast, take a look across the table and ask yourself whether the security of the person you see is going to be more enhanced over the next 10 years by better heart research, better cancer research, better arthritis research, or by an extra MX Missile.

The reality is, those are the kinds of tough decisions we have to make.

And if we make the right decisions, then we can move ahead.

I differ with Congressman OBEY in that he assumes Gramm-Rudman-Hollings will force huge cutbacks in health research. It will only force cutbacks in health research if we don't have the right priorities. I hope we construct the right priorities.

But, again, I am grateful to him for an exceptionally well-done newsletter that should reach more than the people of his district in Wisconsin. I ask that it be inserted in the RECORD.

The newsletter follows:

HEALTH RESEARCH: WHAT IS IT WORTH?

Is there anyone who has not seen friends or loved ones snatched away or turned into shadows of themselves by cancer, heart disease, Alzheimer's or one of the many other diseases that plague mankind?

The pattern is familiar. We go about our daily lives with their hourly pressures: to get ahead, to fix the car, to get to meetings on time, to buy things like cars or clothes that all seem so important. Then disease hits and suddenly none of that seems important anymore. All that matters is something we have taken for granted—our health, just feeling good and feeling whole.

Sickness and disease put things in perspective fast. Nothing so reminded us all of that fact of life as when President Reagan was stricken with cancer last year. We were all sharply reminded of our own vulnerability when even the most powerful man in America could be struck by the most dreaded of diseases and all of us, regardless of political belief, cheered him on during his recuperation and hoped for his recovery in the months afterwards.

That incident showed in a very dramatic way what can happen to any of us and why it's so important to continue with one of our highest priorities, the investment of the nation's resources in efforts to attack disease.

That is a responsibility I feel passionately. During the years I have served you in Congress, I have been a member of the Education and Health Appropriations Subcommittee which has as one of its major responsibilities overseeing the medical research efforts of the United States.

America has had its problems over the years but the effective use of our tax dollars by the National Institutes of Health and the medical research training and treatment center it has helped develop is one of the great success stories of our time. You have a right to feel proud of it because your tax dollars helped write the success story. You need to know about it because that success is now threatened by new budget plans in Washington.

Much of that research has been conducted at a place many Americans have never heard of—the National Institutes of Health (NIH). Most people know little or nothing about it, but NIH has been responsible for an astonishing share of the medical progress made in this country and around the world during our lifetimes.

WHAT IS NIH?

The National Institutes of Health began as a single laboratory in 1887. It has blossomed into 11 medical research institutes located on more than 300 acres of land in Bethesda, Maryland:

(1) The National Cancer Institute;

(2) The National Heart, Lung, and Blood Institute;

(3) The National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases;

(4) The National Institute Neurological and Communicative Disorders and Stroke;

(5) The National Institute of Dental Research,

(6) The National Institute of Allergy and Infectious Diseases;

(7) The National Institute of General Medicine;

(8) The National Institute of Child Health and Human Development;

(9) The National Eye Institute;

(10) The National Institute of Environmental Health Sciences;

(11) The National Institute of Aging, and separate but related institutes that do research on Alcohol, Drug Abuse, and Mental Illness.

Scientists come from around the world to these facilities to find new clues to and treatment for hundreds of ailments.

Each year our Subcommittee appropriates funds to NIH for its research.

Much of that scientific effort is carried out at the laboratories and patient clinics at NIH itself. In addition, NIH invites scientists from all over the country to submit research proposals in competition for scarce research support funds. Most of that research is done at medical schools throughout the country. This year, the University of Wisconsin will do about $70 million in studies with NIH money, including research on the promising new anti-cancer drug, Interluken-2.

We have made stunning advances in defeating or controlling infectious diseases which devastated families just a few years ago: TB, typhoid fever, polio, smallpox, diphtheria, etc. The toughest nuts to crack in the main have been diseases that are not necessarily caused by "bugs" but whose causes are related to things like basic genetics, life styles, environmental and workplace exposures. But we are making progress.

AIDS—FINDING THE CLUES

One infectious disease—a new one which burst onto the scene just a few years ago which has us stumped—is the recently discovered killer known as Acquired Immune Deficiency Syndrome or AIDS.

Since 1979 nearly 2 million Americans have been infected by the AIDS virus. More than 16,000 have fully developed cases of the disease. The public health implications of this new epidemic are alarming.

Last year, the Health Appropriations Subcommittee accepted my amendment to double the research effort on AIDS at the National Institutes of Health.

Increasing our basic understanding of the immune system and disease mechanisms in the body is vital to making progress on this and many other health problems we face in our every day lives.

THE RETURN ON OUR INVESTMENT

Studies have shown that the rate of return on every $1 invested in medical research is $13. Look at the progress!

Heart Attack: Death rates rose steadily from the late 1940's to the mid-1960's. We have brought that down by 25% because of what we have learned about life style, smoking and better blood pressure management and because of research advances in coronary care units, CPR techniques, better surgery, and a host of sophisticated new heart drugs.

Cancer: Fewer than 10% of childhood cancer patients survived in the 1960's. Today more than 50% do. That good news is directly attributed to National Cancer Institute supported studies which led to vast improvements in surgery, radiation treatment and chemotherapy. There have also been important improvements in survival rates for adult cancer patients, based on NCI research.

Stroke: During the 1970's we have cut the death rate from stroke by an amazing 40%. The National Heart, Blood, and Lung Institute and the Neurological Institute have led the way in physician and patient education about the "early warning signs" and risks factors associated with strokes.

Infant Mortality has declined by 31% since 1970 and is largely credited to the National Institute on Child's Health work aimed at managing premature and low birth weights. Ten years ago, 70% of infants weighing less than 3 pounds died; today, more than 70% survive.

Vaccine: Since 1960, NIH has developed vaccines now widely used to combat measles, mumps, rubella, meningitis, pneumonia, rabies, upper respiratory diseases, and hepatitis B.

NIH RESEARCH ON CHEMICALS AND DISEASE

Chemicals are an important part of our lives, but some of them can silently threaten our lives and our health. Workers, farmers and consumers have a right to make informed choices about what risks we will run in the workplace, on the farm, in our drinking water and elsewhere. Research is the key to providing each of us with enough facts to make an informed choice.

I, myself, used to work with asbestos. You can imagine my shock when I learned in the first few weeks I served on the Health Subcommittee that asbestos is a lethal, cancer-causing killer.

Since that time, much of my work on the Subcommittee has been focused on efforts to reduce health problems workers on the job may face because of exposure to hazardous substances. I am proud that amendments I offered have doubled the ability of the National Institute of Environmental Health Sciences to help identify the adverse health effects of chemicals like asbestos on shipbuilders and insulators, pesticides on grainworkers, and benzene on industrial workers.

The NIEHS has also greatly added to our understanding of the environmental health effects of metals like lead and mercury which can get into the food chain as a result of Acid Rain.

TOWARDS THE FUTURE

We have so much further to go but we have come a long way because our tax dollars have been put to work by people who knew what they were doing. That has made a significant difference in our lives and in our health.

Throwing money at a problem isn't the answer and I have not hesitated to resist spending money even at NIH if projects did not seem to be well conceived. But there are some national priorities which must remain priorities even in times of budget cutbacks, and health research is one of them.

Today our medical research programs are being threatened. The Administration has supported and Congress has passed the Gramm-Rudman approach to balancing the budget which could force huge cutbacks in health research.

The President, the Congress and the American people need to start asking themselves if we really need to double the military budget and exempt it from cuts if it means we are going to be required to take a double cut in cancer, heart, stroke and all other health research. A lot more is at stake than numbers.

Today the United States and Russia have enough nuclear weapons to kill each person in the world 12 times.

Before we decide that we should cut back on health research in order to add to the nuclear overkill, I would ask you to do one thing. Tomorrow at breakfast, take a look across the table and ask yourself whether the security of the person you see is going to be more enhanced over the next 10 years by better heart research, better cancer research, better arthritis research or by an extra MX missile.

I'm convinced that if people looked at the budget that way we would get a different set of priorities than we do when people just look at the numbers, without regard to what they really mean to human beings.

I hope that this newsletter finds you and your family in good health.

Until next time.

Sincerely,

DAVID R. OBEY,
Your Congressman.

STINGER SALES

● Mr. SIMON. Mr. President, our distinguished colleague, Senator DENNIS DECONCINI, has an article in today's New York Times questioning the wisdom of some of our sales of Stingers.

This is an easy-to-carry weapon, much easier to move around than the old bazooka that some of us knew in our Army service, and it is extremely sophisticated and effective.

It is heat sensitive and permits someone with a simple shoulder weapon to knock down a plane.

Senator DECONCINI has, once again, performed a public service by providing a thoughtful reaction to what is taking place.

I hope this Congress and this administration heed his advice.

I ask that Senator DECONCINI's article appear in the RECORD.

The article follows:

SELL MISSILES TO KILL AMERICANS?

(By Dennis DeConcini)

WASHINGTON.—Picture an American jetliner filled with summer travelers as it takes off from a European city. Perched on a hilltop more than three miles away is a terrorist aiming a shoulder-held Stinger anti-aircraft missile at the jet. Within seconds, the airliner with its hundreds of passengers disappears in a bright orange inferno.

The scenario is hypothetical, but it is increasingly possible as the United States supplies Stinger missiles to resistance forces around the world. As a safeguard, strong support should be given to legislation before the Senate that would require the President to insist on the same strict control over the missiles in rebel hands as we do for those we sell to our allies.

It is quite possible, given the loose structure of rebels' operations, that they could not satisfy the conditions, and in such cases the missiles should not be provided. We cannot afford to let these particular missiles, the ultimate terrorist weapon, slip into the wrong hands.

The American-made Stinger missile is the most sophisticated of its kind in the world. The portable surface-to-air missile weighs less than 35 pounds. It has a range of five miles, can reach a height of 4,500 feet and is equipped with a sensitive infrared guidance system that permits firing at a target from any angle. The Army acknowledges that the Stinger could easily down a civilian or military aircraft.

The United States Government has set strict guidelines for transportation and stor-

age of Stinger missiles. When we agreed to sell this weapon to our friendly allies, such as Saudi Arabia and members of the North Atlantic Treaty Organization, stringent safeguards were required as conditions of the sale. These safeguards included storage in steel vaults, 24-hour armed security and keeping the launcher and missile locked up separately. We also stipulated the right to conduct an inventory and inspection at any time.

But the Reagan Administration has recently begun covertly supplying rebels in Angola and Afghanistan with Stinger missiles without the same safety requirements. I do not believe we need to provide our most sophisticated weapons to the forces in Angola and Afghanistan for them to be successful. We can show our support for the rebel groups and provide for their defensive needs with weapons less lethal, mobile or destabilizing than the Stinger.

I have grave concern that the Stinger might fall into the hands of Col. Muammar el-Qaddafi, the Palestine Liberation Organization, Iran or even the Russians or Cubans, who maintain large numbers of advisers and troops in Angola and Afghanistan. A journalist who has covered the Afghan war described one rebel group there as being followers of the Ayatollah Ruhollah Khomeini: posters of the Ayatollah adorn the walls of their village.

The State Department has described some of the actions of Unita, the Angolan rebel force led by Jonas Savimbi, as bordering on terrorist activity. For example, Unita claims to have shot down at least three civilian Angolan aircraft.

The recent terrorist bombings of the West Berlin discothèque and the T.W.A. jetliner are evidence of an increased threat to American targets. Colonel Qaddafi says he will export terrorism and "pursue United States citizens in their country and streets." The P.L.O. faction leader Abu Nidal has also said that "America is our target." The United States must protect itself by being careful not to arm its enemies. President Reagan can help to insure the safety of Americans at home and abroad by enforcing strict safeguards on the sale and use of Stinger missiles.●

SIXTH ANNUAL MEETING OF THE SMALL BUSINESS COMMITTEE'S NATIONAL ADVISORY COUNCIL

● Mr. WEICKER. Mr. President, The sixth annual meeting of the Senate Small Business Committee's National Advisory Council was held on April 29 and 30, 1986. Twenty-one small business owners from across the country came to Washington, DC, at their own expense, to participate in this important event.

The council discussed and made recommendations to the committee on a wide range of issues including tax reform, budget deficit, liability insurance crisis to name a few.

Mr. President, the committee relies heavily on this grassroots input in establishing the agenda. I commend to my colleagues the various resolutions adopted by this group.

Mr. President, I ask that the full text of the eight resolutions adopted by the National Advisory Council, along with a list of all the small business owners who participated in this 2-day forum, be printed in the RECORD.

The material follows:

RESOLUTION OF THE NATIONAL ADVISORY COUNCIL IN SUPPORT OF THE U.S. SMALL BUSINESS ADMINISTRATION

Whereas, The United States Small Business Administration was established to address the unique needs and concerns of America's small businesses; and

Whereas, The United States Small Business Administration has provided counsel and assistance for millions of persons wanting to start their own enterprises, and also for those persons who have encountered problems while operating their existing businesses; and

Whereas, America's small businesses are in greater need today than ever before of the services of The United States Small Business Administration as a result of the fact that they are:

(a) experiencing severe economic problems caused by unaffordable or unavailable insurance coverage;

(b) bearing a disproportionate share of the tax burden;

(c) unduly burdened by excessive federal regulations and paperwork;

(d) being charged greater interest rates and loan fees for capital than competing larger businesses;

(e) not receiving their fair share of federal contracts for goods and services; and

(f) being adversely impacted by the accelerating number of anti-competitive or monopolistic mergers and acquisitions, as well as unreasonable vertical restraints; and

Whereas, the Congress has recently enacted and the President has signed the Combined Omnibus Budget Reconciliation Act reauthorizing the Small Business Administration through 1988, preserving the Small Business Administration's basic core of credit, management assistance and disaster loan programs while coming up with over $2.5 billion in budget outlay reductions over the next 3 years, and

Whereas, since April 1, 1986, the Acting Administrator of the Small Business Administration has embarked on radical personnel and management changes in the agency for the purpose of implementing the Administration's position to eliminate the SBA: Now, therefore, be it

Resolved, by the National Advisory Council to the United States Senate Committee on Small Business:

First, that the United States Small Business Administration be fully supported and effectively administered in accordance with the mandate of the Combined Omnibus Budget Reconciliation Act; and

Second, that the President of the United States promptly submit to the Senate the nomination of a permanent Administrator for the Small Business Administration who is committed to maintaining SBA as an independent agency and will vigorously implement its statutory programs.

RESOLUTION IN SUPPORT OF PRODUCT AND GENERAL LIABILITY INSURANCE REFORM

Whereas, The unavailability and unaffordability of liability insurance coverage for the small business community has reached crisis proportions; and

Whereas, This crisis has substantially affected the ability of small business in our nation to continue to grow, thrive, and provide new jobs for our nation's citizens; and

Whereas, The various states have passed or are passing legislation which results in confusion as to the liability of both insurers and the insured; and

Whereas, 70 percent of all manufactured products are sold outside of the state of manufacture; and

Whereas, Consumers in particular have been adversely affected by this growing liability burden on commerce through the withdrawal of products and producers from the national market, and from excessive liability costs passed on to them through higher prices; and

Whereas, The unpredictability of product liability awards and doctrines has added considerably to the high cost of product liability insurance by making the accurate prediction of risk virtually impossible; and

Whereas, The recent explosive growth in product liability lawsuits and awards is jeopardizing the financial well-being of many key industries and is a particular threat to the viability of many of the Nation's small businesses; and

Whereas, The extraordinary costs of the product liability system undermine the ability of American industry to compete internationally, and is causing the loss of jobs and productive capital; and

Whereas, The unacceptably high transaction costs of the product liability system, in which nearly twice as much money goes to lawyers as to compensate victims, is a burden on the consumer and American industry which can no longer be tolerated: Now, therefore, be it

Resolved, That this advisory board pause in its deliberations and memorialize the Congress of the United States to enact legislation embodying federal uniform product liability standards preempting states laws, retaining fault [not strict liability] as the standard of liability and specifically reforming tort doctrines in the area of joint and several liability; caps awards and strongly discourages frivolous lawsuits;

And further provides a comprehensive solution to the unafordability and unavailability of general liability insurance for small business.

RESOLUTION OF THE NATIONAL ADVISORY COUNCIL ON TAX REFORM

Whereas, small business is a critical segment of our economy, producing more than its proportionate share of net new jobs relative to the small business share of total employment;

Whereas, Congress is currently considering comprehensive reform of the income tax code;

Whereas, in the past five years, Congress has enacted three major tax revision bills;

Whereas, the small business community desires stability in the tax code in order to be able to make long-term economic decisions;

Whereas, small business does not have the financial resources to continually adjust its long-term commitments to frequently changing tax laws, nor can they financially deal with retroactive tax changes: Therefore, be it

Resolved, That, the National Advisory Council to the United States Senate Committee on Small Business does not feel that fundamental change in the tax code is warranted. Should Congress decide to enact tax reform, any such revision of the tax code must recognize pre-existing business commitments and that no tax law change should be retroactive.

RESOLUTION OF THE NATIONAL ADVISORY COUNCIL ON EXPORT LICENSING AND CONTROL

Whereas, the balance of trade between the U.S. and overseas markets has had severe impacts upon the United States economy and manufacturing capability; and

Whereas, it is recognized that the promotion of manufactured goods and services in the United States to international markets fosters economic growth and ameliorates the impact of foreign imports; and

Whereas, export sales are dependent upon licensing and review by the Department of Commerce and commonly results in lengthy delays in the supply of exported goods and services; and

Whereas, officials of the U.S. Customs Service do not always agree with the Department of Commerce classification of products which can lead to confiscation and further delays; and

Now, therefore, be it resolved, that the National Advisory Council to the Senate Committee on Small Business:

Urges the Committee on Small Business to hold hearings to study ways to minimize the licensing time and requirements necessary to export goods and services from the United States; and

Urges further that the Committee on Small Business support the formation of an International Trade Department dedicated to promoting, encouraging, and expediting the export of U.S. products and services.

RESOLUTION OF NATIONAL ADVISORY COUNCIL ON CORRECTIONS ABUSES IN RICO

Whereas, the Congress in 1970 passed the Racketeer Influenced and Corrupt Organizations Act (RICO), Public Law 91-452, Title IX, in order to expand the panoply of federal law enforcement remedies against organized crime;

Whereas, since the time, private civil actions brought under RICO have increasingly targeted legitimate business activities with no connection to organized criminal activity;

Whereas, small businesses bear an onerous burden in defending their legitimate activities against claims brought under RICO;

Whereas, a number of deficiences in the language of RICO permit the unintended misuse of RICO to initiate litigation against legitimate businesses;

Therefore, the National Advisory Council does hereby resolve:

1. That legislation introduced and pending before Congress to correct some of the numerous shortcomings in RICO should be adopted by the Congress, to wit, H.R. 2517, introduced by Mr. Conyers, S. 1521, introduced by Mr. Hatch, and H.R. 2943, introduced by Mr. Boucher; and

2. That a showing of a prior conviction of a racketeering activity as defined in RICO should be a predicate to any civil suit brought under RICO; and

3. That the provision allowing for treble damages and attorney fees should be eliminated from RICO except where a prior conviction of a racketeering activity is alleged and proved; and

4. The plaintiff shall carry a burden of proof of showing beyond a reasonable doubt that the defendant engaged in a pattern of racketeering activity; and

5. That the plaintiff must show that at least one of the alleged acts of racketeering be other than wire, mail or securities fraud.

RESOLUTION OF THE NATIONAL ADVISORY COUNCIL ON THE ANTITRUST LAWS

Whereas, the antitrust laws of the United States have been the strong underpinning of the American free enterprise system through insuring a free and open marketplace; and

Whereas, the antitrust laws of the United States are the first line of defense against anticompetitive activity, are critical to the health of the economy and are vital to the survival of small businesses in America; and

Whereas, the antitrust laws of the United States have insured the integrity and independence of the American small businessperson in being able to decide which products to handle, where and to whom to sell such products and the prices at which such products are sold; and

Whereas, since 1981, the present Administration has consistently cut back on antitrust enforcement and reinterpreted the law whenever possible to reduce its effectiveness, resulting in the most permissive antitrust climate in this century; and

Whereas, on February 19, 1986, the Administration announced five legislative proposals to amend the antitrust laws of the United States which would encourage monopolies, mergers, acquisitions, vertical price fixing and other forms of anti-competitive behavior plus reduce the incentive of injured private citizens and companies to bring civil suit against the perpetrators of antitrust violations for injuries suffered;

Now, therefore, be it resolved, that the National Advisory Council to the Senate Committee on Small Business resolves as follows:

First, that the Congress reject the proposed administration's antitrust law legislative package as being inimical to the free enterprise system, a direct threat to the ability of small business to compete fairly in the marketplace and a device to undercut both private and public enforcement of the antitrust laws;

Second, that the Federal Trade Commission and the Antitrust Division of the Department of Justice are urged to vigorously enforce the antitrust laws of the United States in the following areas where enforcement is now sorely lacking:

A. Anticompetitive mergers and acquisitions;

B. Resale price maintenance;

C. Tying arrangements; and

D. Unreasonable territorial and customer restrictions; and

Third, that Members of Congress are to be commended for their support of the legislation expressing the sense of Congress (H.R. 2965) that the Justice Department's Vertical Restraints Guidelines do not have the force of law, do not accurately state current antitrust law, should not be considered by the courts as binding or persuasive, and should be recalled by the Attorney General.

RESOLUTION OF THE NATIONAL ADVISORY COUNCIL ON FOREIGN LANGUAGE STUDIES

Whereas, small business is a critical segment of our national economy;

Whereas, in 1983 imports and exports made up nearly one-fourth of the gross national product of the United States;

Whereas, it is impossible to participate in fruitful trade negotiations without knowledge of the other side's language and culture;

Whereas, for the American business sector to become more successful globally, more attention must be directed toward a complete understanding of foreign languages and cultures;

Whereas, the United States is the only industrialized country in the world where a person can graduate from high school and college without having studied any foreign language;

Whereas, so little attention has been paid to the subject of business translation that the Library of Congress has not one single title in the field.

Therefore, be it resolved, that the Senate pass S. 1631, a bill directing the Secretary of Education to make grants to state educational agencies for the improvement of foreign language and culture study for children from age 5 to 17.

RESOLUTION ON LEGISLATION LIMITING THE USE OF POLYGRAPH TESTS BY PRIVATE-SECTOR EMPLOYERS

Whereas, many private-sector businesses, including service companies, retail stores and banks and savings institutions, use the polygraph as an effective management tool and as a means of company and customer security;

Whereas, polygraph tests have been shown to be up to 90% accurate and employers have few or no other effective means by which to examine employees' employment background and on-the-job activity;

Whereas, the polygraph has been used successfully for years by the military and several private sector businesses, and regulations governing the administration and use of such tests have been improved by state and federal legislation; and,

Whereas, the U.S. House of Representatives has passed legislation which would prohibit, with certain exceptions, the use of any type of lie-detector test by a non-government employer engaged in interstate commerce on any employee or prospective employee, and similar legislation has been introduced in the Senate and is presently under consideration by the Senate Labor Committee;

Therefore, be it resolved, that the National Advisory Council to the Senate Committee on Small Business calls upon the Congress to:

1. Withhold consideration of the Senate and House legislation on polygraph testing in the private sector, specifically H.R. 1524 and S. 1815, until the business that use the tests as an effective management tool have been given the chance to explain the severely adverse effect this legislation could have on their businesses; and,

2. Legislation improving the standards for the administration of polygraph tests be enacted rather than legislation which would completely prohibit the use of such tests by most private sector businesses.

NATIONAL ADVISORY COUNCIL PARTICIPANTS

Asta Ball, Newington, CT.
Herb R. Bowden, Sioux Falls, SD.
Frank Carroll, Worcester, MA.
Chuck Crawford, Wilton, NH.
John Duncan, Bozeman, MT.
Timothy Fine, San Francisco, CA.
Walter Floss, Amherst, NY.
R. Alan Fuentes, Virginia Beach, VA.
Odus Hennessee, Lawton, OK.
Gay Kruglick, Phoenix, AZ.
Michael Lefkiades, Bay City, MI.
Judy McCoy, Dubuque, IA.
Frederic E. Mohs, Madison, WI.
Shaw Mudge, Stamford, CT.
Bill Nourse, Nashville, TN.
James L. Simpson, Melbourne, FL.

Larry A. Stanley, Spokane, WA.
Thelma Stevenson Ablan, Chicago, IL.
Rufus Tindol, Atlanta, GA.
Edward Smith, Pine Bluff, AR.
Michael W. Zaloudek, Woodward, OK.

OBSERVER

Robert Baker, Peabody, MA.●

BOROUGH OF ROOSEVELT CELEBRATES 50TH ANNIVERSARY

● Mr. LAUTENBERG. Mr. President, I rise to pay tribute to the borough of Roosevelt in New Jersey on this its 50th anniversary.

The Borough of Roosevelt is a unique and extraordinary community. It represents an important slice of the American dream and spirit. It was founded in 1936, in the depth of the depression. That year 200 families, mostly immigrant garment workers from New York City, were invited to create new lives for themselves in a new community across the Hudson River. The Government built the homes, the factory, a public works system, and a school, and then the people came and filled up the buildings with their hopes and dreams for the future.

There was a culture, pride, and camaraderie among the citizens of the borough of Roosevelt. The town developed a thriving art community. Artists like Jacob Landau, David Stone Martin, Gregorio Prestopino, and Steven Market all relished the small-town lifestyle and the picturesque landscapes Roosevelt offered them.

Success touched many of its citizens, and businessmen like Charles Klatskin fondly recall the solid foundation growing up in Roosevelt gave them when they moved to new frontiers. Those who spent their youth in that small town nurture fond memories of their upbringing and attribute much of their later success in life to the strong sense of community that Roosevelt bred in them. This sense of identity with hometown certainly is not limited to this township, but because of its unique origin Roosevelt is special.

President Franklin Delano Roosevelt created this town as a Works Projects Administration community. The township itself is a historic monument, one of very few townships to be so honored. Originally, it was known as Jersey Homestead. After Roosevelt died, the people of the town decided to name the town after the President whose program had inspired the creation of their community.

Mr. President, this 50th celebration is a tribute to the citizens of Roosevelt who had the dedication, commitment, and courage to root their lives and their fortunes in a new town during a period of national crisis. It is also a tribute to Franklin Delano Roosevelt who shared the dreams of these homesteaders for a better life and had the foresight to know that a WPA community would succeed and prosper.

I offer the citizens of Roosevelt my hearty congratulations at this milestone in their history, and wish them continued growth and prosperity.●

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

PROSECUTION OF NAZI WAR CRIMINALS

Mr. DOLE. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Resolution 373 dealing with Nazi war criminals and I ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

□ 0120

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 373) expressing the sense of the Senate regarding the search for, and appropriate judgment and prosecution of Nazi War Criminals.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. WILSON. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. WILSON. Mr. President, I rise today to bring attention once again to the very sensitive and serious allegations regarding participation by former U.N. General Secretary Kurt Waldheim in Nazi atrocities in World War II. On March 27, I introduced a resolution which called for the Department of Justice to expedite its investigation of these allegations and review of documents brought forward by the World Jewish Congress. These materials, according to the World Jewish Congress, unequivocally document the involvement of Kurt Waldheim in Nazi war crimes during the Second World War. It is my intention and that of the cosponsors of the Senate Resolution 373 that justice be done.

From all available evidence, it appears that Kurt Waldheim, despite his vociferous public anti-Nazism, has concealed a past of direct involvement in particularly heinous war crimes. At the very least, it is clear that he has deliberately sought to deceive the world as to his whereabouts and activities during the period in question. Waldheim claimed in countless books, articles, and campaign literature that he was wounded in battle on the Eastern Front at the end of 1941 and that following his discharge returned to Vienna to study law through 1944. Documentation—some bearing Kurt Waldheim's own signature—including photographic evidence and other archival material show conclusively that in fact Waldheim was serving in the Balkans at this time on the staff of Gen. Alexander Loehr, who was convicted as a war criminal and hanged in 1947.

Waldheim not just an active participant with the forces of Nazi Germany in the Balkans—but served as an intelligence officer with the very military unit which conducted the most brutal antipartisan campaigns in Yugoslavia and which was linked to the deportation of tens of thousands of Greek Jews. And for his "exemplary service" in this inhuman and despicable campaign, Waldheim received a high award from the notorious Nazi puppet-government of Croatia.

A captured Nazi war document shows that Waldheim had in fact risen to become a senior intelligence officer of General Loehr's Army Group E. His listed responsibilities included: preparing and presenting morning and evening briefings for the general staff, prisoner interrogation, as well as "special tasks"—A euphemism often used by the Nazis to denote operations too distasteful to describe further, such as secret measures of mass terror or torture, kidnaping, and execution.

In 1947 the Yugoslav War Crimes Commission determined Waldheim to be a war criminal for putting hostages to death. In 1948 the U.N. War Crimes Commission gave him an "A" listing, meaning the evidence against him was so clear he should be brought to trial. That same year the U.S. Army placed him on their final consolidated wanted list as an accused Nazi war criminal wanted for "murder."

Documents now show irrefutably that Waldheim actually belonged to at least three Nazi organizations: the dreaded SA, Hitler's Brownshirted stormtroopers; the Nazi Student Union; and the NS Reiterkorps, a mounted affiliate of the Nazi party.

With the release of each bit of documentation Waldheim has revised his explanations, moving from one to the next, continuing the pattern of deception he has practiced for the past 40 years. It is long since time that the world learned the truth about the man in whom it has placed so great a trust.

The Justice Department's Office of Special Investigations has recommended that Kurt Waldheim be placed on the DOJ "watch list" and be barred

from entering the United States. Never has an Attorney General overturned a recommendation from this office on a "watch list" case. The Attorney General must give early attention to this recommendation consistent with a fair and thorough review.

It is imperative that America act upon the evidence. No special exemption from judgment or responsibility can be given because of past or future public offices.

This is a question which goes to the heart of all that this country stands for—the pursuit of justice and the rejection of the evil that was Hitler's Third Reich.

Mr. President, for these reasons, I join the majority leader in asking for immediate consideration of Senate Resolution 373.

I thank the distinguished majority leader.

Mr. DOLE. Mr President, I thank the distinguished Senator from California for pursuing this effort. I am pleased that we have been able to accommodate him. I know that he wanted to do this earlier, but at least we have it done. I thank the distinguished Senator.

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

The resolution was agreed to.

The peamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 373

Whereas the United States abhors the criminal behavior and atrocities of the Nazis during World War II;

Whereas it is the policy of the United States to vigorously pursue the search for and prosecution of Nazi War Criminals since World War II;

Whereas the United States strictly abides by the policy of extradition toward war criminals; and

Whereas the United States is committed to a policy of securing and enhancing human rights and individual dignity throughout the world: Now, therefore, be it

Resolved, That the Department of Justice carefully and expeditiously review the documents brought forward by the World Jewish Congress concerning former United Nations Secretary General Kurt Waldheim to ascertain his role, if any, in Nazi war crimes and treat appropriately.

ORDER FOR ADJOURNMENT UNTIL MONDAY, MAY 5, 1986

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stands in adjournment until 12 noon on Monday, May 5, 1986. There will be no session on Friday of this week.

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

ORDER FOR CONSIDERATION ON MONDAY OF NOMINATION OF JAMES FLETCHER

Mr. DOLE. Mr. President, as in executive session, I ask unanimous consent that at 1 p.m. on Monday, the Senate proceed to the consideration, in executive session, of the nomination of James Fletcher to be Administrator of NASA; that there be 2 hours of debate on the nomination, equally divided between the chairman of the Commerce Committee and the Senator from South Carolina [Mr. HOLLINGS] or their designees.

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

VOTES ON TUESDAY

Mr. DOLE. Mr. President, I ask unanimous consent that any rollcall votes ordered on Monday be postponed, to occur beginning at 2 p.m. on Tuesday, in the order in which the yeas and nays were ordered.

Mr. BYRD. Mr. President, will the distinguished majority leader withhold that request?

Mr. DOLE. Yes, I will withhold the last request.

Mr. President, I think we can work well on Monday without that last request being granted.

ORDERS FOR MONDAY

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate convenes on Monday, following the adjournment, the reading of the Journal be dispensed with; that no resolutions come over under the rule; that the call of the calendar be dispensed with; that following the recognition of the two leaders under the standing order, there be special orders in favor of Senator HAWKINS, Senator CRANSTON, Senator PROXMIRE for not to exceed 5 minutes each, to be followed by a period for the transaction of routine morning business, not to extend beyond 1 p.m., with Senators permitted to speak therein for not more than 5 minutes each; provided, further, that the morning hour be deemed to have expired.

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

THE CALENDAR

Mr. DOLE. Mr. President, I inquire of the distinguished minority leader if he is in a position to pass or indefinitely postpone any or all of the following calendar items: Calendar No. 594, S. 1625, to pass; Calendar No. 595, S. 2031, indefinitely postpone; Calendar No. 628, H.R. 4022, to pass.

Mr. BYRD. Mr. President, on this side of the aisle, we are ready to proceed as the distinguished majority leader has indicated.

Mr. DOLE. I ask unanimous consent for that action to be taken.

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

CONVEYANCE OF CERTAIN LAND TO THE UNIVERSITY OF NEVADA

The Senate proceeded to consider the bill (S. 1625) to authorize the conveyance of 470 acres in Nevada to the University of Nevada for use as a research and development center, which had been reported from the Committee on Energy and Natural Resources with an amendment:

On page 1, strike line 3, through and including page 2, line 4, and insert the following:

That (a) notwithstanding the provisions of the Recreation and Public Purposes Act (43 U.S.C. 869 et seq.), the Secretary of the Interior shall permit the University of Nevada to use (either directly or by lease) the lands described in subsection (b) of this Act as a site for a research and development center.

(b) The lands referred to in subsection (a) are described as follows:

So as to make the bill read:

S. 1625

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding the provisions of the Recreation and Public Purposes Act (43 U.S.C. 869 et seq.), the Secretary of the Interior shall permit the University of Nevada to use (either directly or by lease) the lands described in subsection (b) of this Act as a site for a research and development center.

(b) The lands referred to in subsection (a) are described as follows:

(1) T. 20 N., R. 19E, Sec. 25: Lots 1, 2, 3, 4, 5, 11, SE ¼ NW ¼, NE ¼ SW ¼, Mount Diablo Meridian, Nevada, containing 309.11 acres; and

(2) T. 20 N., R. 19E, Sec. 25: Lots 6, 7, SW ¼ NE ¼, NW ¼ SE ¼, Mount Diablo Meridian, Nevada, containing 158.22 acres.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read "A bill to permit the use and leasing of certain public lands in Nevada by the University of Nevada."

RELEASE OF RESTRICTIONS ON CERTAIN PROPERTY

The Senate proceeded to consider the bill (H.R. 4022) to release restrictions on certain property located in Calcasieu Parish, LA, and for other purposes.

Mr. JOHNSTON. Mr. President, I rise in support of H.R. 4022, a bill I introduced to release conditions on certain lands in Calcasieu Parish, LA, for the purpose of developing these lands as an air industrial park. The Committee on Energy and Natural Resources held a hearing on this bill on March 4 and on March 27 ordered it reported unanimously.

Mr. President, this bill would remove restrictions on certain lands located in Calcasieu Parish, LA, comprising approximately 1,600 acres, for the purpose of permitting the leasing of these lands for use as an industrial air park. These restrictions were placed on the use of this property by the United States when the Chennault Air Force Base was disbanned and the property conveyed to the various public bodies. While these restrictions permit a number of diverse uses of the land, they prohibit the leasing of the property for development purposes.

In the mid-1950's Lake Charles and Calcasieu Parish began to put together a package of land and improvements in anticipation of the expansion and growth of Chennault Air Force Base. The city and the parish were told that in exchange for these lands and improvements, the Air Force would maintain a permanent air base in the area. The Air Force did designate the base as permanent in 1958 but in 1961 abruptly decided to close it.

The property has since been declared surplus by the Federal Government and divided between several local government agencies with certain deed restrictions limiting the development on these lands to either educational or recreational purposes. Portions of the property have been used under these conditions successfully for the past 13 years. The majority of the property, however, has remained essentially unused since the base was abandoned.

The local government entities and the citizens of the area are now looking to this abandoned facility as a potential site for a large scale air industrial park that would take advantage of the main runway and runway system already in place. A study undertaken a few years ago indicates the project is indeed feasible. However, before such a park can be developed, it will be necessary to remove the current use restrictions on the property. That is what my bill does; it simply releases these restrictions so that the property can be put to a more productive use.

Mr. President, I would like to make two additional brief points. First, it is important to remember that the local citizens have already paid for this land once—when the land was donated and the improvements made in exchange for a commitment that Chennault be made a permanent facility. This is in no way a giveaway of Federal lands, and I think it is important to keep that in mind. Second, Lake Charles' current unemployment rate of 14.1 percent is the highest of any major metropolitan area in Louisiana. The area is heavily dependent on the agricultural, petrochemical, and oil-related industries. As a result it has been devastated by job losses and business failures in recent months. This legislation provides us with an opportunity to do something very positive, at little or no cost, for a part of the country that has not had much good news lately.

During the consideration of S. 2031, the committee adopted an amendment in the nature of a substitute. The substitute makes three technical changes in the bill as introduced which do not change the effect of the bill.

First. The restrictions on the use of the property are released by the Congress as of the date of enactment of the act. The bill as introduced directed the Secretary of the Interior to release the restrictions. This extra step is unnecessary and has been deleted.

Second. In response to the Department of the Interior's testimony, a map has been prepared precisely identifying the lands involved rather than utilizing file numbers as proposed in the bill as introduced.

Third. Language has been included, also at the suggestion of the administration, making clear that the release of the use restrictions in no way affects the disposition or the ownership of any minerals associated with these lands.

Mr. President, I think these amendments strengthen and clarify the intent of H.R. 4022, and I urge my colleagues to join me in approving the legislation as reported from the Committee on Energy and Natural Resources.

The bill was ordered to a third reading, read the third time, and passed.

S. 2031, Senate companion measure, was indefinitely postponed.

□ 0120

Mr. DOLE. Mr. President, I move to reconsider the vote by which the various measures were agreed to or passed.

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

The motion to lay on the table was agreed to.

NAVAL AVIATION DAY

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate turn to the consideration of House Joint Resolution 569, Naval Aviation Day.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 569) to designate May 8, 1986 as Naval Aviation Day.

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read twice by title.

Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The joint resolution (H.J. Res. 569) was ordered to a third reading, read the third time, and passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

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

The motion to lay on the table was agreed to.

NATIONAL BARRIER AWARENESS DAY

Mr. DOLE. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of House Joint Resolution 544, National Barrier Awareness Day, and I ask for its immediate consideration.

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

The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J Res. 544) to designate May 7, 1986 as National Barrier Awareness Day.

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read twice by title.

Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. GORE. Mr. President, I ask that Senate Joint Resolution. 330, "National Barrier Awareness Day," be called up for immediate consideration. The Chairman of the Judiciary Committee, Senator THURMOND, has been most considerate to arrange the discharge of this measure from the committee so it can be taken up at this time.

Mr. President, I know we are often asked to commemorate various special events by resolutions of the Congress. But I can think of few activities more deserving of such special recognition than that of the hundreds of organizations and the millions of citizens they represent in the effort to break down the many, seemingly overwhelming physical and attitudinal barriers facing disabled Americans.

I will not take this time to read all the organizations that are officially part of the barrier awareness coalition, but submit them as part of my statement at this time. For the record, the following organizations are active participants in Barrier Awareness Day:

American Cancer Society.
American Foundation for the Blind.
Spina Bifida Foundation.
American Lung Assoc.
Multiple Sclerosis.
National Assoc. for the Deaf/Blind.
Little People.
Lupus Foundation.
Epilepsy Foundation.

National Assoc. for Deaf Children.
Tourette's Foundation.
National Kidney Foundation.
American Association for the Advancement of Science.
National Assoc. for Visually Handicapped.
American Heart Association.
Muscular Dystrophy Assoc.
United Cerebral Palsy.
Cystic Fibrosis Foundation.
American Diabetes Foundation.
Juvenile Diabetes.
The Arthritis Foundation.
Easter Seals.
National Amputation Foundation.
National Head Injury Foundation.
The United Foundation.

In addition, Mr. President, the following States are also officially supporting Barrier Awareness Day:

Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Illinois, Indiana, Iowa, Kansas, Louisiana, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, Washington, D.C., Wisconsin.

Mr. President, because of their collective efforts, National Barrier Awareness Day will become a reality. Recently the coalition, through the hard work of Congresswoman VUCANOVICH and other House Members, passed a companion bill to Senate Joint Resolution 330. In the Senate the coalition has been invaluable in spreading the word about the resolution we are taking up today.

More important than the passage of this resolution, however, is the very real, hard work in our communities to actually remove these barriers. It is a goal worth commendation and our strongest possible support.

Before I ask my colleagues to vote on the resolution, I want to take this opportunity to add the following 31 Senators as cosponsors of, "National Barrier Awareness Day": Senator THURMOND, the distinguished chairman of the committee, Senators EAGLETON, PRYOR, ZORINSKY, BUMPERS, HOLLINGS, DODD, LEAHY, NUNN, LEVIN, SIMON, STENNIS, INOUYE, SASSER, MATSUNAGA, NICKLES, DOLE, WEICKER, DURENBERGER, WARNER, GRASSLEY, HECHT, KASSEBAUM, HATCH, DENTON, BOSCHWITZ, COCHRAN, CHAFEE, and PRESSLER.

I am pleased that this bill list is a strong, bipartisan statement of support for Senate Joint Resolution 330, and I ask my colleagues to pass the measure at this time.

The joint resolution (H.J. Res. 544) was ordered to a third reading, read the third time, and passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE CALENDAR

Mr. DOLE. Mr. President, I would like to inquire of the minority leader if he is in a position to confirm any of the following nominations on the Executive Calendar:

Calendar No. 760, 761, 762, 763, under the Army; Calendar No. 764, under the Navy; Calendar No. 765, Frank H. Dunkle; and all nominations placed on the Secretary's desk with the exception of the nomination of Edwin Corr.

Mr. BYRD. Mr. President, there is no objection on this side.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I therefore ask unanimous consent that the Senate go into executive session to consider the nominations just identified.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

Mr. DOLE. Mr. President, I ask unanimous consent that the nominations be considered en bloc and confirmed en bloc.

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

The nominations considered en bloc and confirmed en bloc are as follows:

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10. United States Code, Section 1370:

To be general

Gen. Robert W. Sennewald, 492-22-4165. (Age 56), U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be general

Lt. Gen. Joseph T. Palastra, Jr., 576-28-7763, U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. H. Norman Schwarzkopf, 144-26-7662, U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Gerald T. Bartlett, 549-40-1608, U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. John D. Bruen, 359-22-6681, (Age 55), U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Kenneth E. Lewi, 462-36-8977, U.S. Army.

IN THE NAVY

The following-named officer, under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be vice admiral

Vice Adm. Donald S. Jones, 391-22-4694/1310, U.S. Navy.

DEPARTMENT OF THE INTERIOR

Frank H. Dunkle, of Montana, to be Director of the United States Fish and Wildlife Service.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nomination of Stanley E. White, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Air Force nominations beginning Fredric L. Bauer, and ending Stanley E. White, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Air Force nominations beginning Loren G Aguillard, and ending Curtis W Winchester, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Air Force nominations beginning Glennis L Aavang, and ending John A N Yarwood, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Army nominations beginning Duane Austin, and ending Paul F Shorts, which nominations were received by the Senate on April 7, 1986, and appeared in the CONGRESSIONAL RECORD of April 8, 1986.

Army nominations beginning George C. Baxley, and ending Everett M. Urech, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 9, 1986.

Army nominations beginning Henry E Blechl, and ending Harold W Nase, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 9, 1986.

Army nominations beginning Robert H. Johns, and ending Ronald M. Rosenberg, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Army nominations beginning Brian S Abraham, and ending Linda B Zweizig, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 24, 1986.

Army nominations beginning Eric D Adams, and ending Bernard J Zoppa, Jr., which nominations were received by the Senate on April 23, 1986, and appeared in the CONGRESSIONAL RECORD of April 24, 1986.

Marine Corps nominations beginning John H Admire, and ending Robert E Yeend, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Navy nominations beginning Lori P. Anderson, and ending Richard P. White, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 9, 1986.

Navy nominations beginning Arthur P Abel, and ending Curtis Allan Collins, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Navy nominations beginning Elmer J. Aguigam, and ending Douglas A. Zaren, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Navy nominations beginning Mary Raftery Adams, and ending Neil Robert Wollam, which nominations were received by the Senate on April 23, 1986, and appeared in the CONGRESSIONAL RECORD of April 24, 1986.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

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

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

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

WAIVING OF THE RULES FOR TAKING PHOTOGRAPHS IN CHAMBER

Mr. DOLE. Mr. President, I ask unanimous consent that the Rules Committee regulations pertaining to taking photographs of the Senate Chamber, regulation No. 4, Senate wing of the Capitol, be waived on Friday, May 2, 1986, for the purpose of allowing James Atherton, of the Washington Post, to photograph the Senate Chamber.

Mr. BYRD. Mr. President, that request has been cleared on this side. There is no objection.

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

ORDER TO HOLD HOUSE CONCURRENT RESOLUTION 329 AT THE DESK

Mr. BYRD. Mr. President, on behalf of Senator LAUTENBERG, I ask unanimous consent that House Concurrent Resolution 329 remain at the desk until further action is taken thereon.

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

PROGRAM

Mr. DOLE. Mr. President, to recap what will happen on Monday, May 5: We will convene at 12 noon, following an adjournment, and then the two leaders under the standing order have 10 minutes each. There will be special orders for 5 minutes for the following Senators: Senators HAWKINS, CRANSTON, and PROXMIRE, then routine morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for not more than 5 minutes each.

Following morning business, the Senate will turn to the following items: Executive nomination of James C. Fletcher, under a time agreement; possibly a resolution dealing with the nuclear accident in the Soviet Union; and any other items cleared for action.

As I previously indicated, no votes will occur during Monday's session. Any votes ordered—there could be voice votes—any rollcall votes ordered on Monday will be postponed until Tuesday, and that will be worked out with the agreement of the distinguished minority leader.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

ADJOURNMENT UNTIL MONDAY, MAY 5, 1986

Mr. DOLE. Mr. President, I move that the Senate now stand in adjournment until 12 noon on Monday, May 5, 1986.

The motion was agreed to; and, at 1:26 a.m., the Senate adjourned until Monday, May 5, 1986, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 2, 1986:

DEPARTMENT OF THE INTERIOR

Frank H. Dunkle, of Montana, to be Director of the United States Fish and Wildlife Service.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10, United States Code, Section 1370:

To be general

Gen. Robert W. Sennewald, [redacted], (Age 56), U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be general

Lt. Gen. Joseph T. Palastra, Jr., [redacted]. U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. H. Norman Schwarzkopf, [redacted], U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Gerald T. Bartlett, [redacted], U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. John D. Bruen, [redacted], (Age 55), U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Kenneth E. Lewi, [redacted], U.S. Army.

IN THE NAVY

The following-named officer, under the provisions of Title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, Untied States Code, section 601:

To be vice admiral

Vice Adm. Donald S. Jones, [redacted] U.S. Navy.

IN THE AIR FORCE

Air Force nomination of Stanley E. White, which was received by the Senate and appeared in the Congressional Record of April 18, 1986.

Air Force nominations beginning Frederic L. Bauer, and ending Stanley E. White, which nominations were received by the Senate and appeared in the Congressional Record of April 18, 1986.

Air Force nominations beginning Loren G. Aguillard, and ending Curtis W. Winchester, which nominations were received by the Senate and appeared in the Congressional Record of April 18, 1986.

Air Force nominations beginning Glennis L. Aavang, and ending John A. N. Yarwood, which nominations were received by the Senate and appeared in the Congressional Record of April 18, 1986.

IN THE ARMY

Army nominations beginning Duane Austin, and ending Paul F. Shorts, which nominations were received by the Senate on April 7, 1986, and appeared in the Congressional Record of April 8, 1986.

Army nominations beginning George C. Baxley, and ending Everett M. Urech, which nominations were received by the Senate and appeared in the Congressional Record of April 9, 1986.

Army nominations beginning Henry E. Blechl, and ending Harold W. Nase, which nominations were received by the Senate and appeared in the Congressional Record of April 9, 1986.

Army nominations beginning Robert H. Johns, and ending Ronald M. Rosenberg, which nominations were received by the Senate and appeared in the Congressional Record of April 18, 1986.

Army nominations beginning Brian S. Abraham, and ending Linda B. Zweizig, which nominations were received by the Senate on April 23, 1986, and appeared in the Congressional Record of April 24, 1986.

Army nominations beginning Eric D. Adams, and ending Bernard J. Zoppa, Jr., which nominations were received by the Senate on April 23, 1986, and appeared in the Congressional Record of April 24, 1986.

IN THE MARINE CORPS

Marine Corps nominations beginning John H. Admire, and ending Robert E. Yeend, which nominations were received by the Senate and appeared in the Congressional Record of April 18, 1986.

IN THE NAVY

Navy nominations beginning Lori P. Anderson, and ending Richard P. White, which nominations were received by the Senate and appeared in the Congressional Record of April 9, 1986.

Navy nominations beginning Arthur P. Abel, and ending Curtis Allan Collins, which nominations were received by the Senate and appeared in the Congressional Record of April 18, 1986.

Navy nominations beginning Elmer J. Aguigam, and ending Douglas A. Zaren, which nominations were received by the Senate and appeared in the Congressional Record of April 18, 1986.

Navy nominations beginning Mary Raftery Adams, and ending Neil Robert Wollam, which nominations were received by the Senate on April 23, 1986, and appeared in the Congressional Record of April 24, 1986.

EXTENSIONS OF REMARKS

UNEMPLOYMENT IN SOUTHWEST WASHINGTON

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. BONKER. Mr. Speaker, the Third District of Washington State, which I represent, comprises much of the Pacific Northwest's wood products, aluminum, and fishing industries. For many years, the milltowns and fishing communities of southwest Washington enjoyed prosperous times as local economies grew and national economic conditions were relatively stable and generally positive.

Those good times quickly turned bad, however, in the early 1980's as high mortgage rates, subsidized foreign competition, and a devastating national recession battered the area's resource-based industries. Natural disasters such as the Mount St. Helens eruption and the El Nino phenomenon combined with poor economic conditions to drive southwest Washington into a depression rivaling the years of 1929–40.

For the past 5 years, I have seen the impact of this economic decline in the faces of my communities, and have worked with local groups and individuals to ease the burden and generate economic revitalization.

In an effort to get more specific information on the full dimensions of southwest Washington's unemployment problem—particularly the problem of plant closures—and the effectiveness of Federal assistance programs, I recently held field hearings in two of my most hard-hit counties.

The testimony offered at the hearings covered all aspects of unemployment including the human and social cost, the economic impact, and the success of Federal and State programs in helping the jobless. I was fortunate to have a broad variety of workers, State officials, and local labor leaders provide me with firsthand testimony on the problems facing my jobless constituents.

Although my district represents only a small corner of the country, I believe the concerns expressed reflect the experience of unemployed workers all across the Nation. I would like to share the results of these hearings with the Members of the House and the relevant committees, to help guide any future action on issues affecting the unemployed.

THE PRESIDENT'S ECONOMIC RECOVERY HAS IGNORED MANY REGIONS

If the unemployed of southwest Washington have a story to tell, it is one of enduring hardship and frustration. While the news clips and official statistics may tell a story of resurgent economic recovery, such news is more fiction than fact to the unemployed loggers and millworkers of my district who continue to suffer a maddening cycle of plant startups, layoffs, curtailments, and shutdowns. Many other areas in the Midwest, Northeast, and Southeast have been similarly bypassed by the so-called economic recovery.

Serious job losses in the wood products, aluminum, and fisheries industries have depressed both the economy and spirit of a region once proud of its great vitality. Employment has plummeted in union and nonunion trades alike. From 1980 to 1983 alone, the membership of the Washington State Labor Council fell from almost 170,000 members to 140,000 members—a loss of 30,000 jobs. In the lumber and logging industries alone, employment in my district has dropped by 8,000 jobs since 1978, a staggering 42-percent job loss in just 7 years.

At the hearings, witnesses told me that nearly all meaningful economic activity has ground to a halt in many of the hardest hit coastal communities. Businesses have been boarded up and homes shuttered as the bottom has fallen out of local property values. Many families who have lived for generations in the same community have been forced to sell their homes and personal articles in order to survive. Even worse, many are unable to sell their homes due to the regional depression, so they stand abandoned, transforming once-vital communities into ghost towns.

The social cost of unemployment in my district has been no less profound. Prolonged joblessness has torn at the social fabric that once-bound families and neighbors together. The incidence of violent crime has increased, including rape, robbery, assault, and domestic violence. With health insurance no longer affordable for many families, the incidence of malnutrition-related diseases and even deformed or premature babies have increased.

Put simply, the quality of life previously enjoyed in southwest Washington has been severely undermined by uncertainty, serious social problems, and economic desperation.

UNEMPLOYMENT STATISTICS DRAMATICALLY UNDERESTIMATE THE PROBLEM

Unemployment remains dramatically high in my wood products and fishing communities, even though many of my district's laidoff workers have left the area seeking other opportunities. The official unemployment rate now stands at 12.2 percent in the 6-county coastal area, compared to 16.4 percent recorded in 1982 and a current national jobless rate of around 7 percent.

There is every reason to believe, however, that even these harsh official statistics reflect only a part of the true unemployment picture in my area.

According to Mr. Isiah Turner, Washington State Employment Security Commissioner, the real unemployment rate may be as high as 26 percent, or more than double the 12.2 percent official unemployment rate. Federal Department of Labor figures do not consider ineligible workers such as fishermen or individuals who have exhausted their benefits.

Through either political calculation or economic misjudgment, the unemployment picture in our country appears to be badly understated. Obviously, this faulty statistical picture undermines public awareness of the unemployment situation, and congressional efforts to deal with this problem.

FEDERAL PROGRAMS ARE CRITICAL FOR COPING WITH UNEMPLOYMENT

At this moment, Washington State may be seeing the first glimmers of hope for an end to the regional recession that has plagued our communities and industries for the past 5 years. The falling dollar, lower fuel prices, and lower interest rates all mean good news for industry in my region. This good news does not, however, mean all is well for the unemployed in my district. The structural economic changes wrought by the recession of the last 5 years mean that many unemployed workers will never recover their jobs.

With new jobs and industries few in number and conventional unemployment benefits expired, many unemployed workers in my district have found Federal programs such as trade adjustment assistance, the Work Incentive Program, and the Job Training Partnership Act critical in meeting their most basic needs and preparing themselves for a new employment future.

Jobless workers and State officials alike testified that the importance of the Trade Adjustment Assistance Program in my district cannot be overstated. At the moment, 3,000 workers in my region are eligible for trade readjustment assistance, and another 5,000 workers may soon join their ranks. In milltowns with little economic activity, the income assistance and job training provided by the TAA Program has made the difference between hope and despair for many workers and their families. Based on my travels through my district and the testimony of workers in the program, I am convinced that the need for this program is as great as ever.

Much of the value of TAA and JTPA lie in the fact that they provide what the free market does not in a depressed community—opportunity. In the best of all worlds, the free market would be able to fill the gap and take care of the unemployed and retrain them for a better future. My hearings in the district revealed, however, that this is not reality and never has been.

In a depressed regional economy where major industries have been crippled by economic and natural forces, new businesses are few and employment options fewer. Trade adjustment assistance and JTPA help to fill the vacuum by providing the unemployed with the benefits and training necessary to reenter the work force.

Many unemployed in the coastal communities of my district know only a lifetime of millwork or logging. No one, not even a President, can become a computer operator over-

night. The time and funds provided by TAA allow needed job search and training time. Based on my experience and the expert testimony provided at my district hearings, it is time and money well spent.

REAGAN ADMINISTRATION MUST REORDER ITS PRIORITIES

While my hearings demonstrated the necessity and effectiveness of Federal unemployment compensation and retraining programs, many witnesses were very critical of the administration's lack of commitment to maintaining, using, and enhancing these programs.

Based on the administration's vigorous efforts to cripple or terminate key retraining programs such as TAA and WIN, such concerns are well-founded. While legislation to reinvigorate job training programs has languished as "too costly," corporate tax cuts have proliferated almost out of control and defense spending has doubled in just 5 years.

Although helping business compete in a global economy is a worthy cause, such efforts often sound hollow to workers who have lost their jobs due to foreign imports or offshore manufacturing, and may lose their retraining opportunities due to lack of administration support. Corporate tax subsidies and a relaxation of antitrust laws hold little significance to a worker who has no job but must somehow feed his or her family and pay a mortgage.

It is clear to me, based on the testimony I received, that we need to do more for the unemployed. Far from terminating programs that help the unemployed, it is time that this Congress and the administration reevaluated our Nation's budget priorities in this area.

It baffles me that a country as strong and healthy as ours can devote 30 percent of its entire Federal budget to costly weapons and military hardware, but only 3.5 percent for community development, economic development, job training, and employment assistance programs. Something is very wrong with our priorities when a single weapons system absorbs more Federal funds than the total available to help retrain and reemploy our citizens.

Workers enrolled in the program when funding ran out will have all benefits restored retroactively, and critical TAA income support and retraining programs are authorized for another 6 years.

Under the new authorization, workers would be eligible for adjustment assistance for 104 weeks following exhaustion of normal unemployment benefits, rather than the 52 weeks of current eligibility. The bill also links cash benefits to participation in a job search program, although this requirement does not apply to workers who had filed petitions or were enrolled prior to the bill's effective date. Finally, the reauthorization continues technical assistance to help firms become more competitive and clarifies the application of the TAA Program to workers in agricultural firms.

Reauthorization of TAA and these eligibility changes will be of great assistance to many in my district. I deeply regret, however, that once again we had to take such action in the face of President Reagan's constant veto threats.

I only wish that someday President Reagan could visit my district and see the severe human suffering and hardship that recent economic shifts and continued high unemployment have created. He would also see the tremendous contribution of training and hope that Federal programs provide. Perhaps then he would realize that dollars spent on people have the equivalent if not greater value than money spent on military hardware.

PRISON INDUSTRIES RELIEF

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. McCOLLUM. Mr. Speaker, I am today introducing legislation designed to allow our overburdened prison systems to use innovative methods to reduce the cost of operating prisons; reduce the cost to the taxpayer in maintaining prisons and inmates; and give prisoners a chance to pay their debt to society through constructive labor as well as learning job skills that will help to keep them from returning to crime when they leave prison.

As a member of Chief Justice Burger's Task Force on Prison Industries, it has become clear to me that new methods need to be employed to address the severe problems we face in our penal system.

At the beginning of this decade, our prison population had increased to over 350,000. That was an increase of 75 percent in just 10 years. The increase in inmate population is a small reflection of huge increase in crime in this Nation.

The cost to this Nation for the increase in crime is enormous. The loss of life and limb, the loss of earnings, the physical and mental suffering of the victims of crime and their families, is staggering. It was estimated that, in 1981, the direct and indirect costs of crime was in excess of $90 billion. There are many reasons for this increase in crime—but it is not my purpose today to dwell on that. Rather, I, and he cosponsors of this bill, feel that a crucial first step in dealing with this increase in crime is to make our prison systems more effective and efficient.

First, the bill I introduced today would allow the Justice Department to accept gifts of property made to, and for, Federal prisons. This bill also will remove obstacles to State prison industries selling prison-made products to the Federal Government. Last year, the State of Florida Prison Industries lost an $800,000 contract with the Federal Government because current law prohibits contracts in an amount greater than $10,000—an amount way out of line with today's realities. Under this bill, this archaic cap would be removed. This is just a first step in a process that, as Chief Justice Burger once said, will "Convert our warehouses into factories with fences. . ."

By converting our warehouses to factories with fences, we can give the inmates skills necessary to avoid a life of crime once they return to society, and we can have the inmate pay in part the cost to the taxpayer of keeping him in prison. Last year, it cost the taxpayers of this country over $523 million to warehouse prisoners in the Federal Prison System. That does not even take into account the millions more spent by each State for those prison systems.

By allowing State prison industries a chance to sell prison-made products to the Federal Government we will provide an important new market for prison-made goods and thus encourage the further development of modern prison industries in our State prisons. Also, we will give the inmates a marketable skill, and allow the inmate to pay society in part the cost of his prison sentence which relieves the taxpayer of a heavy burden.

I urge all of my colleagues to join me in this challenge issued by Chief Justice Burger by cosponsoring and working for the passage of this legislation.

AMVETS HAROLD PAUL SAKS POST NO. 118 40TH ANNIVERSARY

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. EDGAR. Mr. Speaker, this year marks the 40th anniversary of the AMVETS Harold Paul Saks Post No. 118 in Morton, PA. On May 10 of this year the membership of the post and the auxiliary will join together to celebrate 40 years of service to country and community and 40 years of achievement in building an organization that fully expresses the best America has to offer.

Since the first 27 members signed its original charter in July 1946 the post has grown in number and leadership within the AMVETS organization welcoming members from the Korean war and Vietnam war. Its membership along with the auxiliary has risen to high office with AMVETS to lead this great veterans service organization at the regional, State, and National level.

Mr. Speaker, as a member of the House Veterans' Affairs Committee for the past 12 years and chairman of its Subcommittee on Hospitals and Health Care, I would like to take this opportunity to commend the Harold Paul Saks Post on their 40th anniversary and wish its members every success in the future. In doing so, for the benefit of my colleagues. I would like to include for the record a summary of the history and achievements of the post.

FORTY YEARS OF DEDICATION AND PROGRESS

In a barracks at Indiantown Gap, PA, three local servicemen returning from serving their country, met and shared their dreams of the future. From these dreams came the existence of a strong responsible community institution, and the 40 year history of the Harold Paul Saks Amvets Post No. 118, American Veterans' of World War II, Korea, and Vietnam.

Shortly after our victorious servicemen began returning home, these three Morton men—Salvatore Albanese, Edward Chapman, and Quinton MacFayden—met and discussed their dream, and the need of a Veterans' Organization. Unlike many barracks resolutions, this one did not fail to materialize. Through their dedication and efforts, and the encouragement and moral support of the Reverend Joseph B. Gibson, assistant Rector of Our Lady of Perpetual Help

Roman Catholic Church of Morton, PA, this organization began to grow.

Nearly 100 former servicemen attended preliminary meetings held in the church hall, and representatives from various veterans' organizations came to discuss the aims and policies of their respective organizations, and the decision was made to join the American Veterans of World War II, better known as Amvets.

From this humble beginning we grew, and in 1950 we decided to build our own Post Home. Through the cooperation of Morton Borough who donated the land, and the skills of the members, our present Post was built, one of the finest Posts in Pennsylvania.

Of the original 27 members who signed the charter in July 1946, three are still active Post members and nine are deceased. Since Quinton MacFayden, our first elected Commander, we have had 28 past Commanders, and several have served as Commander on more than one occasion. Seven of these men are now deceased. We have more than 350 members, 90 of whom are life members, and our meetings are actively attended by an average of 40 members per meeting.

The Post was named in honor of Staff Sgt. Harold Paul Saks, a resident of Morton, PA, who was killed in action in Germany, and was awarded the Silver Star for gallantry in action. The citation reads as follows:

SILVER STAR

"For gallantry in action in **** on 12 November 1944, in connection with military operations against the enemy of the United States. On 12 November 1944, in a coordinated attack on the enemy, Staff Sergeant Saks assumed command of the platoon in which he served when the platoon leader and sergeant became casualties. Despite the intense enemy fire, he reorganized the squads, continuing the attack to successfully lead the men in seizing the objective of the platoon. His outstanding leadership, bravery, and loyal devotion to duty exemplify the finest traditions of the Armed Forces of the United States."

This decoration was awarded posthumously.

Following the tradition of Harold Paul Saks, we have had many dedicated members, some who have served at the State Department of Amvets in various offices.

Joseph C. Dougherty was elected to PA Department Commander in 1977-78, after serving the State Department as Inspector General 1976-77. In 1978-79 he served as Inspector General of the National Department of Amvets. In 1979-80 he was the State Department National Executive Committeeman, and in 1981-82 he was PA State Department Judge Advocate.

William F. Greco, a past and now present Post Commander, served as Commander of the Eastern Region of the Department of PA.

John Sheppard is currently holding the office of State Department Second Vice Commander.

James V. Gill, deceased, served as PA State Department Judge Advocate.

Christian Hartner served as the State Department Convention Chairman.

Post #118 has been honored in having awards presented to the following members:

Quinton MacFayden was the first recipient of the PA State Department "Amvet of the Year." This most prestigious award was also given to James V. Gill, and Joseph C. Dougherty.

Arthur J. Colwell, our third Vice Commander and Americanism Chairman, was voted the "Most Patriotic Amvet" in the Department of PA.

One of our Americanism contestants, Keri Lynn Dixon, went on to win the National Department of Amvets first place, and her essay, "What the American Flag Means to Me," made such an impression on Congressman Bob Edgar, that he saw fit to read it at a session of Congress, and it was entered into the Congressional Record.

Post #118 has been commended for its dedicated services to the Philadelphia Veterans Hospital, Scotland School, the U.S.O. facilities at Philadelphia International Airport, and for community services.

Thelma Neubert is the current President of our Ladies Auxiliary, which has done a remarkable job, not only in Post activites, but in the Veteran Hospital, U.S.O., child welfare, and community services. They also support Scotland School, Deborah Hospital, and the Chapel of Four Chaplains, into which many of our members have been inducted.

Ann Gill was elected to President of the State Department Auxiliary in 1977-78, and also served as Chairman of the V.A.V.S. for the Philadelphia Veterans' Hospital. Alice Sheppard currently holds the office of Auxiliary Eastern Region President, and Althea Hargrave serves as Secretary-Treasurer of the Auxiliary Eastern Region.

This spirit of dedication to their fellow man follows the fine tradition set by Harold Paul Saks, on that day in November when he made the Supreme Sacrifice. What greater love has man, than he lay down his life for his fellow man.

THE GENERATION-SKIPPING TRANSFER TAX

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. JONES of Oklahoma. Mr. Speaker, the Tax Reform Act of 1976—a measure I opposed—created a new generation—skipping transfer tax which was intended to join with the estate and gift taxes to provide a set of wealth transfer taxes which raise revenue in as uniform a manner as possible. Since 1976, the generation-skipping transfer tax has been a subject of intense controversy, because of both its basic policy and its complexities.

In H.R. 3838, the "Tax Reform Act of 1985," the Committee on Ways and Means proposed and this House adopted a revised version of the tax. The goal was to simplify the administration of the tax while ensuring that all transfers having a similar effect will be subjected to the tax in similar ways.

While the generation-skipping transfer tax has been controversial since its enactment, one policy decision has never been questioned—the tax was not to be applied to transfers from the corpus of a trust which was irrevocable at the time the tax was proposed in 1976. The effective date language of the 1976 act established this rule, and Treasury regulations, section 26.2601-1, provided explicit rules by which such "grandfathered" trusts were to be determined.

In H.R. 3838, it was necessary to repeal the original 1976 language in order to correctly implement the new provisions. By so doing, the bill repealed the statutory effective date language, thereby technically rendering regulation section 26.2601-1 and the specific rules therein as being without foundation.

Clearly, H.R. 3838 intends to continue the longstanding prohibition against applying the tax to transfers from preexisting irrevocable trusts. The effective date language for the new tax provisions in H.R. 3838 is identical in substance to the 1976 language, except that H.R. 3838 would expand the language to exempt transfers from trusts which were irrevocable as of September 25, 1985.

Absent the technical repeal of the 1976 statute, it would seem that the existing regulations would continue to apply to those trusts which were originally grandfathered. To clarify that this will be the result if the provisions of H.R. 3838 are enacted, I asked Secretary Baker to discuss Treasury's position on this matter. Assistant Secretary Roger Mentz has responded that those trusts which were originally grandfathered—as determined by regulations—would continue to be exempt from the new provisions.

The texts of my correspondence are presented below.

HOUSE OF REPRESENTATIVES,
Washington, DC, March 21, 1986.

Hon. JAMES A. BAKER III,
Secretary, Department of the Treasury, 15th and Pennsylvania Ave., NW., Washington, DC.

DEAR MR. SECRETARY: When the generation-skipping transfer tax was first enacted in the Tax Reform Act of 1976, certain preexisting irrevocable trusts were exempted from the new tax. Specifically, the effective date provisions in section 2006(c)(2)(A) of the Act provided that the tax was not to apply to any generation-skipping transfer:

". . . under a trust which was irrevocable on June 11, 1976, but only to the extent that the transfer is not made out of corpus added to the trust after June 11, 1976 . . ."

The generation-skipping transfer tax provisions of H.R. 3838, as drafted by the Committee on Ways and Means, include a substantially identical exception for irrevocable trusts; only the date was changed. Section 1223(b)(2)(A) of that bill provides that the tax will not apply to any generation-skipping transfer:

"Under a trust which was irrevocable on September 25, 1985, but only to the extent that such transfer is not made out of corpus added to the trust after September 15, 1985 . . ."

Proposed Treasury regulations were published in December 1978 concerning the generation-skipping transfer tax as enacted in 1976. In August 1980, a portion of those proposals, as revised, were published in final form as Treas. Reg. section 26.2601-1, which implemented effective date provisions from 1976.

The irrevocable trust exception in section 1223(b)(2)(A) of H.R. 3838 is substantially identical to the exception in the 1976 Act and would, under normal statutory construction, be implemented by existing Treas. Reg. section 26.2601-1, except for the change in dates. However, section 1223(c) of the bill would repeal the previously enacted generation-skipping tax. As a result, the enactment of this provision of H.R. 3838 technically would render the existing regulations as being without foundation, because

the statutory language would have been repealed.

Assuming enactment of sections 1223(b)(2)(A) and 1223(c), can it be presumed that the principles of current Treas. Reg. section 26.2601-1 will be applied in interpreting section 1223(b)(2)(A) so as to continue the exception for those pre-June 12, 1976 irrevocable trusts to which the current effective date exception applies?

I would appreciate a response at your earliest convenience.

With best wishes,

Sincerely yours,

JAMES R. JONES,
Member of Congress.

DEPARTMENT OF THE TREASURY,
Washington, April 11, 1986.

DEAR MR. JAMES JONES: Thank you for your letter of March 21, 1986, regarding the effective date provisions of the generation-skipping transfer tax. Your letter accurately sets out the legislative and regulatory history of the effective date provisions of this tax, beginning with its enactment in 1976.

While it is somewhat unusual for the Treasury Department or the Internal Revenue Service to state how it plans to interpret a provision of a bill that has not yet been signed into law, the answer to the question you pose seems sufficiently clear that I feel comfortable in responding affirmatively to your inquiry. Thus, it may be presumed that the principles of current Treas. Reg. § 26.2601-1 will be applied in interpreting § 1223(b)(2)(A) of H.R. 3838 so as to continue the exception for those pre-June 12, 1976 irrevocable trusts to which the current effective date exception applies.

Thank you for your interest in this matter.

Sincerely,

J. ROGER MENTZ,
Assistant Secretary-Designate (Tax Policy).

INA DEARMAN: SAN FRANCISCO'S LEADING VOLUNTEER

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mrs. BURTON of California. Mr. Speaker, I want to pay tribute today to one of San Francisco's leading citizens, Ina Dearman.

Ina Dearman is truly a Good Samaritan—a person who has volunteered her time and energy to numerous projects helping people in the city. She was there to aid a friend in need. I know this because my office has been the recipient of many of her calls in her numerous attempts to help her fellow human beings.

Ina has been a wonderful wife, mother, daughter, and friend. I am proud to count her among my dearest friends and I am happy to have this opportunity to honor Ina in this way.

Recently, the Cross Cultural Family Center gave Ina a Special Achievement Award. Following is a brief description of her accomplishments:

Ina Dearman planned to become a career social worker and instead, she became a career volunteer for a better society.

Born in Chicago, Ina's family moved to San Francisco when she was a child. She's a graduate of the University of the Pacific (BA in Sociology) and earned a Masters degree in Social Welfare at the University of California at Berkeley. Long active in the YWCA, Ina served for three years on its National Board and was Delegate to the world YWCA meeting in 1976. In addition, she was a director of the San Francisco YWCA for nine years and president from 1981 to 1983. From 1976 to 1981, Ina was a member of the San Francisco Planning Commission. She has served on the Community Advisory Board of the Westside Mental Health Society, and was a board member of JACKIE and the San Francisco Youth Campus.

Last, but not least, Ina was a founding member of Cross Cultural Family Center. For over 16 years she has been a dedicated supporter and volunteer, giving freely of her time and effort in both professional and hands-on, time-consuming work activity that every volunteer knows.

We thank Ina and we honor her on behalf of the children, members and staff of CCFC.

FEDERAL PAY MANAGEMENT ACT OF 1986

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Ms. OAKAR. Mr. Speaker, on a number of occasions, many of my colleagues have joined me in the well of this Chamber to discuss the Federal work force. Many of us have sought to improve the working conditions for employees and to create a more equitable work environment. We also have attempted to protect the integrity of the Federal work force and the compensation program from unwarranted budgetary reductions.

Today, I return to the Chamber to inform my colleagues of a bill I am introducing, the "Federal Pay Management Act of 1986." My legislation provides for alternative systems of compensation for Federal employees; modifications in the pay comparability process; and expedited authority for Federal agencies to increase rates of pay for certain occupations, particularly those involved in national security which are experiencing difficulties in recruitment and retention.

In 1970, Congress enacted the Pay Comparability Act in an effort to assure objectivity and predictability in the Federal wage-setting process. It was designed to bring Federal employees' pay in line with their counterparts in the private sector. Yet, through constant changes in the pay-setting mechanisms and the President's repeated use of alternative pay plans, the 1970 Comparability Act has failed to achieve its goals.

It has been almost 10 years since Federal employees received a full comparability increase. Pay raises for Federal workers are being granted on an ad hoc basis based upon budgetary considerations rather than the principle of comparability set forth in the 1970 law. The system has completely broken down.

In a hearing conducted by my Subcommittee on Compensation and Employee Benefits earlier this year, there was unanimity among the witnesses that the current pay-setting process was in desparate need of repair. Everyone from the General Accounting Office to the Presidentially-appointed Advisory Committee on Federal Pay agreed that systemic change was necessary. The legislation I am introducing today incorporates many of the ideas suggested by witnesses at that hearing.

Over the past 16 years, military pay has grown by 226.51 percent and private sector wages have increased by 186.64 percent. Wages for white-collar Federal workers have risen by only 133.25 percent. During that same 16-year period, the Consumer Price Index has increased by 189.56 percent. Not only has Federal pay failed to keep pace with private industry and the military, Federal workers have suffered severe reductions in their standard of living because of unbridled inflation in the 1970's.

Despite the clear intention of the 1970 Comparability Act that pay for Federal workers remain comparable to wages in the private sector, Federal pay rates now trail those in private industry by 20 percent. Mid-level managers and senior executives in the Federal Government are even further behind their private sector counterparts, with their pay rates lagging by more than 50 percent.

The lack of competitiveness in pay, coupled with repeated attempts to dismantle the benefit package, have resulted in a demoralized Federal labor force, a reduction in service to the public, and a threat to our national defense. Today, the Federal Government, in many instances, is the employer of last resort for numerous professionals. Recruitment is difficult and retention is at an all-time low. Recent data indicate that the voluntary separation rates for many engineers, for example, employed by the Department of Defense have doubled from fiscal year 1975 to fiscal year 1985. The Federal Government cannot compete with the private sector in hiring quality graduates from our Nation's colleges and universities.

The inability to recruit and retain qualified technical and professional employees in the Federal Government has had serious effects on the efficiency and dependability of Government service. A 1984 General Accounting Office report cited a series of instances in the Departments of Defense, Commerce, Health and Human Services, and the Veterans' Administration in which the difficulties in recruiting and retaining employees have threatened important Government programs.

The Assistant Secretary of Commerce, for example, conceded that the lack of adequate pay for patent examiners seriously damaged the administration goal of "significantly reducing the patent pending rate." The inability to retain physical science technicians has jeopardized construction at Mare Island Shipyard and the failure to attract radiological technicians at the National Cancer Institute has caused highly technical equipment that should have been used to treat cancer patients to stand idle.

The bill I am introducing today seeks to address the inherent problems with the current Federal wage-setting process in an effort to regain competitiveness with the private sector and to improve Government service for all Americans.

The bill has three basic components. First, the bill establishes a Federal Compensation Board, comprised of 13 people representing the administration, the Advisory Committee on

Federal Pay and the Federal Employees Pay Council, to design and implement a variety of alternative pay systems. The alternative systems, which include total compensation comparability, pay-for-performance, collective bargaining, and regional pay would be implemented within a representative sample of agencies. Particular attention is paid in the bill to Federal laboratory and scientific personnel by allowing the employing agencies the flexibility of using the alternative pay systems.

Second, the bill amends the current special pay rate program which enables agencies with demonstrated recruitment and retention problems to hire and pay employees at higher levels. My legislation would provide agencies with more flexibility and expedite the approval process by the Office of Personnel Management.

Third, the legislation establishes a Commission on Federal Pay Management. The 3 member, nonpartisan, expert panel would be responsible for overseeing and evaluating all alternative pay systems. After a 5-year period, the Commission would report its findings and conclusions with regard to the alternative pay systems to the President and Congress.

It is important to note that the bill is cost neutral. It requires the agencies to test the pay alternatives within existing appropriations.

The urgency for legislative change cannot be underestimated. Federal agency heads, who are concerned with the detrimental impact of the compensation program on their ability to achieve their mission, are feeling hard-pressed to attack the recruitment and retention problems. I am mindful, of course, that the President has proposed a government-wide "Performance Pay System." While I am certainly interested in learning more of the details of the President's plan, I am not convinced that the "China Lake" experience provides a panacea for the problems that plague the Federal compensation process.

Our Government needs to hire and retain qualified, dedicated employees, and to be competitive in the marketplace for talented individuals. After all, it is Federal employees who develop and manage our national defense systems, who conduct essential research on fatal diseases, and who facilitate our space exploration. It is the Federal worker who is responsible for providing essential Government service to the citizens of this great Nation.

My legislation creates a vehicle for agencies to experiment with pay programs so that Federal employees will be compensated fairly. Congress and the President will ultimately determine which program or combination of programs is best suited for Federal agencies within 5 years after the bill's enactment. In the meantime, Federal pay adjustments will be more competitive with the private sector and agencies will be given the flexibility they have demanded.

I welcome my colleagues to cosponsor this bill. My Subcommittee on Compensation and Employee Benefits will conduct hearings on this and other pay reform proposals later this month. I am hopeful that we can conclude our journey toward enacting necessary changes in the Federal pay-setting process by the end of this session and that pay reform becomes a reality.

Thank you.

TERMINATING THE NEW GI BILL WOULD PREVENT MANY FROM BEING ALL THEY CAN BE

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. MONTGOMERY. Mr. Speaker, "Be all you can be." "A great way of life." "It's not just a job, it's an adventure." "The few, the proud . . ." "It's a great place to start."

Mr. Speaker, these are representative of the current advertising enticements to attract new recruits to branches of our Armed Forces. Each promises a large measure of fulfillment.

No matter how you consider these slogans, either collectively or separately, one word comprising the strongest incentive of all shines through: Education. The best way to be all you can be: Education. The greatest way of life comes through education. The most challenging adventure we face is improving the human condition, which can certainly be achieved through education. Pride is a wonderful thing, and the greatest place to start building it is on an education.

Young recruits know this. Military recruiters know this. The Congress knows this. The administration, however, needs a reminder.

Our Armed Forces' ability to recruit high quality young men and women has been impressively strengthened by the implementation of the new GI bill.

Deputy Secretary of Defense William H. Taft IV, in a memorandum to the Secretaries of the military departments, had the following to say about the program after only 3 months of operation: "With enactment of the new GI bill, the Congress, has not only provided the Department of Defense with an excellent recruiting incentive, but has also provided the Nation's youth with an exceptional educational opportunity."

Yet, the administration is proposing that the program be terminated. The results of such a move could be devastating: Thousands of young people would see their dreams of obtaining a college education shattered; military recruiters would have to scratch for recruits from a declining pool of eligibles who now face better prospects for employment in the civilian sector; and our military force levels would no doubt be adversely affected.

If it's cost the administration is concerned about, it shouldn't be concerned. The statistical range shows that participants pay back 3 to 6 times the cost of their educational benefits due to increased taxes on higher income.

The new GI bill. It may not be the only incentive to join the military, but it is the best. We must not, we cannot terminate it. The administration is dead wrong on this issue, Mr. Speaker.

GOV. RICHARD J. HUGHES—MAN OF COMPASSION

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. RODINO. Mr. Speaker, in April, the Rutgers School of Law paid tribute to one of New Jersey's finest public servants, and a great friend of many years, the Honorable Richard J. Hughes, former Governor and chief justice of the New Jersey Supreme Court. I can think of no one more deserving of this tribute than Dick Hughes, a man known for his big heart and unwavering sense of fairness.

Throughout his long, distinguished career, Dick Hughes has served the people of New Jersey in many capacities. After graduating from the New Jersey School of Law (which later became Rutgers) in 1931, Dick went on to become a U.S. attorney for New Jersey, a judge of the county court and superior court, and in the appellate division. From 1962 to 1970, he served as Governor, and from 1973 to 1979, as chief justice of the New Jersey Supreme Court.

Always an aggressive champion of the people, Dick worked hard for the passage of pollution control laws and a minimum wage for employees. He was instrumental in establishing a public defender system and statewide sentencing guidelines.

As I said, Mr. Speaker, I can think of no one more deserving of this tribute and the love and respect of the people of New Jersey than Dick Hughes. I cherish our friendship and the memories of our long association.

Mr. Speaker, I commend to you the following articles about Governor Hughes, which were published in the Newark Star-Ledger last month.

[From the Newark (NJ) Star-Ledger, Apr. 3, 1986]

HUGHES RATES A CUT ABOVE ON TESTIMONIAL TRAIL

(By Herb Jaffe)

Testimonial dinners are traditionally a bore, a painful experience in which one speaker after another spends hours discovering new ways to lull an assemblage that has paid a handsome ticket price for a bad meal and the indigestion that often accompanies a lot of bad verbiage disguised as oratory.

Some of the dullest testimonial dinners have, by tradition, been keyed to buoy the reputations and financial fortunes of prominent political figures.

Several years ago, a not-so-prominent political figure in New Jersey could find no one to sponsor a testimonial dinner in his behalf. So he made his own. He rented a hotel ballroom, sold dinner tickets and an advertising journal, and raised enough money to buy himself a new business.

Richard J. Hughes, former two-term governor, retired chief justice and one of the most affable figures ever to grace the state, has never had such a problem.

In fact, as former Gov. Brendan Byrne said during the parade of after-dinner testimonials for Hughes last week, "this is my 58th dinner tribute for Dick Hughes."

Whether in fact Hughes has had anything near that many testimonial dinners is imma-

terial. The point is that this well-loved man, a Democrat who has been honored and respected by just as many Republicans, also has been one of the most popular recipients ever to travel the state's testimonial circuit.

It was no bore as Rutgers Law School of Newark honored this statesman who graduated 55 years ago from the New Jersey School of Law, which was an ancestor of Rutgers Law School.

In fact, on the testimonial dinners scale, Dean Peter Simmons and Newark Rutgers Provost Norman Samuels can proudly boast that the Hughes affair was a 10-plus, a rousing four-star success that sent the guests home with smiles on their faces rather than yawns.

The Speaker, far from the traditional bores, were witty and brief, starting with Federal Magistrate Serena Perretti, the master of ceremonies, and ending with the guest of honor who noted that this old political adversary, Sen. Wayne Dumont Jr. (R-Sussex), "apologized that he couldn't come to my dinner."

"He said he had to be in court, or something, tonight," Hughes said with his usual broad smile and good humor.

In between, there were many light lines and some good laughter. After all, as Attorney General W. Cary Edwards said, "you can't get serious on a night like this. Everybody knows the life of Dick Hughes. It has been repeated at 57 other testimonials."

So instead, Edwards got into some tongue-in-cheek discussion about his relations with Senate President John R. Russo (D-Ocean), who was on the dais in his role as acting governor.

Earlier, Russo offered the same kinds of political jabs in between hailing Hughes. "No one has been more of a help to me in my years of public life than Dick Hughes," he said, a tribute that was repeated by several other speakers.

Robert B. Meyner preceded Hughes for two terms in the governor's office, so he chose to reminisce about the political scene of almost half a century ago, all the way back to the nomination of Wendell Willkie, the Republican condidate for President in 1940.

But then Bryne rose to awaken those who weren't born yet when Willkie was the victim of a blitz in the third-term re-election of Franklin D. Roosevelt. The immediate past governor was at his comical best. In fact, Hughes later states:

"When Brendan Byrne first became governor, he used to put people to sleep. Now, he's a standup comic."

Byrne had some fast one-liners.

"It's nice to be here," he said. "If you're a former governor, I guess it's nice to be anywhere," he added.

He referred to the testimonial program, which pictured Hughes at the time of his law school graduation on the cover, and again on the inside cover at the time of his retirement as chief justice in 1979.

"Those are pictures of Dick Hughes before and after Robinson vs. Cahill," Byrne said.

His reference was to the heated battles in both the Supreme Court and the Legislature over the "thorough and efficient" education provisions in the state's constitution, which ultimately required passage of the New Jersey state income tax.

"I really don't know anything funny about Dick Hughes," said Byrne. "But I know some funny things about Bob Meyner. I once asked Meyner if he had ever been to Pittsburgh, and he said he would go home and check his towels."

Referring to the fortunes of Atlantic City, which turned 180 degrees during Byrne's gubernatorial years, he stated:

"They tell me crime is up in Atlantic City. Ten years ago there was nothing there to steal."

Public Advocate Alfred A. Slocum, who served as a member of the Rutgers Law School faculty before joining state government, noted of Hughes, "I work in a building in Trenton that bears his name. The building leans on one side a little, and the elevators don't work all the time," Slocum said.

And so it went that evening, whether or not it was the 58th testimonial for this very popular and gentle man.

[From the Newark (NJ) Star-Ledger, Apr. 4, 1986]

"TWIN" TRIBUTE: HUGHES HONORED FOR POLITICAL, LEGAL DEEDS

(By Anne-Marie Cottone)

Representatives of the political and legal spheres paid tribute last night to a man who has served in both arenas for 55 years, rising to the posts of both the chief executive and chief justice of New Jersey.

Richard J. Hughes, who was governor from 1962-70 and chief justice of the state Supreme Court from 1973-79 was the guest of honor at a testimonial dinner in the Parsippany Hilton. The dinner was sponsored by the Rutgers School of Law-Newark, from which Hughes obtained his law degree in 1931.

The dinner speakers included former Govs. Robert B. Meyner and Brendan Byrne, Attorney General W. Cary Edwards and Public Advocate Alfred A. Slocum. U.S. Magistrate Serena Perretti, who sits in Newark, presided over the dais.

There were 215 guests at the affair, which benefitted the Rutgers Law School endowment fund. Sen. John Russo (D. Ocean), serving as acting Governor, attended in place of Gov. Thomas Kean, while congratulatory telegrams were read from Sen. Bill Bradley (D.-N.J.) and Rep. Peter Rodino (D-10th Dist.).

The speakers all referred to Hughes' compassion and his loyalty to others. Most of them also made jokes about the former governor and chief justice.

Byrne commented that Hughes' appearance "is actually a great tribute to you because I can't remember Dick Hughes ever staying through a whole dinner. This is my 58th tribute dinner for Dick Hughes," he quipped.

Taking a more serious turn, Byrne said, "We are here because we love Dick Hughes, because he is entitled to any honors Rutgers or anyone else wants to bestow on him. Every commitment that's been made to the poor or underprivileged or those who wish to help their fellow citizens has the imprint of Richard Hughes on it."

Meyner spoke of Hughes' loyalty, saying that Hughes always helped his friends and those in need.

Slocum spoke of Hughes' enthusiasm, while Edwards referred to Hughes as "one of our most outstanding citizens in this state."

Edwards recalled a campaign slogan from the 1965 gubernatorial campaign: "Dick Hughes-He Cares." He is still doing all the good things for all the same reasons, because he cares as much as he always did."

Following their remarks, Hughes was introduced to a round of applause. "I am very touched by those of you who've come out for this dinner," Hughes said.

He spoke briefly of his wife, Betty, who died in 1983. "As the years have gone on, I've had such joy in remembering her bottom lines. She was a very funny gal. I used to say, 'I hate these testimonials. I'm a humble man." She said, 'You have a lot to be humble about'."

Admitting that he had protested at the idea of the testimonial, Hughes added, "As much as I protested, it's been a very happy night for me. I deeply appreciate the compliment, the idea, the friendship."

Hughes was an assistant U.S. Attorney for New Jersey from 1939 to 1945. He served as a judge of the county court and Superior Court, and in the Appellate Division.

Among the milestones of his administration as governor were the enactment of water and air pollution control laws that were the strongest in the nation at the time, and the establishment of a public defender system and a state minimum wage.

As chief justice, Hughes was responsible for implementing statewide sentencing guidelines and for the Mt. Laurel housing decision.

Hughes, who maintains residences in New Jersey and Florida, has served as counsel to the Trenton firm of Sterns, Herbert & Weinroth since his retirement from the bench.

The Rutgers School of Law-Newark holds an annual spring dinner in support of its endowment fund. Guests of honor have included Rep. Peter Rodino (D-10th Dist.) and U.S. Supreme Court Justice William Brennan, according to Alice Olick, a Rutgers spokeswoman.

FOREIGN TRADE ZONES AND USER FEES

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. BONKER. Mr. Speaker, I rise today for the purpose of introducting the Foreign Trade Zone Fee Structure Act of 1986 which will prohibit the U.S. Customs Service from implementing the proposed user fee structure published in 51 FR 5040-5067 (Feb. 1, 1986) and any other fees that would demonstrably negate the operational and competitive advantages presently enjoyed by foreign trade zone users and operators.

As a Congressman from the coastal region with many ports, and chairman of the Foreign Affairs Subcommittee on International Economic Policy, I have witnessed first-hand the very negative economic consequences of our record trade deficits. Thus I have become very concerned with the efforts of the U.S. Customs Service under Director Von Raab to slash manpower and levy substantial user fees on U.S. shipping lines and exporters. Frankly, it is my impression that Customs' efforts to impose fees go well beyond seeking compensation for overtime, special audit, inspection, or other legitimate reimbursable activities. Rather, Customs appears intent upon compelling ports, shippers, and the U.S. merchant marine industry to bear virtually all of the costs for all of the services it provides. Such a policy can only operate to place U.S. shippers at an unnecessary and unreasonable disadvantage relative to our training partners.

A particularly disturbing illustration of this policy is the U.S. Customs Service plan to charge foreign trade zone operators excessively large annual fees for services performed. Under present regulations,

The cost of providing the additional Customs services required under the (Foreign Trade Zone) Act * * * shall be reimbursed to the Government by the grantee, payment to be made monthly to the district director.

Instead of maintaining this reimbursement system, Customs now proposes to charge FTZ operators annual fees ranging from $1,400 to $33,800.

Although it is an established and appropriate right of Customs to recover expenses incurred from serving FTZ's, I share the concern of the Foreign Trade Zone Association that Customs' proposed fee schedule will not only inhibit FTZ operations, but effectively negate the competitive cost advantage enjoyed by many FTZ manufacturers, assemblers, and operators.

The fee schedule proposed by Customs would create three tiers, based upon the annual number of admissions and transfers that occur in a zone. In general, FTZ operators with less than 300 admissions would pay $1,400 a year, those zones with less than 3,000 admissions $15,500, and zones with over 3,000 admissions would pay $33,800. This structure may well cause serious problems for small- to moderate-size zones with entries or transactions surpassing 300 a year. These zones would witness their annual fee increase from $1,400 to $15,000 a year. While some well-financed zones with high value entries may be able to absorb this increase, many zones have indicated that the new fee will cause them to terminate operations or lose potential users.

The closure of FTZ's due to excessive customs fee would not only be unfortunate, but contrary to Congress' intent when it passed the Foreign Trade Zone Act in 1934. Foreign Trade Zones were designed to make U.S. products more competitive oversees, retain U.S. manufacturing operations and to stimulate greater export activity. With record trade deficits hanging over our heads, FTZ operations are more important than ever. Far from crippling our Nation's export promotion programs, the Federal Government and Customs should be doing its utmost to encourage FTZ activities.

Aside from my belief that the Customs' FTZ proposals are very poor trade policy, I am very troubled by the fact that these specific fees were not authorized by Congress and are based on the number of merchandise entries. As my colleagues may recall, Congress last year rejected Customs' proposal to charge fees based on incoming merchandise. The Customs user fee proposal strikes me as nothing less than an attempt to accomplish this same end by administrative fiat.

I would hope that my colleagues who are supportive of foreign trade zones and concerned with our balance of trade deficits, would explore this issue and lend their support to my legislation. The role of the U.S. Customs Service should be to facilitate our international trading system, not to impede it and inhibit our ability to compete effectively overseas.

A copy of the legislation follows:

H.R.—

A bill to prohibit the imposition of excessive customs fees for foreign trade zone services and the implementation of the currently proposed Customs Service annual fee structure for such services

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Foreign Trade Zone Fee Structure Act of 1986".

SEC. 2. FINDINGS AND PURPOSE.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) foreign trade zones established under the Act of June 18, 1934 (commonly known as the Foreign Trade Zones Act (19 U.S.C. 81a et seq.)) represent an important export promotion and economic development tool for industries, ports, and communities in the United States by—

(A) strengthening the competitive position of United States exports overseas, preserving manufacturing jobs, and stimulating economic growth; and

(B) providing valuable competitive benefits, including simplified customs procedures, deferred payment of duties, duty reductions, and duty avoidance;

(2) although foreign trade zones have experienced dramatic growth over the last 5 years in number and trade volume, foreign trade zones have yet to be utilized and developed to full advantage; and

(3) efforts by Congress and the Department of Commerce—

(A) to promote the fuller utilization of foreign trade zones,

(B) to increase United States exports, and

(C) to encourage United States manufacturers to preserve domestic operations,

may be threatened by proposals of the United States Customs Service to levy excessive fees in connection with foreign trade zone operations.

(b) STATEMENT OF PURPOSE.—It is the purpose of Congress, in establishing foreign trade zones and the Foreign Trade Zone Board, to provide for the creation and maintenance of operations in the United States which, for reasons of customs costs, would otherwise be carried out abroad. The Congress declares that it is contrary to this purpose for the Customs Service, or any other Federal agency, to impose fees in connection with foreign trade zone operations that—

(1) offset the competitive cost advantage enjoyed by foreign trade zone operators because the zones are not considered to be within the customs territory of the United States;

(2) offset the operational advantages and benefits that accrue with respect to merchandise entries into foreign trade zones; or

(3) demonstrably negate the tariff benefits afforded foreign trade zone users, inhibit the activation and utilization of new and existing foreign trade zones, or lessen the competitive advantages of exports from foreign trade zones.

SEC. 3. PROHIBITION OF EXCESSIVE CUSTOMS FEES.

(a) IN GENERAL.—The Commission of Customs may not implement—

(1) the fee structure proposed to be implemented under the final rules (relating to Customs Service supervision of foreign trade zones) published in 51 F.R. 5040-5067 (February 1, 1986); and

(2) any fee structure in connection with Customs Service supervision of foreign trade zones that conflicts with the congressional declaration stated in section 2(b) (1), (2), or (3).

(b) RETROACTIVE EFFECT.—If the fee structure referred to in subsection (a)(1) is implemented before the date of the enactment of this Act—

(1) that fee structure shall cease to have force and effect on and after such date of enactment; and

(2) any foreign trade zone operator whose customs fees, for foreign trade zone operations engaged in during the period from the date such fee structure took effect and such date of enactment, were by reason of such structure higher than they would be had such structure not been implemented is entitled, upon application to the customs officer concerned within 90 days after such date of enactment, to a refund of the amount of such excess.

MIKE DEWINE MAKES A CASE FOR COVERT ACTION

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. HYDE. Mr. Speaker, the recent Libyan bombing episode demonstrates that the President must have a foreign policy option that lies somewhere between no action and sending the Marines or American bombers. In an op-ed that appeared in the April 23, 1986, edition of the New York Times, our colleague, MIKE DEWINE, persuasively makes the case that covert action may be that option while pointing out why such an alternative is so difficult to implement these days.

Mr. Speaker, I request that Mr. DEWINE's article be inserted at this point in the RECORD and I recommend it to all Members as most timely reading.

[From the New York Times, April 23, 1986]

INSTEAD, BE COVERT

(By Michael DeWine)

WASHINGTON.—Now that we've seen overt military action in Libya, is covert action still such an unpalatable alternative?

President Reagan has fewer workable options today than President Dwight D. Eisenhower would have had in the 1950's in the face of an international menace. The single biggest reason for this is Congress's steady effort, in the 1970's, to restrict American covert activities.

If this were the 1950's, we might have awakened one morning to find that Col. Musmmar el-Qaddafi had been deposed in a coup or otherwise removed. Now, by contrast, he is still in a position to direct terrorism.

The most common argument against covert activities is the moral argument—that it is unethical for America to intervene secretly in another country. But if Congressional restrictions on covert action effectively leave the President no choice but military action like the air strike against Libya, then the moral argument collapses. Given that no other tactic has worked, is it not morally better to help depose Colonel Qaddafi than to kill an innocent Libyan child with an American bomb? Would it not have been morally justified to assassinate Hitler, if we had had an opportunity to do so?

This is what I thought as the reports of our raid flashed across the television screen. While many Americans might initially cheer our show of force, I wondered how they would feel when they saw the sun rise over Libya, revealing children's bodies and twisted civilian buildings.

That is not to say that the execution of the operation was lacking. The plan was carefully crafted and executed, with every effort made to avoid hurting civilians. Nor do I criticize the President's decision to take this step. My quarrel is with those who have limited the choices available to President dealing with fanatics like Colonel Qaddafi.

Covert action is not the only possibility. Tough economic sanctions might have put enormous pressure on Libya—if our allies had cooperated. But four and a half years of unilateral American sanctions had little impact.

So what about covert action? Congress has required the President to honor a host of reporting requirements before mounting any such operation. All members of the House and Senate intelligence committees must be informed—31 people plus their committee staffs, which adds another 92 people. And any one of these people who does not believe in the operation can appoint him or herself to stop it: All they need to do is pick up the phone and call a reporter.

This might have happened in the case of Libya. There may or may not have been a plan in this case, but a report of one appeared on the front page of The Washington Post. The story, on Nov. 3, cited "informed Government sources" and alleged that President Reagan has authorized a covert operation—it was to be run by the Central Intelligence Agency and include another country or countries in North Africa—to undermine the Qaddafi regime. The story also noted, rather revealingly, that the plan had met some resistance from the House and Senate Select Committees on Intelligence. Whether or not a plan existed, it should never have been disclosed in the media.

No one yet knows how the confrontation with Colonel Qaddafi will play out, and I am not advocating any particular action. But I do believe that careful consideration of the reasons for the first major American bombing raid since those in Laos in 1973 suggests that we reassess our restrictions on covert action. My point is not that every secret scheme should be indulged but that Congress has imposed such high procedural hurdles that effective covert action has become virtually impossible.

Covert action, judiciously used, can be an important tool of foreign policy. It can help us avoid more costly and destabilizing operations that involve the loss of innocent life. It can also enhance cooperation with other countries that for various reasons require the option of "plausible denial."

Foreign policy rarely involves good choices; usually, the task is choosing the best of several bad choices. Limiting the options may only compel us to take more drastic action than we need to take.

CHILE: MOVING TOWARD DEMOCRACY

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. CRANE. Mr. Speaker, recent reports from Chile indicate that violence and terror by leftist and Communist groups has increased dramatically in recent months. This should come as no surprise to anyone who has kept abreast of the situation there. As the Government takes additional steps toward a peaceful transition from a military government to democracy, radical elements in the society see their hopes for violent revolution slipping away. They seek to push the Government into tightening its grip on the country and cracking down on terrorism and dissent. If they can force the Government to do this, they hope to be able to polarize the society and perhaps foment the type of domestic unrest which might lead to widespread violence and demonstrations. This, in turn, makes a peaceful and orderly transition almost impossible.

It is my sincere hope that the Chilean Government will not be daunted by these recent terrorist attacks and bombings, and that peaceful dissent will be able to continue. Only in this way can Chile complete its remarkable voyage from democracy to socialist state to military government and back again to democracy. If all goes as planned, this voyage will finally be completed with congressional elections in 1989 and Presidential elections in 1990. Chile will then join the growing number of Latin American countries that have successfully made a peaceful transition back to democracy. This is the last thing that the radical leftists in Chile want, however, because it will force them to win support with ballots instead of bullets, something which they know they will be unable to do.

Many in the United States sought to speed up the process of democratization in Chile; while a return to democracy should indeed be our goal, the Chileans already have set a timetable for this. We should support them as they progress toward this goal, rather than demanding immediate changes which might only exacerbate their problems. In this light, the following article from the May issue of National Review should prove very interesting to my colleagues. I hope they will take a few moments to read it.

CHILE REVISITED

The picture Chile offers to the visitor is quite different from the image conveyed by the American and European mass media. I recently made a trip there, for the seventh time over a period of 25 years. The day before I arrived, there was a big demonstration organized by the Christian Democrats. The opposition press claimed 900,000 participants, the government spoke of 100,000. Photos taken from helicopters rather supported the government's guess. By the way, the pro-government press informed its readers of the demonstration in advance, giving time, place, public transportation and parking facilities. Chile is far from being a totalitarian state.

Public violence is a fact of life in Chile today, and the Chilean Left stages it very well. The representatives of the foreign mass media are tipped off (and so are the police) that in this or that sector of a demonstration, windows will be smashed, cars set on fire, or shops looted. The police arrive, act with the brutality we are accustomed to seeing on our television screens, and the cameramen have a field day. Besides this political street theater, there is also real terrorism from the Marxist Left. Bombs explode, arson is practiced. Just before our arrival a bomb was thrown into an orphanage, but a courageous lad picked it up and threw it into the courtyard, where its explosion caused only minor damage. However, the level of violence in Chile is probably no worse than in Western Europe. Between January 1 and November 20, 1985, West Germany experienced 296 acts of terrorism. (French, Italian, and Belgian statistics are even more alarming).

The crisis in Chile today dates back to the Allende era and its aftermath. When the armed forces took matters into their own hands in 1973, the majority of Chileans were overjoyed. They may have been able to tolerate the intellectually Marxist side of Allende's regime (*vide* the hymns to Stalin by his court poet, Pablo Neruda), but they could no longer live with the near paralysis of economic life his policies were causing. Shortly before his fall, Allende admitted that there was food only for another two or three weeks. At that point—as in Brazil before the fall of Goulart—the women went into the streets and clamored for a radical change of government. Sporadic strikes by truck-drivers, white-collar workers, and others finally coalesced into a General Strike, and the army did not allow itself to be put to shame by its civilian compatriots.

The junta installed by the military did a tremendous job of restoring the economy mainly because it had the good sense to listen to the advice of "the Chicago boys," a group of University of Chicago-trained Chilean free-market economists. However, by 1981 the worldwide economic crisis had hit Chile, and the situation has become steadily graver since then, with only recently a slight turn for the better. The Chilean debt is very high, and I fear that a leftist government would run into even worse debts, as such governments historically tend to do, creating the false euphoria of a life of plenty under Socialism, until the hard awakening comes.

Now, modern man is a thoroughly state-centered creature, who automatically makes the state responsible for his economic well-being. Hence the preferred solution to any economic problem is political, and the battle cry is inevitably "Democracy!" Unfortunately, historians know that in the last 170 years, whenever Latin Americans have attempted to institute U.S.-style democracy, they have wound up perverting it almost immediately. They looked at the United States and got the impression that majority rule creates wealth for everybody. What the Latin Americans ignore is the impact of what Max Weber called the "Protestant work ethic," which does not exist south of the Rio Grande.

The bishops of Chile have declared that democracy is *the* Christian form of government. As in almost all other parts of the world, the bishops are devoid of any economic knowledge. In their hearts most of them are still Christian Democrats, who, in many ways, were economically more radical than Allende. (In 1970, having lost the election themselves, they threw their support to Allende, convinced that he would extend "social justice.") Also, many of the Chilean

bishops were, as young men, under the influence of Jacques Maritain, who taught for years at the Catholic University of Santiago, and who, though theologically sound, was politically Left. They became bishops under Paul VI, a close friend of Maritain. In 1981 Cardinal Archbishop Raúl Silva Henríquez was asked by journalists what Pope John Paul II thinks of liberation theology. "He has blessed it," was the cardinal's totally inaccurate reply.

By contrast, the Reformation churches in Chile are largely pro-government, as is the Jewish community. (The chief of the Council of State is a Jew.) The various evangelical sects are growing by leaps and bounds, because so many Catholics are sick and tired of hearing sermons about politics, sociology, and economics, while the sects largely preach the Bible.

Military dictatorships certainly have their flaws, but at least General Pinochet is an honest man. To hurry up a return to democracy before 1989 (when it was promised for, after the plebiscite of 1980) might be a major calamity. The Marxists remember the dictum of Engels that the democratic republic is the ideal framework for a Marxist victory.

A TRIBUTE TO ALMA JOHN OF HARLEM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. RANGEL. Mr. Speaker, I rise to pay tribute to Mrs. Alma John, who recently passed away in Harlem Hospital.

Alma John was a true leader, a symbol of commitment and pride. Her dedication to the people of our community was appreciated by all Harlemites, particularly those touched by her generosity.

Mrs. John was best known for her radio programs. One of them, "Alma John Talks to Teens," was an inspiration for teenagers. Young people knew her as a role model who would lend advice and guidance to those who needed direction. Another, "At Home With Alma John," was broadcast nationwide. Her word of hope and progress was carried into the homes of millions of Americans.

Her legacy is a remarkable one, Mr. Speaker, as is evidenced by the many New York broadcasters who credit her with inspiring them to use all of their resources to achieve success in the broadcast industry. In addition, those whose causes she championed will remember her as the one person who stood up for what was right when others seemed to turn away.

Mr. Speaker, Mrs Alma John's message was a good one. We would all do well to carry on in her footsteps. I would like to submit the following article for inclusion in the CONGRESSIONAL RECORD.

[From the Carib News, Apr. 22, 1986]

ALMA JOHN—THE GRAND LADY OF HARLEM DIES

Alma John, a notable personality in the Harlem community, who spent her lifetime being an inspiration to young and old, died in Harlem Hospital last Tuesday. Cause of death was a stroke she suffered in her home the previous Saturday.

Although she was a registered nurse, having received her training at Harlem Hospital, Mrs. John is remembered more for her radio programs. She was a pioneer in radio and television broadcasting and her program "What's Right With Teenagers" on WWRL-AM won her McCall's Golden Mike Award.

Other programs such as "Alma John Talks to Teens" and "At Home With Alma John" were carried by hundreds of stations across the country. She was the inspiration to many young Blacks who wanted to enter the broadcasting business.

She encouraged Blacks to continue in school and many successful Blacks in the communication business today credit her with making it easier for them. As Gil Noble, host of ABC's "Like It Is" said, "I will always thank Mrs. John for making the hills that I now face a little flatter." Carib News Fashion Editor, Walter Greene, also credits Mrs. John with encouraging him to return to school and pursue the career he had chosen.

Mrs. John always talked of love, truth and unity. She was not afraid to champion causes that were not popular as evidenced in her early attempt to unionize employees at the Harlem Hospital.

In commenting on Mrs. John's death Charles E. Windsor, Executive Director of Harlem Hospital said that the hospital will continue her good work. "Mrs. John was one who helped to provide Harlem youngsters with a foundation of self respect for their history and a belief that they can achieve anything if they try."

Mrs. John, whose husband died several years ago, will be cremated and a memorial service in her memory will be planned later. Although death has claimed the life of this 79 year-old community leader, her spirit lives on in the lives of all those she came in contact with.

OF FALSE PROPHECY

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. LEWIS of California. Mr. Speaker, I would like to call my colleagues' attention to an article written by a member of my staff, Dr. John J. Pitney, Jr. This article describes a 1975 interview with a Pulitzer Prize author who predicted that Communists would bring democracy and peace to Southeast Asia. That forecast was one of a long series of cases in which well-intentioned Americans misjudged Communist aims.

We would do well to remember such cases in current debates on foreign policy. Aleksandr Solzhenitsyn quotes a Russian proverb: "Dwell on the past and you'll lose an eye. Forget the past and you'll lose both eyes."

The article follows:

[From the Washington Times, Apr. 29, 1986]

HISTORY BELIES HER PROPHECY

(By John Pitney, Jr.)

On April 28, 1975, Frances FitzGerald came to Schenectady, N.Y., to lecture Union College students about Vietnam. In her Pulitzer Prize book, *Fire in the Lake*, she had referred to the Viet Cong as "liberation forces," blamed the war's ferocity on the "latent sadism" of American troops, and longed for the day when "the narrow flame of revolution" would "cleanse the lake of Vietnamese society from the corruption and disorder of the American war."

It was fitting that she made her appearance on this day. Within hours, Communist troops would take Saigon.

A Union College sophomore, I interviewed Ms. FitzGerald for the student newspaper. Recently I played the tape of that conversation to learn how her remarks would sound 11 years later.

If the Communist are liberators, I ask, why are Vietnamese civilians trying to escape?

They are running from the Communists because they still fear the American, she explains. "Every single time the North Vietnamese or the PRG [Viet Cong] have come into a city, that place has been bombed." Others flee out of shame. "Of course there were a lot of people who were benefiting from the regime and the American presence. A lot of them now feel guilty."

Communist brutality does not create refugees, she suggests. "There have been no confirmed atrocity stories." In fact, any bloodbath would be America's fault. "I really think that American policy has been directed toward creating a massacre. Not only militarily, but by making a political settlement so difficult as to create as much bloodshed as possible."

What happens when the North Vietnamese take over the South?

"It's precisely what they're trying not to do. What they don't want to do is create their own government in the South. What they see is the creation of an indigenous sovereign government which will negotiate with Hanoi before an eventual reunification of the country.

"This will be an interim government. It will be in charge of carrying out elections."

This statement is surprising. "What kind of elections?" I ask.

"National elections for a new government."

"Multiparty?"

"Probably."

So there it was. The Communists had fought for decades in order to bring democracy to Southeast Asia, and only the Americans stood in their way.

History has belied Ms. FitzGerald's ghastly delusions. Thousands of boat people tried to flee the country; though some reached freedom, many died at sea. Those who stayed behind were often sent to "reeducation camps," where they remain. The North Vietnamese not only dominated the South, but Cambodia and Laos as well. Now they threaten Thailand. And there have been no free elections.

Eleven years later her comments are memorable not because they are so unusual, but because they are so typical. Time and again for nearly 70 years, Communist crimes have escaped many liberal eyes:

In 1919, American journalist Lincoln Steffens returned from Lenin's Russia and said, "I have been over into the future—and it works!"

Joseph Davies, the U.S. ambassador to the Soviet Union, reported Josef Stalin as having "insisted on the liberalization of the constitution" and "projecting actual secret and universal suffrage." Mr. Davies also endorsed Stalin's infamous show trials.

In the late 1950s, New York Times reporter Herbert Matthews presented Fidel Castro as the T.E. Lawrence of the Caribbean.

71-059 O-87-17 (Pt. 7)

Mr. Steffens, Mr. Davies, and Mr. Matthews were not bad Americans, just bad prophets.

And now the sequel. Although many administration critics have finally conceded that the Central American Communists are not just agrarian reformers, the critics still think that the Communists can be brought to the table by good intentions alone.

Ms. FitzGerald herself discussed Central America in a 1985 issue of Harper's: "The problem in El Salvador is not the guerrillas but the government—the military-dominated government that actually created the guerrillas and now can't get rid of them without American help."

So it's America's fault again. Cuba and the Soviet Union apparently have nothing to do with it. I hope she will not go on to claim that the Salvadoran guerrillas and the Sandinistas are aiming for free multiparty elections. Or that refugees are fleeing to America because they fear Americans.

SPECIAL RECONCILIATION RULE

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. LOTT. Mr. Speaker, today I am introducing a special House rule that would bar extraneous matters in reconciliation bills.

Specifically, the rule proposes that, on a trial basis this session, we prohibit the inclusion in a reconciliation bill, or in any amendment thereto, of matters which are not related to the reconciliation directives given committees in the finally agreed to budget resolution for fiscal 1987. The purpose of this rule is to restore the original intent of reconciliation which was to bring our fiscal actions in line with the fiscal goals we set for ourselves in the budget resolution.

Too often in recent years reconciliation bills have been used as convenient vehicles for spending add-ons or authorizations which are unrelated to committees' reconciliation directives. The time has come to bring a halt to such practices and focus, as we must, on the important buisness of deficit reduction.

The other body has adopted two new rules in recent months to eliminate this practice: one with respect to reconciliation bills and amendments, and the other with respect to reconciliation conference reports. The time for action by this House is overdue.

At this point I include the text of the resolution:

H. RES. 444

Resolution providing a special House rule for the remainder of the second session of the Ninety-ninth Congress prohibiting the inclusion of extraneous matters in reconciliation bills and amendments in connection with the most recently agreed to concurrent resolution on the budget for fiscal year 1987

Resolved, That the following special rule shall apply in the House of Representatives for the remainder of the second session of the Ninety-ninth Congress to any reconciliation bill considered pursuant to the most recently agreed to concurrent resolution on the budget for fiscal year 1987:

(a) No provision shall be reported in the House in any reconciliation bill pursuant to the most recently agreed to concurrent resolution on the budget for fiscal year 1987, or be in order as an amendment thereto in the House or Committee of the Whole, which is not related to achieving the purposes of the directives to House committees contained in the such concurrent resolution.

(b) Nothing in this resolution shall be construed to prevent the consideration of any provision in a reconciliation bill, or any amendment thereto, which achieves savings greater than those directed of a committee and which conforms to paragraph (c) of this resolution, or to prevent the consideration of motions to strike made in order by the Committee on Rules to achieve the purposes of the directives.

(c) For the purposes of this resolution, a provision shall be considered related to achieving the purposes of directives contained in the most recently agreed to concurrent resolution on the budget if it is estimated by the House Committee on the Budget, in consultation with the Congressional Budget Office, to effectuate or implement a reduction in budget authority or in new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act, or to raise revenues, or both, and, in the case of an amendment, if it is within (in whole or in part) the jurisdiction of any committee instructed in the concurrent resolution.

(d) The point of order in this rule shall not apply to Senate amendments or to conference reports.

HOME OWNERSHIP ASSISTANCE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Ms. OAKAR. Mr. Speaker, today I am introducing legislation to express the sense of the House that proposals to increase or assess new kinds of user fees or impose restrictions on the accessability of program services from the Federal credit agencies, particularly the Federal housing credit agencies, should be rejected.

Home ownership is a universal dream among Americans. Our people work and save in hope that someday the dream will be realized so that they too can experience the pride and joy of moving to a residential community, establishing roots, raising a family, and building life-long friendships and memories that will carry them through difficult times. Each day we struggle so that someday we might have a place to call our own.

Buying a home, as we know, is often the most important and expensive investment made during a lifetime. Without help, the dream would be unfulfilled for most of us. The national interest demands that Federal credit assistance at the very least be maintained and definitely not curtailed.

The mortgage credit programs of the federal Housing Administration and the Veterans' Administration form the twin pillars that make housing affordable for millions of Americans. Through its very successful guaranteed loan programs, FHA and VA helped 500,000 people last year embark on the road to fulfilling their dreams. Today, young couples, veterans, and moderate income families are on their way to building the future that will shape their memories of tomorrow.

Realizing the dream of home ownership is not only important to the stability of the family and community, it is perhaps most important to the stability of the national economy.

Housing related production now accounts for 8 percent of our gross national product. Last year alone, new housing construction contributed $133 billion in output, provided 2.5 million man hours of labor, and resulted in $3 billion in State and local tax collections and $17 billion in Federal tax receipts.

Proposals now before Congress would impose new taxes on FHA and VA mortgage programs, on the activities of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, and on the Government National Mortgage Association, in addition to restricting the accessability of program services resulting in a reduction in housing construction, sales, and financing. The House of Representatives should and must take a strong bipartisan stand against these ill-advised proposals.

Specifically, the proposal now before Congress would increase the mortgage insurance premium charged by FHA to 5 percent from 3.8 percent, increase the loan guarantee fee of the Veterans' Administration to 3.8 percent from 1 percent, increase the fee charged by the Government National Mortgage Association for guarantee of mortgaged backed securities, impose higher fees on the debt of the Federal National Mortgage Association, impose a fee on the pass through securities of the Federal Home Loan Mortgage Corporation, and impose new fees on the borrowings of the Federal home loan banks.

Recent studies by the prestigious chase econometrics estimated that these proposals would result in the loss of 100,000 housing starts annually, eliminate approximately 175,000 jobs and $3.25 billion in wages, and cost $1.5 billion in lost tax revenues to Federal, State, and local governments.

In my own State of Ohio, an estimated 31-percent fewer families will qualify for an FHA insured loan because of the proposed $40,000 income ceiling. For those who still qualify, they would have to pay a whopping increase in the up-front closing costs. The increase would double what an average home buyer would have to pay at closing.

The greatest increase, however, would be on loans to veterans. In Ohio, the proposals would mean that a veteran with an average VA loan of $46,837 would have to pay about $1,780 up front as opposed to $468 under the current program. The impact of these proposals is reflected in every State to similar but varying degrees.

Additionally, substantial fees would be imposed on the credit activities of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, referred to as Fannie Mae, Mac respectively. Both agencies buy mortgages, thereby increasing the pool of available mortgage funds in addition to providing liquidity to the Nation's savings and loans.

Generally speaking, these combined proposals would increase mortgage interest rates, double the amount of cash required for

a downpayment on an average FHA and VA loan, decrease housing starts and home sales, increase unemployment in construction and related industries, and restrict program opportunities—particularly for first time home buyers.

The home ownership programs of the Federal Housing Administration, the Veterans' Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Government National Mortgage Association, make possible mortgage funds at affordable rates for hundreds of thousands of people annually. To impose new taxes on the operation of their activities will stiffle the housing market and have disasterous effects on our economy. These proposals are ill-advised and the House of Representatives should take a strong bipartisan stand in opposition to them.

Before I conclude, I want to thank the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs and its Subcommittee on Housing and Community Development for their support as original cosponsors of this resolution. I urge each of my colleagues to join us in opposing these anti-home-ownership proposals.

DEATH IN THE HEARTLAND

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. WEBER. Mr. Speaker, Death in the Heartland. This is the title of a resolution adopted by a number of churches in my district that I believe describes precisely the state of affairs in southwestern Minnesota, indeed, of much of rural America.

Since I so wholeheartedly agree with the sentiments of this resolution, Mr. Speaker, I submit it for the CONGRESSIONAL RECORD. Members of the 266 congregations which comprise the American Lutheran Church in southwestern Minnesota should be proud of their church's concern and involvement on behalf of farmers.

DEATH IN THE HEARTLAND

It must be understood that our small rural communities in America are dying. The money for our businesses, our schools and even our churches are disappearing. Long established, family owned and operated businesses are closing all around us on our main streets. Farmers of all ages, and their families, many with no other employable skills, are losing their homes and farms.

One expert quoted by the Mpls. Star & Tribune said "only 30%" of our farm families will go under within the next few years, but it is already clear that far fewer failures will create many ghost towns. The money received by farmers for food is the economic lifeblood of our rural communities. Terribly depressed commodity prices allow no return above production costs; indeed has created killing losses. The farmers surviving are doing so on their equity, and that is rapidly dwindling.

Within a decade or less, you will have a heartland controlled by a few powerful corporations or individuals. Do the human beings in power in our state and federal governments, and in the corporate board rooms, have any concern? Do you our fellow Americans, especially those in metropolitan areas, care enough to take action?

We request immediate creation of laws that will establish for American farmers a fair return on equity, which is consistent with the return on equity for other American commerce. This can be done without any cost to American taxpayers, and there are already legislative proposals to accomplish it. We need action now.

SALUTE TO THE MAY DAY CENTENNIAL

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. OWENS. Mr. Speaker, I rise to salute the May Day centennial, a labor holiday recognized by governments and peoples around the world to commemorate the courageous struggle of working people for an 8-hour day.

Exactly 100 years ago today, over 400,000 working men, women, and children joined together to heed the call of the Federation of Organized Trades & Labor Unions for a national general strike in support of an 8-hour workday, walking out of and shutting down factories and mills all across America. For two decades American workers had been battling for the 8-hour day but they had achieved but limited and frequently only temporary success. During the 1860's, they had won the enactment of 8-hour day laws in six States, as well as a national law for Federal employees, but these victories did not survive through the next decade, done in by a deadly combination of scheming corporate aristocrats, hostile judges, and the desperate economic conditions of the panic of 1873. Moving into the breach in the early 1880's, the newly founded Federation of Organized Trades & Labor Unions sought to restore the flagging 8-hour day movement with bolder, more direct action than ever before. Soon workers from coast to coast were caught up in a new and intense wave of enthusiasm for the 8-hour day, with the excitement reaching a fever pitch on May Day. Hundreds of thousands of workers, male and female, native and immigrant, black and white, poured into America's streets for peaceful parades and demonstrations, defiantly singing the refrains of the popular "Eight-Hour Day Song":

We mean to make things over,
We are tired of toil for naught,
But bare enough to live upon,
And never an hour for thought.
We want to feel the sunshine,
And we want to smell the flowers,
We are sure God has will'd it,
And we mean to have eight hours.

We are summoning our forces from the shipyard, shop, and mill.

Eight hours for work,
Eight hours for rest,
And eight hours for what we will!

In the city of Chicago, tragically, these peaceful May Day demonstrations turned ugly when angry industrialists sought to crush the workers' newfound determination with brute force. On May 3, a squad of Chicago policemen and Pinkerton detectives attacked a group of striking workers as they picketed the union-busting McCormick Harvester Machine Co., killing several workers and wounding dozens more. Stunned and outraged by this savagery, Chicago workers hastily organized a demonstration for the following day at Haymarket Square, securing the permission and sanction of the mayor for their peaceful protest. Due to heavy rain that day, turnout for the rally was disappointing, with the protestors dwindling to less than 200 by the time the final speaker rose to deliver his remarks. At that moment, 176 Chicago policemen suddenly burst on the scene, storming the horrified band of workers. In the ensuing confusion, a dynamite bomb was hurled into the melee and the police began firing randomly into the crowd. When it was all over, one policeman and four workers were dead and hundreds lay wounded and bleeding in the streets.

Even before the last shot had been fired at Haymarket Square, labor's enemies in Chicago and across the Nation were moving to exploit the tragedy to foment antiunion hysteria among the populace. The yellow press screamed out for vengeance, affixing blame for the bloodshed on the "foreign hyenas," "godless fiends," and "rabid dogs" in the labor movement. Civil liberties were suspended as the police swept through Chicago's working class neighborhoods in search of "seditious rabble," staging raids and break-ins at union meeting halls, newspaper offices, and the private homes of workers who had been active in the labor movement. Hundreds of individuals were rounded up and detained by police and many were tortured or bribed to extract "confessions" and other information for the authorities.

In the end, eight members of the Chicago-based International Working People's Association were singled out and put on trial for the bomb-throwing at Haymarket Square. There never was any evidence to connect any of these men either directly or indirectly with the bombing; several of them, in fact, were not even present at the demonstration. Evidence of their complicity in the violence, however, was beside the point. As the prosecutor himself admitted, the Haymarket defendants were on trial not for their actions but for their ideas. "These men have been selected, picked out * * * because they were leaders," State's Attorney Grinnell explained to the jury, "They are no more guilty than the thousands who follow them. Gentlemen of the jury: convict these men, make examples, hang them, and you save our institutions, our society."

The jury, which Grinnell himself had proudly described as being openly prejudiced against the defendants, decided to do just that, voting to convict all eight men and sentence seven of them to death.

Antilabor forces boisterously cheered the verdict, with one Chicago businessman gloating, "This is the end of the 8-hour day movement! We'll be hearing nothing more from the unions on that score!"

Despite the best hopes of their persecutors, however, the deaths of the Haymarket Martyrs did not still the struggle for an 8-hour day. "If you think that by hanging us you can stamp out the labor movement * * * the movement from which the downtrodden millions,

the millions who toil in want and misery expect salvation—if this is your opinion, then hang us," defendant August Spies told the court after the conviction. "Here you will tread upon a spark, but there and there, behind you—and in front of you, and everywhere, flames blaze up. It is subterranean fire. You cannot put it out." August Spies was absolutely right. The Federation of Organized Trades & Labor Unions, reorganized as the American Federation of Labor, continued its bold campaign for the 8-hour day and a better life for American workers. In the ensuing years, hundreds of thousands of workers won 9- or 8-hour days through private agreements with their employers and on June 25, 1938, all American workers were finally given this right when the Fair Labor Standards Act was signed into law. It was a momentous victory, a battle that American workers had sweat and fought for and even died to win.

Today, 100 years after the dramatic May Day strikes and demonstrations, the labor movement is once again being counted out, judged obsolete and even declared dead by its corporate enemies. They should know better. Regardless of how powerful the opposition may grow or how brutal its tactics may become, the American labor movement is here to stay. Today, tomorrow, and for however long the battle for justice in the workplace needs to be fought, the flames will still blaze up and they will not be put out.

FLORISSANT—A COLORFUL BLEND OF THE OLD WITH THE NEW

HON. ROBERT A. YOUNG

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. YOUNG of Missouri. Mr. Speaker, I would like to pay special tribute to one of the most outstanding communities in the State of Missouri—Florissant County—as they begin festivities to commemorate their 20th anniversary.

This year's theme in the annual Valley of the Flowers Festival is "Florissant—a colorful blend of the old with the new," a phrase which I believe epitiomizes the progress and prosperity of this outstanding city.

In keeping with the tradition of the people of Florissant to celebrate their community, a yearly festival with parades and exhibits is held. These celebrations involve virtually every aspect of life in the Florissant community. What once was a small display consisting of only a few booths and exhibits has blossomed into a full-scale event, replete with ice cream socials, arts and crafts, a historic house tour and the coronation of the Florissant queen and her court.

It is no surprise that this festival has grown in popularity to the point where it encompasses the entire St. Louis metropolitan area.

No description of the community of Florissant as we know it today is complete without a brief look at the city's historical background.

Early French farmers and trappers settled in the Florissant area because of the rich, fertile soil which enabled them to grow abundant crops. In fact, the French originally referred to this town as Valle Fleurissant, meaning valley of flourishment. Living up to its name, Florissant once provided most of the produce for neighboring St. Louis County.

As an early village, Florissant was laid out in 10 square blocks and streets bore the names of Catholic saints. Today this section is known as "Old Town." Our present mayor, James Eagan, refers to "Old Town" as "the hub of the wheel" and has retained the French word for street—rue—to all of the street signs in Old Town.

Naturally, most of Florissant's historical buildings are located in Old Town. And it is no surprise to find the original street design in place. The streets are narrow, straight and take on a criss-cross pattern which resembles a window screen.

It is often said that early Florissant planners had their priorities straight. One lot was put aside for a church building, an essential element for the Creole French settlers. For them the church was the heartbeat of the community. And for many it still remains so today. The churches in Florissant serve as the heartbeat of the community. It is the scene of elaborate religious festivals and both the celebration of the beginning and ending of human life is held here.

The center of most of the religious acitivty in the early days was St. Ferdinand Parish, founded in 1789. The parish has the distinction of being the oldest Catholic church in the upper Louisianna Territory. The first church, a log building, was erected on the southeast quarter of a block set off by Rue St. Charles, Rue St. Denis, Rue St. Louis and Rue St. Ferdinand. The cornerstone of the church was a gift from Mother Philippine Rose Duchesne, who founded and taught at the parish school. Father Pierre Jean Desmet S.J., the famed gentile blackrobe missionary of the Indians was ordained there in 1827.

Other persons of historical signficance who visited the church were Lewis and Clark, Antoine Desherters, Washington Irving's tonish in "Tour of the Prairies" and philanthropist John Mullanphy.

By order of Joseph E. Ritter, Archbishop of St. Louis, St. Ferdinand Church ceased to be an active parish in 1955. In 1966 a fire nearly destroyed the church. However, through the efforts of "Friends of Old St. Ferdinand," a nonsectarian organization, over $100,000 was raised to restore the church and is known today as the Shrine of Old St. Ferdinand. The new parish of St. Ferdinand was dedicated in 1961.

As the 1986 Florissant bicentennial celebration commemorates the history of a city that is known for its stability, peace and solitude, I believe it is only befitting that the 99th Congress should recognize the heritage and strength of this exceptionally fine community.

MILLER INTRODUCES PLAN TO REFORM ONSHORE LEASING

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. MILLER of California. Mr. Speaker, I am joining my colleague from Ohio, Congressman JOHN F. SEIBERLING, in introducing legislation today to achieve the long overdue reform of our system of leasing onshore oil and gas resources.

It has been nearly 20 years since the Department of the Interior questioned whether the noncompetitive oil and gas lottery "is sufficiently in tune with the real world." In fact, the long history of illegalities, improprieties and ripoffs associated with this lottery make the worst welfare chiseler look like a member of the Grace Commission.

Since 1979, I have proposed legislation to replace the anachronistic "simultaneous oil leasing" system, or Sog or Simol, with a rational plan that will eliminate the illegalities which have become the hallmark of this program.

The Simol system is nothing short of a glorified church raffle. Energy resources worth hundreds of millions of dollars are disbursed willy-nilly without benefit of competitive bidding. The U.S. Government is picking the pockets of thousands of unsuspecting men and women who, lured by the siren call, "You could become a millionaire," send in their entry fees for the chance to become leaseholders of lands which they cannot hope to explore or develop. Instead, lucky winners often turn around and re-lease, or "assign," their newly won lands to oil companies for hundreds of thousands of dollars, with the taxpayer receiving nothing.

Five years ago, I secured congressional approval for an increase in the entry fee from $10—which had been set in the early 1950s—to $75. Opponents of my proposal warned revenues would drop precipitously because fewer entries would be submitted. In fact, the revenues earned by the Government tripled in the first year.

But that reform, welcome and lucrative as it was, does not address the fundamental fallacies of the lottery system: Resources are distributed without any relationship to their value; royalties are capped at 12.5 percent, which is the minimum royalty in the offshore program; rents are $1 or $2 an acre.

But there is more than inefficiency and the shortchanging of the taxpayer, who owns these resources and who deserves a fair return. The lottery is a veritable breeding ground of crime, fraud, and deception, and many innocent victims are caught in its web.

The Simol system has been suspended several times in recent years because of fraudulent "boiler room" operations which market and transfer the leases offered through the lottery. The Justice Department estimated several years ago that these boiler room operations might cost unsuspecting taxpayers $100 million a year.

In an investigation 3 years ago, hundreds of thousands of dollars in fines, charitable contri-

butions and tax settlements were levied against violaters. Five corporations and one individual pleaded to felony counts, and 1 corporation and 12 individuals to misdemeanors. Over 260 leases were forfeited. Little wonder that the National Association of Attorneys General has joined us in calling for reform of this scandal-laden system.

It is obvious that our earlier reform efforts, like those of Senator BUMPERS in the other body, have failed. There has been vigorous opposition, especially from the independent oil and gas industry, and from leasing companies which make a profit from the marketing of these leases.

I, for one, am sympathetic to the concerns of the independents, who fear they will not be able to compete with major companies were the system to become totally competitive. However, there must be a better system for assuring the independents a fair place in the leasing program than by perpetuating a lottery plan which, if fair to independents, is profoundly unfair to taxpayers.

I am aware of those who argue that wholesale reform is unneeded. I vigorously disagree. Efforts at incremental change have been tried over the last 6 or 7 years. They have repeatedly failed to prevent the steady appearance of new scandals.

The last major reform proposed by the Interior Department in 1984 was roundly condemned by the Office of Management and Budget, which concluded that "a straightforward competitive offer leasing system would be by far the best cure for the deficiencies of the existing Sog program."

Let us not delay any longer in enacting legislation that will end the scandalous Simol system. The legislation we introduce today, the Federal Oil and Gas Leasing Amendments of 1986, will replace the lottery with a fully competitive system.

Under our plan, the lease will go to the highest responsible bidder, not to the person whose name is pulled out of a hat. The bidder will not just pay a $75 filing fee, but a bonus bid by which he competes for the lease. Rents will be doubled, to $2 or $4 per acre, and the minimum royalty will be set at 16⅔ percent, as in the case of offshore tracts.

In a time of budgetary deficits, we must correct a system which is regularly shortchanging the American taxpayer out of hundreds of millions of dollars a year.

This legislation contains innovations developed by my colleague, Mr. SEIBERLING, which establish reasonable standards to assure that leasing decisions, in the future, are consistent with land use and management practices. We do not propose these requirements for the purpose of delaying or obstructing oil and gas development. Rather, our goal is to ensure that that development occurs consistent with other sound purposes, including wilderness protections.

We have had all too much evidence of decisions which have been made which disregard the impact of leasing and development on adjacent areas and resources. We made a serious effort in the 1978 Outer Continental Shelf Lands Act amendments to establish workable procedures to protect potentially affected resources. Unfortunately, the administration has not been very scrupulous about enforcing that law with respect to adequate consideration of the impact of leasing decisions and the necessity of consulting with appropriate State and local officials.

We must have adequate safeguards when we lease public resources to private interests, either offshore or onshore. The absence of sound, land management regulations as a basic feature of the current onshore leasing system is one more indication of the archaic manner in which this program is being conducted.

Mr. Speaker, the evidence of mismanagement and financial shortchanging of the taxpayers associated with the onshore leasing system compels this House to enact the Seiberling-Miller reform bill. Those who are concerned about our deficit, those who are committed to rooting lawlessness and inefficiency out of government, those who support rational development of our energy resources consistent with other land use needs will support this legislation and vote for its enactment without further delay.

DRUNK AND DRUGGED DRIVING AWARENESS

HON. HAROLD L. VOLKMER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. VOLKMER. Mr. Speaker, it is indeed an honor for me to publicly commend and congratulate a television station covering my district for its commitment to drunk and drugged driving awareness. Station KHQA of Hannibal, MO and Quincy, IL under the able leadership of General Manager Gary Schmedding deserves a round of applause for its efforts.

KHQA is instrumental in the dissemination of news and entertainment in the tri-State area of Illinois, Missouri, and Iowa. Much of its coverage area encompasses my ninth congressional district in Missouri. And much of my district has benefited from KHQA's efforts.

Let me cite some very impressive figures. In December last year KHQA aired a total of 84 30-second announcements, along with 147 station I.D.'s devoted to the issue of drinking and driving. These announcements were a part of the overall public service effort of KHQA-TV during December when nearly 1,500 announcements were aired. The commercial value of these airings exceeded $61,000.

Was this effort successful? A survey of law enforcement agencies in the tri-State area indicated that the incidence of drinking and driving during the holiday season lessened considerably. In fact, there were no accidents and no arrests for drinking and driving New Year's eve in the area served by KHQA.

I thank KHQA for its commitment and service. I also thank General Manager Gary Schmedding for striving to make KHQA a leader in the nationwide effort to stop drunk driving. Voluntary efforts such as this speak well for the industry as a whole.

A TRIBUTE TO GEORGE AND RUTH WINGES ON THE 50TH ANNIVERSARY OF THEIR MARRIAGE

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. LEHMAN of California. Mr. Speaker, today I rise to honor and congratulate two special friends on the occasion of their 50th wedding anniversary. On May 2, 1986, George and Ruth Winges will celebrate the rare milestone of five decades of marriage together.

In an era when more than half of our Nation's marriages end in divorce, it is inspiring to know such a couple. George and Ruth were married in New York in 1936 and in the years since have displayed a rare and exemplary dedication to one another, to family, and in service to friends and country.

The Community of Stockton, CA, welcomed the Winges' arrival in 1945, where they have resided ever since. During the 35 years to follow, George served in the military at Sharpe Army Depot. He retired on July 1, 1977 and was honored for his dedicated service. Likewise, Ruth gave 20 years of dedicated, caring service in the Stockton school system and also retired in 1977.

The hard work and devotion that both invested in their careers was by no means dimmed when they retired. Their days since that time have been filled with continual giving and personal sacrifice for the betterment of the community of Stockton. Many individuals, including myself, have greatly benefited from their dedication.

Since 1977 George has volunteered his services for the senior community, the Department of Aging of the San Joaquin Valley, and for former Member of Congress, John McFall. In 1983, George willingly left retirement to professionally serve for a year at Sharpe Army Depot as senior civilian adviser to the commander. For this sacrifice, George received the Commander's Award for Civilian Service.

Since 1983, I have been the fortunate beneficiary of George's energy, reliability, hard work, and devotion. For nearly 3 years he has put in 5 hours a day, 5 days a week as a volunteer in my Stockton district office. During this time Ruth has also volunteered many hours each week with St. Joseph's Hospital Auxiliary as well as other organizations and groups throughout the area.

The energy and zest of George and Ruth by no means is depleted on community service activities. A high priority for the couple is the enjoyment of simple pleasures * * * family, friends, fine dining, traveling, hobbies. Frequently they entertain, or host a barbeque after a day of golf, or escape for a romantic picnic for two. One of their greatest pleasures is derived from time spent with family—two sons and their wives, and three young grandchildren.

I am proud to know George and Ruth and call them my friends. Mr. Speaker, I extend to them my heartiest congratulations on this special day. Together they have contributed much to the world around them and serve as an ex-

ample of the many things that make this country great. I hope that this 50-year milestone marks only the beginning of a long and continually content life together.

LET'S RESOLVE THE TAX PROBLEM FOR FUTURE RURAL LETTER CARRIERS

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. GUNDERSON. Mr. Speaker, I am pleased to join Mr. FLIPPO of Alabama and many of our other distinguished colleagues in cosponsoring H.R. 4715, to provide equitable and fair tax treatment of rural letter carriers. I am an original cosponsor of this legislation simply because it corrects a potential inequity facing future rural letter carriers in the taxation of equipment maintenance allowances [EMA], a situation which was recently resolved for current rural letter carriers.

Representing western Wisconsin, which is roughly 70-percent rural, this legislation will provide future rural letter carriers relief from the potentially unfair application of an Internal Revenue Service [IRS] tax law pertaining to the use of their personal vehicles in the delivery of mail. In urban areas of our country this is not a problem as the U.S. Postal Service [USPS] maintains effective vehicle maintenance facilities for their own vehicles used in the delivery of mail in more densely populated area. However, this would not be the most efficient and cost-effective way to operate in rural areas, hence the need for this legislative remedy.

Mr. Speaker, since 1956 rural letter carriers filed their tax returns with the option of using an IRS form to calculate the operating costs of driving and maintaining their vehicles in the execution of USPS duties. An EMA contract between the USPS and rural letter carriers established the mileage amounts for the use of carrier vehicles for the delivery of mail. This calculation does not provide a profit for the rural letter carrier.

Of the 744,490 USPS employees in 1985, 63,698 served as rural delivery carriers, substitutes, or reliefs. For this 8.5 percent of USPS employees serving rural regions of our country, traveling an average route of 62 miles with 450 post boxholders, fairness was restored last year after a 1984 retroactive IRS rule was reversed.

In 1984, concern was raised after the IRS reversed the rule affecting the 1956–83 tax status of rural letter carriers. The result of this reversal is that recently rural letter carriers have been subject to IRS audits for tax years prior to and including 1983. Even though rural letters carriers complied with IRS laws when filing their EMA, they have faced IRS interest and penalty charges on alleged deficiencies. Unfortunately, this caused a great deal of unnecessary confusion, auditing and financial hardships for rural letter carriers; and, as a result of legislation introduced last year, hearings and negotiations held to resolve the tax problems faced by rural letter carriers, the IRS implemented fair changes resolving the immediate tax problems.

In an effort to head off problems in the future for both rural letter carriers and the IRS, H.R. 4715 has been introduced to provide equitable and fair tax treatment in the future. As sound legislation, I urge my colleagues to support this bill providing greater certainty to our tax laws as it relates to future rural letter carriers.

UNITED STATES-ROMANIA RELATIONS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. YATRON. Mr. Speaker, today I am introducing a resolution which addresses relations between the United States and Romania. Senators PRESSLER and LUGAR authored and introduced a similar measure, Senate Resolution 372, in the Senate on March 27. I would like to commend my distinguished colleagues in the Senate for their leadership on this vital issue.

There is growing concern among Members of Congress, as well as the international human rights community, over the severe repression characteristic of the Romanian Government's domestic policy. According to the Department of State's country reports on human rights practices, and reports submitted to Congress by major human rights organizations, our concern is warranted.

Despite Romania's being a signatory to the Helsinki and Madrid agreements, and its guarantee of an impressive range of freedoms in its own constitution, human rights violations continue unabated. Severe restrictions on freedom of speech, the denial of the right of peaceful association, and the limitations placed upon the freedom of religion cannot be overlooked by any person who values individual liberties. Further evidence of the psychological and physical intimidation leveled at Romanian citizenry is demonstrated by thousands of arbitrary searches and detentions, denial of fair public trials, and deplorable prison conditions.

Those of us who try to help Romanians seeking to emigrate are aware of the serious procedural problems in Romania's emigrations system. Romanians who dare to apply for exit visas are often subjected to Government harassment, as well as economic and social deprivation.

This bill strives to encourage the continued improvement of relations between the United States and Romania. In light of congressional concerns, it asks this Eastern bloc government to release political prisoners, ensure religious believers have access to Bibles, improve relations between the Government and practitioners of religions, improve relations with ethnic minorities, continue progress on emigration cases, permit scholars to travel abroad, and pay attention to the primary needs of families. This resolution directs the Secretary of State to vigorously pursue human rights concerns at every opportunity, including the Berne meeting of Helsinki signatory states. It further instructs the Secretary of State to convey a sense of urgency to the Romanian Government so that Congress may consider any progress when considering measures relating to Romania during 1986.

As chairman of the subcommittee on Human Rights and International Organizations, I am dedicated to maintaining a harmonious relationship between the United States and Romania. I am equally committed to preserving the human rights of individuals throughout the world. It is my hope that my colleagues will join me in calling upon the Romanian Government to give its people the fundamental freedoms they deserve.

NEVADA WILDERNESS PROTECTION ACT OF 1985

HON. ROBERT A. YOUNG

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. YOUNG of Missouri. Mr. Speaker, I am pleased to express my strong support for the action the House took yesterday when it voted to pass the Reid substitute to H.R. 3302, the Nevada Wilderness Act.

The bill as passed designates 592,000 acres of wilderness in 11 separate national forest areas in Nevada. In addition, the bill establishes a 129,000-acre Great Basin National Park with an adjacent 45,000-acre national wildlife preserve where hunting will be permitted.

Mr. Speaker, at present the State of Nevada has only 65,000 acres of wilderness. It is the only Western State in which a national park has never been designated, in spite of the recommendations of the U.S. Senate and the National Park Service, who advised that the area east of Ely, NV, should be granted that designation in 1961 and 1979, respectively. In addition, Nevada is the only Western State in which the Congress has not made wilderness designations based on the U.S. Forest Service's 1979 roadless area review and evaluation [RARE II].

In that review, the Forest Service recommended that 512,000 acres of the 3.2 million acres of roadless areas in Nevada be designated as wilderness. They also recommended 246,000 acres for further study.

Mr. Speaker, the 592,000 acres of wilderness and the 129,000-acre park established by this act will preserve a uniquely gifted area. The South Snake Range, east of Ely, is a remnant of wild continent, a reminder of the days before civilization, and the days before the taint of man. The area is a microcosm of the Rockies as a whole, containing many different zones of various plant and animal life within a relatively small area.

Usually one must travel thousands of miles to see the same variety of environments and species. From arid desert to glistening glaciers, from bristlecone pines 2,000 years old to new stands of aspen, from Lehman Caves—already listed as a national monument—to soaring Wheeler Peak at 13,063 feet—this pristine land should be set aside to preserve and showcase wildlife and outstanding geologic features found nowhere else.

Yet, this bill is a modest proposal, responsive to the needs of multiple-purpose recrea-

tion, cultivation of naturally occurring minerals and materials, and hunting. Less than 1 percent of Nevada will be set aside under this bill, less than any other Western State. In addition, the bill enjoys the support of the national environmental groups, the Governor of the State of Nevada, the State legislature, the local chamber of commerce and the House Committee on the Interior.

This is a compromise bill, one which is a careful reflection of the concerns of lawmakers and various interests represented in the debate. The bill is also a careful reflection of public comments made during a Parks Subcommittee field hearing last November and a series of five Senate energy field hearings held in February.

In conclusion, Mr. Speaker, I would like to commend the gentleman from Nevada [Mr. REID], the gentleman from Ohio [Mr. SEIBERLING], and the gentleman from Arizona [Mr. UDALL] for their homework and their diplomacy. I am confident that these lands will greatly contribute to the network of wilderness areas across this country and that our new national park will be an appropriate addition to the finest collection of scenic wonders in the world.

H.R. 4728

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. HAWKINS. Mr. Speaker, I have today introduced H.R. 4728 the Education and Training for American Competitiveness Act of 1986. This bill, which is intended to be a component of the Omnibus Trade Act that the House will shortly consider, is cosponsored by the following members of the Education and Labor Committee: Mr. JEFFORDS, Mr. FORD of Michigan, Mr. GAYDOS, Mr. CLAY, Mr. BIAGGI, Mr. MURPHY, Mr. KILDEE, Mr. WILLIAMS, Mr. MARTINEZ, Mr. OWENS, Mr. HAYES, Mr. PERKINS, Mr. BRUCE, Mr. SOLARZ, Mr. DYMALLY, Mr. ECKART of Ohio, and Mr. ATKINS.

This bill is intended to address several major problems facing the Nation today. First, it is all too clear that, if we are to continue to compete effectively in the international arena, we must improve the educational level of our work force. Second, as a result of trade imbalances and rapid pace of technological change and its costs, more and more businesses are closing, laying off large numbers of workers, or moving their productive facilities abroad. So-called dislocated workers are becoming a permanent feature in the American economy.

Current programs cannot meet these crises. Over the last 5 years, education and training programs have been drastically slashed in a misguided effort to reduce the deficit at the expense of needed investments in people. Also, some existing programs are not sufficiently targeted to address these problems. Present governmental efforts cannot realistically be expected to address problems they were never intended to solve.

In short, this bill would authorize two new programs under the Job Training Partnership Act and create new programs in elementary and secondary and higher education to respond to the trade crisis. It would establish a "training for industrial competitiveness" component of JTPA which would create a competitive grant program, at the Secretary's discretion, to provide training assistance on an industrywide basis to workers adversely affected by trade. It would also create a program in which the Secretary of Labor could award grants for up to 50 percent of the cost of upgrading, retraining, and educating workers whose jobs are at risk because of skill obsolecence or production adjustments which employers undertake to enhance their competitiveness in world markets. To be eligible to compete for this grant, employers and employees must have in place a labor-management cooperation council.

The bill also authorizes the development and implementation of computerized job bank systems in each State. There is no excuse for the Employment Service to be using 19th century technology as we prepare to enter the 21st century. Automated job listings could be disseminated quickly and updated frequently to increase job matching efficiency. In addition, compatible job bank data could be shared interestate or regionally to increase information available to both employers and workers.

In the education area, the bill authorizes a formula grant program in which State educational agencies would receive funds for literacy training, vocational education, and education in mathematics, science, or foreign languages, after determining their own needs and priorities. These grants are intended to provide basic skills to those who need them to enhance their employability. They can also be used for workers who need additional skills to remain employed or expeditiously find new jobs or need new skills to enter, or advance in, high-technology occupations or to keep up with technological change in other industries or businesses. Finally, the grants can provide instruction in math, science, or foreign language to ensure that business, industry, and school systems have a pool from which to recruit well-trained employees and teachers.

In addition, the bill authorizes competitive grants to institutions of higher education to establish and operate summer institutes and workshops that provide intensive training in foreign languages and cultures critical to the national economy. These institutes are intended to serve secondary and postsecondary students, language teachers, and faculty to improve their proficiency and educational skills, and business persons who need to do business abroad. Institutions are also encouraged to provide training abroad in conjunction with host countries.

The bill also provides for intensive workshops for preservice and inservice math and science teachers and faculty to demonstrate the most recent developments in these fields and their application to improve economic development and competitiveness.

Finally, the bill authorizes grants for the purchase of laboratory, and other equipment, for use in providing undergraduate classroom instruction in math and science and for use in workshops for teachers to learn how to use that equipment.

I believe that these programs are absolutely essential to ensure that this Nation's economy continues to grow and prosper so that our citizens can look forward to a higher standard of living instead of a declining one. To do less would be committing ourselves to permanent second-class status among the industrialized countries of the world community.

OIL AND GAS LEASING AMENDMENTS ACT OF 1986

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. SEIBERLING. Mr. Speaker, today I am introducing comprehensive legislation to reform the present system for the leasing and management of oil and gas reserves on America's public lands.

During the years in which I have served as the chairman of the Public Lands Subcommittee, we have seen mounting evidence that the planning and leasing systems currently in use are outmoded and inefficient. There have been repeated instances of fraud and abuse. The environmental effects of oil and gas leasing do not get considered until after the leases are issued, resulting in growing instances of public controversy and legal conflict. The current system shortchanges the public, unnecessarily threatens the environment, has created a web of legal catch-22's and public controversy that threatens to hobble the industry. There must be a better way.

The bill I am introducing today, with the cosponsorship of Mr. MILLER of California, Mr. VENTO, Mr. MARKEY, Mr. KILDEE, Mr. MOODY, Mr. GEJDENSON, and Mr. WEAVER, would represent a thorough overhaul of the onshore oil and gas leasing system. Its key provisions would:

Abolish the lease lottery and replace it with a system that puts every lease up for competitive bidding.

Increase the existing rental fee, which has been set at $1 per acre since 1920.

Increase the minimum royalty to 16⅔ percent, as recommended by the Linowes Commission on the Fiscal Accountability of the Nation's Energy Resources.

Give the Forest Service statutory consent authority over key leasing decisions on forest lands.

Require full integration of oil and gas planning with the multiple—use planning for other public lands resources, and confirm the present administrative discretion under the Mineral Leasing Act to reject leasing on lands which are not considered to be suitable for development.

Require public notice and participation in leasing and permitting decisions.

Permanently prohibits new leasing in wilderness study areas and unreleased rare II lands.

Establish a permitting system for oil and gas exploration; and

Require adequate bonds to assure reclamation of drill sites.

These changes are necessary in order to bring the planning and management of oil and

gas activities into full integration with the planning for other resources and uses of the public lands.

Recent investigations by the Public Funds Subcommittee, as well as by the Mining and Natural Resources Subcommittee, made it clear that planning for oil and gas development has not been effectively integrated with the planning of other resources and uses the Congress required for all public lands in the Federal Land Policy Management Act of 1976. The results has been continually escalating controversy over oil and gas development, and over the conflicts between the development of oil and gas leases and maintenance of other resources and uses of the public lands.

Under present policy, the Interior Department regards leasing as a mere "paper transaction" which involves no environmental consequences. At the same time, the Department's current policy apparently precludes it from preventing development once a lease has been issued, even if unacceptable environmental damage will result.

The Department has used this fiction—that leasing has no impact—to justify leasing virtually every acre it could. They have totally forgotten the discretion the Mineral Leasing Act of 1924 gave them not to lease lands.

In my view, this policy of indiscriminate leasing of oil and gas properties confers little benefit on anyone, including the oil and gas industry. By refusing to make the hard decision as to where and when to allow oil and gas development prior to leasing, the Department has embroiled itself and the industry in legal predicaments in which the lessee's right to develop may be threatened because of the the inadequacy of the Department's prelease planning process. At the same time, the Department puts itself in the unenviable position of one who, having given away the right to develop tracts of public land, can no longer prevent unacceptable environmental consequences which may be revealed during later environmental review.

As a result of this short-sighted planning policy, leasing controversies and allegations of indiscriminate commitments to oil and gas development have arisen across the West, from California's desert conservation area and Los Padres National Forest to the areas surrounding Yellowstone, Grand Teton, and Glacier National Parks.

I don't think it is too much to ask of our land managing agencies that they institute a planning system, so that legitimate resources conflicts can be resolved on the basis of foresight and rational thinking, rather than haphazardly and inconsistently.

We need to retool the system for oil and gas leasing on the public lands so that it will be characterized by a greater degree of certainty, rationality, and environmental sensitivity than the present system. That is what this legislation would do.

STATE DEPARTMENT SUBSIDIZES LUXURY APARTMENTS FOR STAFF

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. OWENS. Mr. Speaker, I want to bring to the attention of my colleagues a very interesting news item that was published in the New York Times yesterday (April 30, 1986). The headline read, "U.S. Pays $1.8 Million a Year to Cover Rent for U.N. Staff." The story goes on to tell us that this rent is for 45 members of the United States mission. One of the apartments rented is located at 420 East 54th Street which is an expensive location in Manhattan. It seems a bit excessive that a three-bedroom apartment in this luxury high-rise costs $10,961 per month. However, when one finds that a wine cellar, direct-dialing to the concierge, valet, housekeeper, florist, vintner, fine restaurants, and two-level underground parking are included, perhaps it sounds more reasonable. Even given all of those services, three-bedroom apartments start at $4,300 per month so it is not unreasonable to question why Deputy Chief Delegate Herbert S. Okun requires such accommodations.

Now, no one can seriously question the potential need for the U.S. delegation in New York to have someplace to live and someplace to entertain on official business. However, it makes far more sense to have a single official residence for entertainment and to allow the staff to seek housing like everyone else who lives in New York. The housing market is tight there and the vacancy rate is generally around 1 percent. Still, the rest of us manage somehow and the bulk of New Yorkers have to pay far more out of pocket than Mr. Okun who is only required to pay $300 per month toward housing for himself.

Furthermore, in a climate of fiscal restraint where the administration waves the deficit like a club over every housing program for the poor, one cannot help but conclude that housing subsidies should serve our people and not highly paid employees of executive agencies. We might also like to consider this in light of executive agency personnel who get passages on luxury liners for official travel. One cannot help but wonder what sort of official business is being carried on during the prolonged travel time associated with ocean travel versus the more rapid travel available in planes.

Mr. Speaker, I bring this item to the attention of my colleagues because I believe that one must practice what one preaches. If the deficit is the rationale for failing to provide housing assistance for the poor, it cannot be proper for the more affluent to be subsidized to the tune of $10,661 per month. If an official residence is needed in New York City for the United Nations delegation, then it only makes sense to purchase one for that purpose. Providing plush living quarters for highly paid executive employees cannot be tolerated.

A CONGRESSIONAL SALUTE TO JOHN MENDEZ

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. ANDERSON. Mr. Speaker, I rise to pay tribute to John Mendez, a community leader in my district, who will be honored at a dinner in recognition of his retirement on May 9, 1986.

A native of Los Angeles, and a graduate of Phineas Banning High School in Wilmington, CA, and the U.S. Jaycees Leadership School, Mr. Mendez entered the U.S. Army in 1948. He served in the Army for 4 years as a squad leader and forward observer with the rank of sergeant first class and field first sergeant. Following his discharge from the Army in 1952, Mr. Mendez returned to the Los Angeles Harbor area and held several jobs before accepting a position as the director of the Wilmington Teen Post No. 108, a multiservice community teen center, in 1966.

Mr. Mendez continued as director of the Wilmington Teen Post until 1973 when he joined the staff of Los Angeles City Councilman John S. Gibson, Jr. As a field deputy to Councilman Gibson, Mr. Mendez had complete responsibility for the operation of the councilman's district office. Following the retirement of Councilman Gibson, Mr. Mendez went to work for his successor, Councilwoman Joan Milke Flores. Mr. Mendez is retiring from his position as field deputy to Councilwoman Flores.

In addition to his fine work in government and community service, Mr. Mendez is well noted for his plethora of volunteer activities. He is responsible for founding at least 13 community organizations and programs, he has attained grants for at least 24 different programs and he serves on the board of directors of at least eight organizations. In addition, John Mendez serves as the cochairman of the Wilmington Parade and the Fiesta Del Grito. Clearly, it would take far too much time to cite all of the tremendous contributions of time, energy and careful attention that John Mendez has devoted to Wilmington and other communities in the South Bay area of Los Angeles. I am sure that, even though he is retiring, the people in my district will continue to look to John Mendez for leadership in community activities.

It is with great pride that my wife, Lee, joins me in wishing John Mendez, his wife Juanita, his daughters, Jeannie and June, and his grandchildren—Janine, Jennifer, Albert and Anthony, all the best in the years ahead.

SALUTE TO IRVINGTON CHAMBER OF COMMERCE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. RODINO. Mr. Speaker, on March 26, it was my great pleasure to attend the Irvington Chamber of Commerce 48th annual dinner

and award ceremonies. The chamber, with its numerous civic activities and charity programs, performs a great public service for the people of Irvington.

This year, the chamber presented the scholarship award to a very special young lady, Ms. Casaundra Smith, in recognition of her academic achievement and dedication. The civic award was given to my great, longtime friend, Mr. Michael A. Blasi, in recognition of his distinguished public career, including service on the Irvington Municipal Council—1962–70; as president in 1964 and 1966, and the Irvington Board of Education, 1968 to present.

Mr. Speaker, I salute these very deserving award recipients and the chamber of commerce, especially the officers and directors listed below, for their fine contributions to our community.

The roster follows:

1986 ROSTER OF OFFICERS AND DIRECTORS

OFFICERS

James Ivers, President.
Arnold S. Blum, First Vice President.
Richard G. Genabith, Second Vice President.
Peter Midas, Treasurer.
Albert C. Babbitt, Vice President, Retail.
Jordan Baris, Vice President, Realtors.
Andrew J. Beifus, Vice President, Auto Dealer.
Christine Mc Closkey, Vice President, Civic Affairs.
Margaret Mahoney, Vice President, Banking.
Dr. Charles I. Nadel, Vice President, Professional.
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LAW DAY AND LOYALTY DAY

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. PENNY. Mr. Speaker, today, May 1, is designated as Law Day and Loyalty Day. It is a day to honor our Nation's heritage as a people who respect and follow the law of the land. It is a special day for saying, "I'm proud to be an American," and for reaffirming our commitment to our country and its principles of liberty and justice for all.

America's young people share in that pride and devotion. So, I am especially pleased today to submit for the RECORD one young American's expression of loyalty. Following is the Veterans of Foreign Wars Voice of Democracy Contest speech delivered by Margaret Rose Donohue of Stewartville, MN. Meg is the 17-year-old daughter of Howard, Jr., and Margaret Donohue and is a junior at Lourdes High School, Rochester, MN, where she participates in speech, drama, track, and Spanish club. She is also an active volunteer in her church and community. Meg's speech, "New Horizons for America's Youth," won her third-place honors in the Minnesota Voice of Democracy Contest State Competition. The residents of Minnesota's First Congressional District and I are justifiably proud of this young woman.

The script follows:

NEW HORIZONS FOR AMERICA'S YOUTH

(By Margaret Rose Donohue)

Day dawns with a horizon, life begins with a horizon, and every society has reached for new horizons. I, as an American, am on the first step of what may be the greatest horizon ever. For that I can say, Thank God I am an American!

I, as just one youth in today's America, am on the threshold of Pandora's Box of new horizons. The changes may appear subtle, but when considering our country's past, these changes are exploding. Our state with its picturesque past . . . family farms, country stores, country lawyers and doctors has become the medical technical mecca of the world. Our fifty states no longer are the home of just the free and the brave, the industrial leaders and the highest standard of living, but we are the leaders beyond the earth, the mechanical wizards of technology and promotion—the country that serves the eyes of the world. Our horizons have reached an opening, now we must reach the sun and beyond.

As we, the youth of America, move into our horizon, the problems of today will become our goals for tomorrow. It was said years ago that health, wealth and happiness make and sound person. The horizon for health, though challenging years ago, and advanced today, still has miles to go before our world is safe. Be it old disease or new, health is as fickle as man and needs strong efforts to keep our country and world secure.

The many changes in business are giving to the youth a new horizon. Change has caused the family store that once lasted for fifty years now to survive only ten years. This will change because we are back to the dawning of the individual. We can take our current technology and apply our individuality. Therefore, it will give us a new business horizon.

Our environment is crying for help. What greater horizon for us, the youth of America, to change the Mississippi back to blue, to build up Niagara Falls again, to change our forests and plains back to green, and to change the lady of liberty back to gold! Yes, our environmental horizon is waiting for us to pick up the banner.

America, the melting pot of the world, has become America, the genius of change. The automobile industry is flourishing. We can now go 60 miles on one gallon of gas. Medicine is considering and including heart transplant, and artificial organs in their studies; solar energy is striving to new heights; computers, word processors and robots are advancing each minute; and farmers can produce more food than ever because of the improvement of mechanical equipment. But we can't stop there, we have star wars, nuclear arms, and conventional wars that need control and offer challenge to our new horizons.

I, as just one individual, need to learn all I can, see all I can, and tell all I can about the American way. The horizons open to all of us, the youth of America are not secluded or sectional—we are from the heart of the American tradition. We must move to our new horizons.

What is before us as youth, is not the impossible dream, but what our forefathers stood for . . . hard work, sacrifice, challenge, love of fellow man, and respect of America. Our horizons can be summed up with the words of Robert Kennedy: "Some men see things as the are, and say, Why? I dream things that never were, and say Why Not!" The new horizons are ours . . . Why Not!

TRIBUTE TO THE STERLING HEIGHTS POLICE DEPARTMENT

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. HERTEL of Michigan. Mr. Speaker, I rise today to pay tribute to the Sterling Heights Police Department.

Over the past 20 years, the Sterling Heights Police Department has distinguished itself as one of the finest, most progressive, most innovative police forces in the Nation. A force consisting of dedicated professionals holding one objective at the forefront of their responsibility, "to protect and serve the people of Sterling Heights."

In 1966, 12 officers served the entire community of Sterling Heights; nine of the original force remain in the city today. Moreover, today, the department has grown to 155 sworn officers and 54 civilian administrative personnel, collectively processing a unique spirit of dedication and commitment to the community and offering a tremendous level of experience and professionalism.

Following the department's inception, former Chief Maurice D. Foltz recognized the importance of combating organized crime and narcotics traffic within his jurisdiction and designed an intelligence division in May 1968. This led to the formulation of a syndicated crime bureau and an effective partnership with the Federal Government.

Sterling Heights Police Department has always worked diligently to protect its citizens. As pedestrian fatalities and other traffic-related accidents threatened their welfare, action was taken to promote traffic safety. In the early 1970's, the department implemented extensive traffic enforcement and safety activities. Several prestigious awards have been presented to the department in relation to traffic safety, most impressive being its receipt of four AAA Pedestrian Protection Program Awards of Merit.

The Sterling Heights Police Department has played a major role in the advancement of law enforcement in the State of Michigan. In 1971, the department organized a crime prevention division which has served as a model program

throughout the State. More impressive is the direct impact this program has had in reducing and controlling crime in Sterling Heights.

In 1981, Sterling Heights was named one of the Nation's safest cities. This coveted award is largely attributable to Chief Allan A. Nalepa and his direction of an outstanding police force. However, a signal of even greater accomplishment is the unique capacity of the police force to maintain the unqualified confidence and cooperation of the entire community in fighting crime.

Mr. Speaker, I urge my colleagues to join with me in recognizing one of America's most dedicated and professional police forces. Today, the challenge to combat crime has become extremely complex and the Sterling Heights police officers have met the challenge with tremendous vigor and have enabled their city to become one of the safest places to live in America. I salute the Sterling Heights Police Department and extend my congratulations and appreciation to the department for their 20 years of dedication to the people of Sterling Heights.

AMERICAN LATVIAN ASSOCIATION 35TH ANNUAL CONGRESS

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. KINDNESS. Mr. Speaker, tomorrow, the American Latvian Association [ALA] will convene its 35th annual Congress. On the eve of this event, I want to share with my colleagues the letter of greeting and support I recently sent to those attending the ALA Congress. The text of the letter follows:

HOUSE OF REPRESENTATIVES,
April 29, 1986.

AMERICAN LATVIAN ASSOCIATION,
400 Hurley Avenue, Box 432, Rockville MD.

DEAR FRIENDS: On the occasion of the 35th annual Congress of the American Latvian Association, I would like to express to you my appreciation and continued support for your efforts to ensure that the rich culture and heritage of the Latvian people endures in the face of the Soviet occupation of Latvia.

The struggle for freedom and self determination in the Baltic States and Ukraine must continue in spite of Soviet efforts to break the independent spirit of the people of these nations. The work of ALA and similar groups devoted to the preservation and promotion of that spirit and culture provides assurance that it will continue.

I hope you will remember, as you set your course for another year, that harsh oppression and forced occupation cannot douse the flame of liberty which burns inside freedom loving people. History has shown us this repeatedly, and your efforts are an example to all others who seek to throw off the mantle of such oppressors.

With best regards, I am
Sincerely yours,

THOMAS N. KINDNESS,
Member of Congress.

JACKSON, MI, AN ALL-AMERICA CITY

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. PURSELL. Mr. Speaker, I would like to take a moment to compliment and congratulate the people of Jackson, MI.

Yesterday, in a ceremony in Jackson, several people—including Vice President BUSH—paid tribute to the leaders of this community for being named an All-America City.

From a field of 93, Jackson was selected as one of nine All-America cities in a contest sponsored by USA TODAY and the National Municipal Association.

Of course any community would like to have won such a contest and been named All-America. But for Jackson it was more than winning a contest.

This community—located in central Michigan—has been struggling to fight back from the grips of unemployment. Just a few short years ago, more than 15 percent of the workforce was left jobless.

Businesses closed, workers lost their livelihoods, and families moved away.

But instead of giving up the ship, the people of Jackson staid the course. They pulled together and raised their sails—hoping to catch the economic winds of better times ahead.

The leaders of this community sought ways to keep and attract businesses. They put together programs which increased community awareness and pride.

The ideas and work of the local leaders paid off—unemployment recently hit a 6-year record low—the community once again feels good about itself and, the local economy is bouncing back.

Jackson today is a growing community—rebounding and building for tomorrow. Sure there's more to be accomplished but a lot of work already has been done.

Winning this contest was more than an honor. It was national recognition for a job well done. It was the chance for the people of Jackson to pat each other on the back for their efforts.

Mr. Speaker, I ask my colleagues to join with me in saluting the leaders and people of Jackson for their hard work and dedication to the American spirit—because Jackson truly is an All-America City.

HATTIE COBB

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. DURBIN. Mr. Speaker, day after day we read and listen to tragic news stories about our impersonal and often emotionless world's response to individual calls for help and compassion. Occasionally we take the time to look beyond the story to the benevolence and grace of a single human who has reached out and touched the lives of people seeking help. One such individual is Hattie Cobb of Springfield, IL.

Hattie is a young 76-year-old woman of tireless energy who was honored on March 12 during a luncheon coordinated by the Illinois Association of Area Agencies. The luncheon was held during National Employ the Older Worker Week.

Hattie was honored in part because of her work as a Senior Citizen Advocate for Illinois Attorney General Neil Hartigan. This is a position she has held since it was created by the attorney general in 1983. As an intake worker on the senior citizen hotline she shares her extensive knowledge of State and Federal programs with inquiring seniors. To the confused, misguided, bewildered, and frustrated caller, Hattie shares information, support, and direction. But most importantly, she shares compassion and understanding. As a deeply religious person she goes beyond the facts and touches the heart.

George Washington Carver stated, "How far you go in life depends on your being tender with the young, compassionate with the aged, sympathetic with the striving, and tolerant with the strong. Because someday in life you will have been all of these." Hattie Cobb is a shining example of tenderness, compassion, sympathy, and tolerance. I join the Illinois Association of Area Agencies and her friends in central Illinois in honoring my long-time friend Hattie Cobb. She is an example I am proud to follow.

A TRIBUTE TO MRS. MAGDALENE FRITTS

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. COBLE. Mr. Speaker, I would like to take this opportunity to congratulate one of my constituents, Mrs. Magdalene Fritts, who has been named as the 1985 Adult Volunteer of the Year by the North Carolina Health Care Facilities Association. Mrs. Fritts is truly someone who gives generously of her time and herself.

Mrs. Fritts has volunteered to Davidson Nursing Center 5 hours of service, 7 days a week, since January 1982. She travels from her home in Lexington to the center in Thomasville each day. Mrs. Fritts is affectionately called the "Juice Lady" because she goes to each of the 112 residents as they are able and serves juice and delivers personal mail; she even helps read it to them as needed.

Mrs. Fritts initiated an adult basic education class which helps the residents to realize their potential by relearning basic skills and learning new ones. Officials say one man even learned to write his name because of her help. In addition, Mrs. Fritts plays the piano for exercise classes, conducts a rhythm band, and leads a resident choir.

At the age of 64, Mrs. Fritts does her part to help those senior citizens who are not always able to help themselves. She brings a little warmth and caring into the lives of people who live at the center. All of us should be grateful to Mrs. Fritts and the countless

other volunteers who try to make our senior citizens' lives a little more pleasant.

It is my honor and privilege to represent Mrs. Fritts in Congress. I wish to add my voice to those who praise this outstanding volunteer.

THE 71ST ANNIVERSARY OF ARMENIAN MARTYRS' DAY

SPEECH OF

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. WALGREN. Mr. Speaker, I want to recognize April 24, 1986, as the 71st anniversary of Armenian Martyrs' Day. This date marks a period of genocide in which 1.5 million Armenians lost their lives in the Ottoman Empire. We, in the United States, as the haven for oppressed people throughout recent history, should memorialize this event lest it be forgotten by those who would rewrite history. We should recognize that those Americans whose relatives fell victim to this atrocity have a special contribution to make in keeping the memory of these people alive.

This is not just a date representing moral significance which is to be commemorated only by the Armenian people; rather, it is an opportunity for us as mankind to look back on our history and think about our future. The extinction of 1.5 million Armenians was an intentional act by the Ottoman government to eliminate a Christian minority within the confines of a Moslem empire just as Adolph Hitler's quest was to eliminate Jewish men, women, and children in order to create an Aryan race. These were endeavors to create and control a master society.

Both of these tragedies were allowed to happen because people were silent in the face of intolerance. This remembrance provides examples of what can arise in extreme instances of man's intolerances of one another simply because of race, language, religion, or culture. In addition, the Armenian massacre was possible because of silence in the world community. Humanity looked the other way while mass destruction was perpetrated on this community.

There can be no compensation for such an event. We can take a few moments to remember what we, as humans, are capable of. Let us seek to rectify the historical injustice to the Armenian people by designating April 24 in commemoration of the Armenian Genocide.

LAKEVIEW JUNIOR HIGH SCHOOL CITED FOR EXCELLENCE

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. WOLPE. Mr. Speaker, I would like to take this opportunity to pay tribute to a junior high school located in my district—Lakeview Junior High School, Lakeview School District, Battle Creek, MI—which as been selected as one of Michigan's exemplary secondary schools for 1986.

Lakeview Junior High School—the result of a merger in 1983 of Highland and Woodrow Junior High Schools—has earned this award in recognition of its effective instructional training for staff, clear academic goals, high expectations of students, expanded elective offerings, and its consistently high scores on standardized achievement tests. Clearly, Lakeview Junior High School would not have achieved this accolade were it not for the commitment and dedication of the entire Lakeview School community—its student body, the parents, and the administrative and teaching staffs.

Mr. Speaker, Lakeview Junior High was established because the Lakeview School District faced the problems of declining enrollment and reduced financial State aid. The students, parents, and staff were up against a situation that would have left many too disheartened to continue. Instead, Lakeview Junior High School used the crisis as an opportunity to demonstrate its resolve to provide the best educational opportunities possible. The result is its well-deserved recognition as one of Michigan's outstanding secondary schools. I am honored to represent constituents who know the value of education and who, against seemingly insurmountable odds, have demonstrated that, working together, all things are possible.

THE 35TH ANNIVERSARY OF AMERICAN LATVIAN ASSOCIATION

HON. WILLIAM CARNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. CARNEY. Mr. Speaker, I rise today to note an important meeting taking place in the Washington, DC area this weekend.

The American Latvian Association will be convening its annual meeting from May 2 to May 4 in Pentagon City. This meeting is significant apart from the issues discussed because it marks the ALA's 35th anniversary of its founding.

Mr. Speaker, in its 35 years, the American Latvian Association has done important work in America, bringing us information on events in Soviet-occupied Latvia, providing us with details on political prisoners in Latvia whose only crime is seeking freedom for their homeland and human rights, and reminding all Americans that our Nation still does not recognize the illegal occupation of the Baltic States.

The ALA also has an important leading role among Americans of Latvian descent: As an organization devoted to preserving Latvian language and culture, the ALA has been responsible for helping to preserve a culture in the free world that the Soviets are trying to destroy behind the Iron Curtain.

Mr. Speaker, ALA is an important member of the community of organizations in the free world that are working for freedom and human rights in the Soviet-occupied nations of Eastern and Northern Europe. I know my colleagues join me in wishing the ALA well on its 35th anniversary, and for the years to come.

COMMENTS FOR THE CONGRESSIONAL RECORD

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. MURPHY. Mr. Speaker, fellow Members, I would like to recognize a member of my district who has distinguished himself in the field of journalism by winning the coveted Pulitzer Prize.

Andrew Schneider of North Straban Township, Washington County, PA a staff writer for the Pittsburgh Press newspaper, received the prestigious award for a series of articles detailing the ethics and issues surrounding the transplantation of kidneys.

Mr. Schneider got the idea for the news series when he learned that a Saudi Arabian princess was able to get a kidney transplant when there are 10,000 Americans on an organ transplant waiting list.

Although Pittsburgh is one of the leading centers for organ transplant surgery, Mr. Schneider's research took him to 23 countries including the Philippines, Japan, Tahiti, India, and England.

He interviewed hundreds of doctors, nurses, and organ procurement people in the process of preparing his news series.

Mr. Schneider, in the truest sense of fine journalism, believed something was wrong in the system and that the public deserved to know the truth.

The Pulitzer Prize is the highest award bestowed on a journalist and of the 150,000 working journalists in this country only a handful can ever claim they have won it.

Mr. Speaker, I think it only fitting that this body acknowledge the accomplishments of Andrew Schneider.

TAX FREEDOM DAY

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. DENNY SMITH. Mr. Speaker, today is a red-letter day for Americans. May 1, 1986, is Tax Freedom Day. For the past 4 full months, the average American has worked to earn the money which will pay his or her Federal, State, and local tax bills.

Starting today, American workers are now working for themselves. Their paychecks can now finally be used to provide food and housing for their families; to pay bills; and to be used to build a savings account.

The good news is that under President Reagan, Tax Freedom Day as calculated by the Tax Foundation, is now earlier in the calendar than it was in 1981 when he took office. Due to the tax-cut bill of 1981, Tax Freedom Day has moved from May 4 to May 1. We can be proud of the fact that we have shortened

the time Americans must work to pay the piper.

The bad news is that it still takes 4 months—one-third of the year—until American workers are free of the tax burden. Unfortunately, the tax reform bill passed by this Chamber last December is certainly not reform and it will do nothing to reduce this staggering figure.

Over the past 35 years, Tax Freedom Day has changed from April 3 to May 1. Despite this additional 1-month period of working for the Government, our national deficit has skyrocketed. Clearly it is cutting spending—not increasing taxes—which is the answer to our deficit. As we reduce spending, we should also rededicate ourselves to returning Tax Freedom Day to a more reasonable and much earlier date.

A RECORD TRADE DEFICIT

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Ms. KAPTUR. Mr. Speaker, another month has gone by and America's trade deficit with the rest of the world has jumped another $2 billion. To $14.5 billion. Our trade deficit with Japan hit a new monthly record—$5.5 billion. Japan, on the other hand, hit a record of quite another sort—a $62 billion trade surplus for the fiscal year ending March 31.

In the next few days, the President will be face to face with Prime Minister Nakasone. While there are a great many issues for the two to discuss, none should be higher on the priority list than this disastrous trade situation.

Mr. President, don't accept any more promises from Mr. Nakasone. We've heard them all before. And, they have all been empty. Demand immediate action now! Your fellow countrymen who work in America's auto plants, steel mills, textile, and footwear factories, shipbuilding yards and on our great farms are counting on you to use the awesome powers of your office to make Mr. Nakasone understand that we aren't going to take it anymore, that things must change and soon. Mr. President, we wish you success at the summit.